

Market Review

International Equities (as measured by the MSCI EAFE Index) registered solid gains in the first quarter of 2024, increasing 5.78% for the period and extending their strong performance from 2023. The continued advance was fueled by encouraging economic data and the prospect of lower interest rates, as well as ongoing enthusiasm around artificial intelligence. Information Technology, Consumer Discretionary and Financials were the top performing sectors within the MSCI EAFE, while laggards included Utilities, Consumer Staples and Materials. Japan was the top performing region, as corporate reforms, the normalization of interest rates, and depreciation of the yen have attracted investors. International markets outperformed Emerging Markets economies at the group level, with the latter weighed down by weak growth prospects in China and election uncertainty in South Africa. Growth stocks generally outperformed value stocks within the MSCI EAFE for the period, and large-cap stocks outperformed smaller-cap stocks.

QVS Factor Performance

The RS Global team's proprietary QVS (Quality, Valuation and Sentiment) Model evaluates over 10,000 global companies in search of favorable investment opportunities. It is designed to identify companies that have the potential to consistently create shareholder value, are reasonably valued, and exhibit favorable market sentiment. The model helps us focus our resources, as we conduct additional research only on companies with the strongest model recommendations.

Stocks in the highest-ranked quintile of the model outperformed stocks ranked in the lowest quintile for the period, with all three factors contributing. Overall returns were positive across regions, and underlying Quality, Valuation and Sentiment factor spreads were also mostly positive. Among EAFE regions, the model was stronger in Asia/Pacific ex Japan, Japan and Europe and weaker (but still positive) in the United Kingdom.

Performance and Positioning

The RS International Strategy returned +6.80% (net) for the period, outperforming its benchmark, the MSCI EAFE Index (net) (the "Index"), which returned +5.78%.

Positive stock selection in the Industrials, Consumer Discretionary and Consumer Staples sectors contributed to positive active performance for the period. Stock selection was negative in the Materials and Utilities sectors. By region, stock selection was positive in Japan and Europe, and negative in Asia/Pacific ex Japan and the United Kingdom. Country-level contributors included Denmark and Spain, while detractors included Switzerland, Italy and Hong Kong.

Individual contributors to active performance included aerospace and industrial equipment multinational Mitsubishi Heavy Industries, Ltd., and electrical equipment maker Fuji Electric Co., Ltd., both based in Japan. The Fund also benefitted from its position in Spanish banking and financial services provider Banco Bilbao Vizcaya Argentaria, S.A.

Detractors from relative results included Australian mining and metals company BHP Group Ltd. and German utilities provider RWE AG. The Fund's relative performance was also hampered by underweighting ASML Holding NV, a Dutch maker of semiconductor equipment, which performed well within the benchmark.

Outlook

While the prospect of lower interest rates provided a tailwind for equities in the first quarter, many are now questioning whether the market has become overvalued, particularly the narrowly led U.S. Indeed, international equities currently trade at a significant price-to-earnings discount relative to the U.S., which argues for embracing thoughtful diversification. Inflation continues to persist in several regions and with varying levels of economic resilience, which may mean that rate cuts are farther away than investors hoped. Interest rates remain high in the meantime, which is likely to dampen earnings in many sectors. Additional risks to the macro outlook include the ongoing wars in Ukraine and Gaza, which could threaten economic stability across borders, as well as a potentially contentious elections cycle.

That said, what is most important for us is to stay the course and be true to our quality-oriented investment process. We remain keenly aware of market volatility and will stay vigilant when constructing our portfolios, remaining sector- and region-neutral, as we believe that strong risk management should stand at the forefront. Making correct macro allocation calls can be immensely challenging; therefore, we do not forecast regional performance. In our view, stock selection can be far more impactful to strategy performance than allocation.

We thank you for your continued support.

Sincerely,

The Victory RS Global Markets Team

Top 10 Holdings (%)

as of March 31, 2024

Holding	Rep. Account
Novo Nordisk A/S Class B	3.87
Toyota Motor Corp.	2.97
Banco Bilbao Vizcaya Argentaria, S.A.	2.61
LVMH Moët Hennessy Louis Vuitton SE	2.59
Novartis AG	2.50
Nestlé S.A.	2.49
L'Oreal S.A.	2.29
Siemens Aktiengesellschaft	2.26
SAP SE	2.21
Roche Holding Ltd. Dividend Right Cert.	2.13

Region Allocation (%)

as of March 31, 2024

Region	Rep. Account
Asia/Pac x Japan	10.19
Europe	47.18
Japan	23.77
United Kingdom	14.46
[ETF]	0.10
Other	2.36
Cash	1.93

Performance

Average Annual Returns (%) as of March 31, 2024

RS International Composite	QTD	YTD	1-YR	3-YR	5-YR	10-YR	Since Inception (July 2013)
Gross of Fees	6.93	6.93	20.41	7.12	8.73	6.68	7.61
Net of Fees	6.80	6.80	19.81	6.59	8.22	6.06	6.97
MSCI EAFE Index (Net)	5.78	5.78	15.32	4.78	7.33	4.80	–

Performance returns for periods of less than one year are not annualized.

Past performance cannot guarantee future results. Returns for periods greater than one year are annualized. Returns are expressed in U.S. dollars and reflect the reinvestment of dividends and other earnings.

Holdings are subject to change and should not be construed as a recommendation to buy or sell individual securities.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style.

The information in this article is based on data obtained from recognized services and sources and is believed to be reliable. Any opinions, projections or recommendations in this report are subject to change without notice and are not intended as individual investment advice. The securities highlighted, if any, were not intended as individual investment advice. A complete list of all holdings for the previous 12 months, each holding's contribution to the strategy's performance, and the calculation methodology used to determine the holdings' contribution to performance is available on request. Victory Capital Management Inc., and its affiliates, as agents for their clients, and any of its officers or employees, may have a beneficial interest or position in any of the securities mentioned, which may be contrary to any opinion or projection expressed in this report.

The RS International Composite includes all discretionary accounts invested in the International Strategy. The Strategy combines data-driven discipline with fundamental analysis in seeking to capture information inefficiencies in non-U.S. companies across the market capitalization spectrum in order to provide a consistent, diversified return stream over market cycles. The composite creation date is September 2013, and the composite inception date is August 2013.

Composite and benchmark returns are presented net of non-reclaimable withholding taxes. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting 1/12 of the highest tier of the standard fee schedule in effect for the period noted (the model fee). Net returns prior to 1/1/2017 were calculated using actual fees. The composite model fee for each period is either the highest tier of the current fee schedule or a higher value, whichever is required to ensure the model composite net-of-fee return is lower than or equal

to the composite net-of-fee return calculated using actual fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The firm's fees are available on request and may be found on Part 2A of its Form ADV.

The benchmark of the composite is the MSCI EAFE Index (Net). The MSCI EAFE Index (Net) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

Victory Capital Management Inc. (VCM) is a diversified global investment adviser registered under the Investment Advisers Act of 1940 and comprises multiple investment franchises: Integrity Asset Management, Munder Capital Management, New Energy Capital Partners, NewBridge Asset Management, RS Investments, Sophus Capital, Sycamore Capital, THB Asset Management, Trivalent Investments, Victory Income Investors (formerly USAA Investments, a Victory Capital Investment Franchise), and the VictoryShares & Solutions Platform. Munder Capital Management and Integrity Asset Management became part of the VCM GIPS firm effective November 1, 2014; RS Investments and Sophus Capital effective January 1, 2017; Victory Income Investors, effective July 1, 2019; THB Asset Management, effective March 1, 2021, and New Energy Capital effective November 1, 2021. Effective September 1, 2023, INCORE Capital Management is no longer part of the VCM GIPS firm.

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