



**2025**  
**ANNUAL**  
**REPORT**





**David C. Brown**  
Chairman and Chief Executive Officer

## To Our Fellow Shareholders,

The past year, 2025, was truly transformational for Victory Capital (the “Company”), our employees, clients and shareholders. We successfully closed on our strategic partnership with Amundi, completed the acquisition of Amundi US, and reintroduced the iconic Pioneer Investments brand as our newest Investment Franchise. We ended the year as a larger, stronger and more competitive organization, while providing our employees with unique opportunities to grow and flourish in their careers. Our investment professionals again achieved excellent investment results throughout the year, reflecting their strong dedication to delivering on behalf of our clients.

From a financial perspective, we achieved record performance across a broad spectrum of key metrics. We ended the year with \$317 billion in total client assets and surpassed \$1 billion in annual revenue while also delivering record earnings. These milestones underscore the strength of our diversified platform and the growing momentum we’ve built entering 2026.

Reflecting on last year, I am pleased to report that Victory Capital today offers a more comprehensive suite of investment capabilities and manages more assets for a larger and more diversified client base than at any point in our Company’s history. Our long-term strategy is working.

### Strategic Partnership with Amundi

Our strategic partnership with Amundi has truly globalized our business. In addition to extending across multiple U.S. distribution channels, our reach now spans over 60 countries, with \$55 billion, or 17%, of our AUM currently coming from clients outside of the U.S. These international geographies provide new distribution channels and client segments that were not previously accessible to us. As we continue to expand our partnership with Amundi and manage new products suitable for these markets, we expect this to be a sustainable and important source of growth going forward.



#### **\$55 Billion of AUM\***

- Europe **55%**
- Asia **32%**
- Canada **9%**
- Middle East/Other **4%**

\*Invested by clients outside the U.S.

### Amundi US Acquisition and Reintroduction of Pioneer Investments

The acquisition of the Amundi US business was transformative for our Company. It not only enhanced the size and scale of our organization, it was a multi-faceted transaction that brought us complementary investment capabilities, a well-known brand in Pioneer Investments, a significant expansion of our presence outside the U.S., and a deeper platform to accelerate our company-wide growth strategy. In addition to our corporate headquarters in San Antonio, TX, we now have a major office in Boston, MA, and our employee base has grown to 699 as of the end of the year.



### Broad and Expanding Product Capabilities

Our international expansion was supported in 2025 by the addition of five new UCITS through our strategic partnership with Amundi. These registered products are designed for distribution outside the U.S. and include three UCITS managed by our RS Global and RS Value investment teams and two managed by Pioneer Investments. With these product launches, the suite of UCITS that we manage has expanded to 23, spread across multiple asset classes, including the equity, fixed income and multi-asset categories.

The Amundi sales professionals outside the U.S. have also begun to distribute Victory Capital’s U.S.-listed ETFs, which represents a unique opportunity for growth given the demand for ETFs from investors around the world.

## Commitment to Investment Excellence

Our Investment Franchises and Solutions Platform continued to deliver excellent investment performance in 2025. Delivering long-term, risk-adjusted returns that drive better investor outcomes has been and will remain our highest priority.

At year-end, 54 of our mutual funds and ETFs received Overall Morningstar Ratings™ of four or five stars. Additionally, 65% of AUM in mutual funds or ETFs had overall four- or five-star ratings. Looking at our total AUM relative to benchmarks, the picture is strong with over 60% outperforming across the key one, three, five and 10-year time periods as of December 31, 2025.

These results are a direct reflection of the tireless dedication of our investment professionals, who strive every day to deliver investment excellence on behalf of our clients and investors.

## Financial Performance

Our financial results for 2025 demonstrate the strength of our integrated platform and the operating efficiency in our business.

We ended the year with \$317 billion in total client assets. Long-term gross flows reached \$17.1 billion in the fourth quarter. This is our highest level ever of quarterly gross sales and reflects strong sales momentum for our international channel, our VictoryShares ETF platform, and multiple Investment Franchises. Year-over-year, gross sales increased by 129% to \$60.0 billion from \$26.2 billion in 2024.

For the full year 2025, we recorded record revenue of \$1.3 billion, up 46% from 2024.

Year-over-year adjusted earnings per diluted share with tax benefit rose 19%, from \$5.36 in 2024 to \$6.38 in 2025. Also, on a year-over-year basis, adjusted EBITDA grew by 44% to \$683 million in 2025, and adjusted EBITDA margin held firm at 52.3%. We continue to have one of the highest EBITDA margins of any publicly traded traditional asset manager.



Capital returned to shareholders in the form of share repurchases and cash dividends during 2025 reached a record \$366 million. That's compared with \$231 million returned to shareholders for the full year 2024.

## Value Creation for Shareholders

Victory Capital (Nasdaq: VCTR) has a strong history of value creation for shareholders that is attributable to our unwavering principles and differentiated business model coupled with superior execution. Since the IPO in 2018, we have delivered against several key metrics as illustrated in the table below.

## Progress Since the IPO

Total Client Assets	
<b>Q1 2018</b> <b>\$60.9B</b> <i>as of March 31, 2018</i>	<b>Q4 2025</b> <b>\$316.6B</b> <i>as of December 31, 2025</i>
<b>Change: 420%</b>	
Fully Diluted Adjusted EPS Growth	
<b>Q1 2018</b> <b>\$0.40</b> <i>Adjusted EPS with Tax Benefit</i>	<b>Q4 2025</b> <b>\$1.78</b> <i>Adjusted EPS with Tax Benefit</i>
<b>Change: 345%</b>	
Revenue Growth	
<b>Q1 2018</b> <b>\$105.0M</b>	<b>Q4 2025</b> <b>\$374.1M</b>
<b>Change: 256%</b>	
Adjusted EBITDA Margin	
<b>Q1 2018</b> <b>37.9%</b>	<b>Q4 2025</b> <b>52.8%</b>
<b>Margin expansion: 14.9%</b>	
Total Shareholder Return	
<b>530%</b> <b>Total Shareholder Return</b> <i>From IPO through market close February 27, 2026</i>	

---

“Victory Capital today offers a more comprehensive suite of investment capabilities and manages more assets for a larger and more diversified client base than at any point in our Company’s history. Our long-term strategy is working.”

### Growth of Our ETF Platform

We continued to invest in key areas of our business in 2025, including product innovation and dedicated distribution resources. We saw strong demand for our VictoryShares ETFs, particularly among financial advisor clients seeking to solve portfolio challenges through institutional-quality strategies delivered across active and rules-based solution types. We achieved positive net flows of \$6.4 billion into our ETFs in 2025 and ended the year with nearly \$19 billion in AUM.\* That represents an increase of 85% in AUM relative to year-end 2024.

The economics of our ETF business remain compelling as well. With an average fee rate of 34 basis points across our 23-product ETF suite, this business contributes meaningfully to both organic growth and profitability.

We have continued to enhance our ETF platform to align with demand from our clients. We introduced three new ETFs in 2025, including the first ETF managed by our Pioneer Investments Franchise.

*\*ETF AUM includes assets held in proprietary products.*

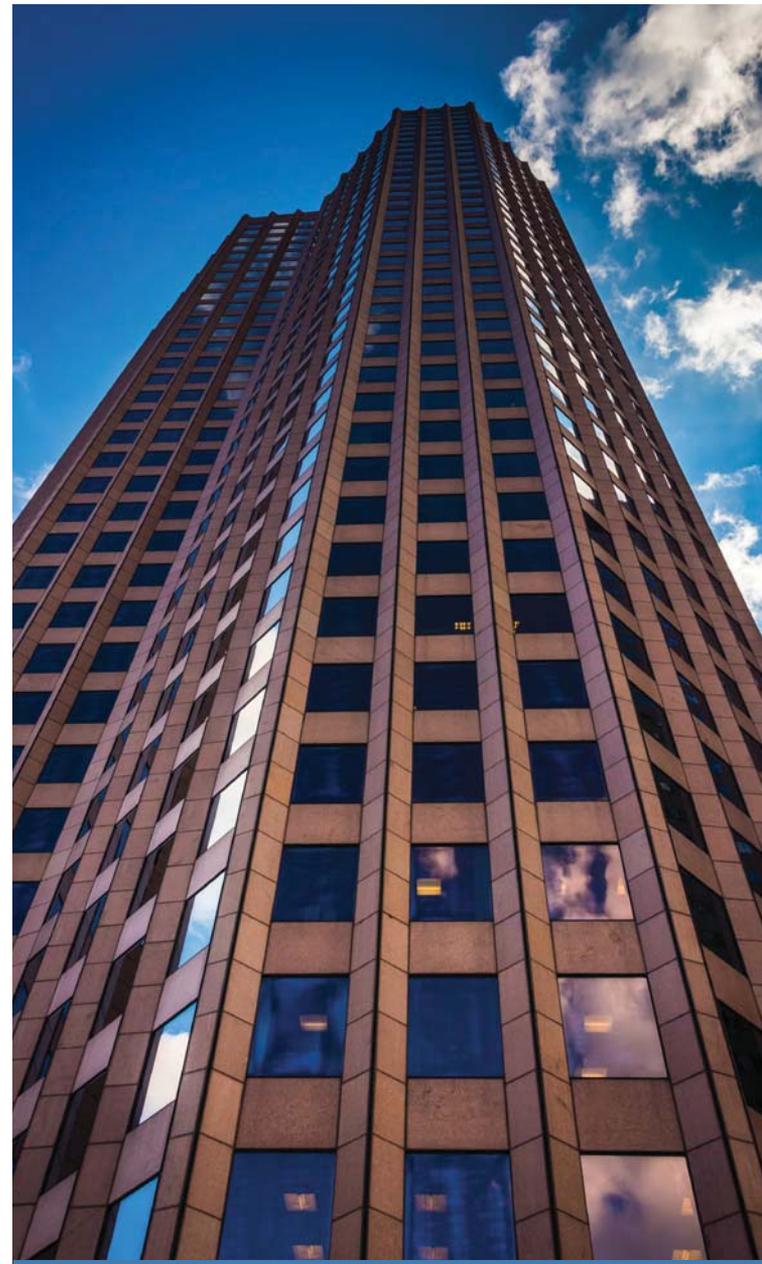
### Responsible Business and Community Engagement

Our core values are the foundation of everything we do. Each year we publish our Responsible Business Report, showcasing our commitment to our people, our clients and our communities through meaningful action. You can access the latest report [here](#) or at [vcm.com](#).

In 2025, Victory Capital continued to partner with UT San Antonio’s Carlos Alvarez College of Business to expand programs that support student success. We provided Bloomberg Terminal access and professional research tools to all enrolled students, allowing them to view real-time market data and pursue certification opportunities. We have broadened in-person and virtual engagement through classroom presentations and specialized sessions led by senior-level executives and employees. Through our partnership with The Investment Society, a student-led campus organization, we hosted an exciting and educational live stock-pitch competition at our headquarters.

In addition, our employees continue to give to charitable organizations and support important causes in our communities. After the catastrophic July 4, 2025, floods in the Texas Hill Country, Victory Capital joined by employees across the country donated more than \$100,000 to the Kerr County Texas Salvation Army to provide support to flood victims and their families.

Our employees also supported other community organizations in 2025 such as the San Antonio Food Bank, Toys for Tots, SA Hope Center and many others.



60 State Street, Boston, MA

## Looking Ahead

Looking ahead into 2026, we remain focused on strategically expanding and deepening our relationships with intermediary platforms, financial advisors, institutional investors, consultants and direct investors. This approach is designed to ensure that our growth will continue to be sustainable, profitable and aligned with delivering value to both our clients and shareholders.

As we grow, we remain committed to our culture of ownership, which aligns our interests with those of our clients. As of December 31, 2025, our employees and members of the Victory Capital Board owned 15% of the fully diluted equity in our Company. This ownership is extremely broad, with a majority of employees holding equity in our Company at year-end. In addition to being aligned with our financial success through equity ownership, our employees, at their own discretion and side-by-side with our clients, have invested more

than \$350 million in the products we manage as of December 31, 2025.

As I have said many times in the past, I believe we have the best and most dedicated employees in the industry, and I am proud to work alongside such a talented group of professionals.

On behalf of all our employees, I would like to thank our clients and shareholders for your trust and confidence in us.

Sincerely,



David C. Brown  
Chairman and CEO



**Left:** The Women at Victory Employee Resource Group volunteered at the San Antonio Food Bank. **Top Right:** Victory Capital employees and UT San Antonio students celebrate our partnership. **Bottom Right:** Employees celebrated Hispanic Heritage Month with a *pan dulce* breakfast.

This letter contains references to adjusted EBITDA and Adjusted EBITDA margin, which are non-GAAP financial measures. Management uses these non-GAAP financial measures internally for planning and forecasting purposes and to measure the performance of Victory Capital. We believe these non-GAAP financial measures provide useful and meaningful information to us and investors that enhances investors' understanding of the continuing operating performance of our business and

facilitates the comparison of performance between past and future periods. These non-GAAP financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. Reconciliations of these non-GAAP measures to the most directly comparable GAAP financial measures are provided in this annual report to shareholders on pages 64-65.



# VictoryCapital®



## Forward-Looking Statements

This Annual Report to Shareholders contains forward looking statements within the meaning of federal securities law. The forward looking statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "assume," "budget," "continue," "estimate," "future," "objective," "outlook," "plan," "potential," "predict," "project," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof and include, but are not limited to, statements regarding the outlook for Victory Capital's future business and financial performance. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Victory Capital's control and could cause Victory Capital's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward looking statements.

Although it is not possible to identify all of these risks and factors, they include, among others, the following: reductions in the assets under management ("AUM") based on investment performance, client withdrawals, difficult market conditions and other factors such as the ongoing conflicts and potential military conflicts in Ukraine, Venezuela, China/Taiwan, and/or the Middle East, a pandemic, tariffs or trade restrictions; the nature of the Company's contracts and investment advisory agreements; the Company's ability to maintain historical returns and sustain our historical growth; the Company's dependence on third parties to market our strategies and provide products or services for the operation of our business; the Company's ability to retain key investment professionals or members of our senior management team; the Company's reliance on the technology systems supporting our operations; the Company's ability to successfully acquire and integrate new companies; risks associated with expected benefits of the Amundi US transaction and the related impact on the Company's business; the concentration of the Company's investments in long only small- and mid-cap equity and U.S. clients; risks and uncertainties associated with non-U.S. investments; the Company's efforts to establish and develop new teams and strategies; the ability of the Company's investment teams to identify appropriate investment opportunities; the Company's ability to limit employee

misconduct; the Company's ability to meet the guidelines set by our clients; the Company's exposure to potential litigation (including administrative or tax proceedings) or regulatory actions; the Company's ability to implement effective information and cyber security policies, procedures and capabilities; the Company's substantial indebtedness; the potential impairment of the Company's goodwill and intangible assets; disruption to the operations of third parties whose functions are integral to the Company's ETF platform; the Company's determination that we are not required to register as an "investment company" under the Investment Company Act of 1940; the fluctuation of the Company's expenses; the Company's ability to respond to recent trends in the investment management industry; the level of regulation on investment management firms and the Company's ability to respond to regulatory developments; the competitiveness of the investment management industry; and other risks and factors included, but not limited to, those listed under the caption "Risk Factors" in Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, that is included in this Annual Report to Shareholders, and that was filed with the Securities and Exchange Commission (the "SEC") on February 26, 2026, which is accessible on the SEC's website at [www.sec.gov](http://www.sec.gov).

In light of these risks, uncertainties and other factors, the forward-looking statements contained in this annual report might not prove to be accurate. All forward-looking statements speak only as of the date made and Victory Capital undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

The following text is qualified in its entirety by reference to the more detailed information and consolidated financial statements (including the notes thereto) appearing elsewhere in this Annual Report on Form 10-K. Unless the context otherwise requires, references in this Annual Report to "we," "our," "us," "Victory Capital" or the "Company" shall mean Victory Capital Holdings, Inc., ("VCH") a Delaware corporation, and its wholly-owned subsidiaries. All references to years, unless otherwise noted, refer to our fiscal year which ends on December 31.

---

## Additional Disclosures

**Past performance is not indicative of future results.**

**All investments carry a certain degree of risk, including the possible loss of principal,** and an investment should only be made with an understanding of the risks involved with owning a particular security or asset class. You are encouraged to seek professional advice regarding the best options for your particular circumstances.

A fund's most recent performance can be found at [vcm.com](http://vcm.com). 62 mutual funds and ETFs did not have 4- or 5-star Overall Morningstar Ratings™ or were not rated. 35% of AUM in mutual funds and ETFs did not receive overall rating of 4 or 5 stars or are not rated. Not all asset classes considered are available to the general public and not all funds included have a history to be included in each period.

Had fees not been waived and/or expenses reimbursed currently or in the past, the Morningstar ratings could have been lower. Ratings for other share classes not shown may be lower. The following copyright pertains only to the Morningstar information. ©2026 Morningstar, Inc. All rights reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar; (2) may not be copied; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Visit [www.vcm.com](http://www.vcm.com) for more information.

Funds distributed by Victory Capital Services, Inc.

© 2026 Victory Capital Management Inc. All Rights Reserved.

20260316-5292406

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE TRANSITION PERIOD FROM** \_\_\_\_\_ **to** \_\_\_\_\_

Commission file number: 001-38388



**Victory Capital Holdings, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**32-0402956**

(I.R.S. Employer  
Identification No.)

**15935 La Cantera Parkway, San Antonio, Texas**  
(Address of principal executive offices)

**78256**  
(Zip Code)

**(216) 898-2400**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value	VCTR	The Nasdaq Stock Market LLC

Securities registered pursuant to section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Act.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Aggregate market value of Common Stock held by non-affiliates of the registrant as of June 30, 2025 was approximately \$3.5 billion.

The number of outstanding shares of the registrant's Common Stock, par value \$0.01 per share as of February 19, 2026 was 64,049,636.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant's proxy statement related to its 2026 Annual Stockholders' Meeting to be filed within 120 days of the end of the fiscal year ended December 31, 2025, are incorporated by reference into Part III hereof. Except with respect to information specifically incorporated by reference in this Annual Report on Form 10-K, the registrant's proxy statement is not deemed to be filed as part hereof.

Auditor's PCAOB ID Number: 34

Auditor Name: Deloitte & Touche LLP

Auditor Location: Boston, MA

## TABLE OF CONTENTS

	<u>Page</u>
<b>PART I</b>	
Item 1. Business	3
Item 1A. Risk Factors	20
Item 1B. Unresolved Staff Comments	47
Item 1C. Cybersecurity	47
Item 2. Properties	48
Item 3. Legal Proceedings	48
Item 4. Mine Safety Disclosures	49
<b>PART II</b>	
Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities	50
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	52
Item 7A. Qualitative and Quantitative Disclosures Regarding Market Risk	69
Item 8. Financial Statements and Supplementary Data	71
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	116
Item 9A. Controls and Procedures	116
Item 9B. Other Information	116
<b>PART III</b>	
Item 10. Directors, Executive Officers and Corporate Governance	117
Item 11. Executive Compensation	117
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters	117
Item 13. Certain Relationships and Related Transactions, and Director Independence	117
Item 14. Principal Accountant Fees and Services	117
<b>PART IV</b>	
Item 15. Exhibits and Financial Statement Schedules	118
Item 16. Form 10-K Summary	118
Signatures	123

## **FORWARD-LOOKING STATEMENTS**

This Annual Report on Form 10-K contains forward-looking statements within the meaning of applicable U.S. federal and non-U.S. securities laws. The forward-looking statements may include, without limitation, statements concerning our current expectations, estimates, assumptions, and beliefs concerning future events, conditions, plans, and strategies that are not historical fact. Any statement that is not historical in nature is a forward-looking statement and may be identified by the use of words and phrases such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “assume,” “budget,” “continue,” “estimate,” “future,” “objective,” “outlook,” “plan,” “potential,” “predict,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof and include, but are not limited to, statements regarding the outlook for Victory Capital’s future business and financial performance. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Victory Capital’s control and could cause Victory Capital’s actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements.

Forward-looking statements reflect our current expectations regarding future events, results or outcomes. These expectations may or may not be realized. Although we believe the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Some of these expectations may be based upon assumptions, data or judgments that prove to be incorrect. Such forward-looking statements can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties.

Many factors mentioned in “Item 1A. Risk Factors” will be important in determining future results. Should one or more of these risks or assumptions materialize, or should the underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. You are advised, however, to consult any further disclosures we make on related subjects in the quarterly, periodic and annual reports we file with the United States Securities and Exchange Commission (the “SEC”). All forward-looking statements speak only as of the date made and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

The following text is qualified in its entirety by reference to the more detailed information and consolidated financial statements (including the notes thereto) appearing elsewhere in this Annual Report on Form 10-K. Unless the context otherwise requires, references in this Annual Report to “we,” “our,” “us,” “Victory” or the “Company” shall mean Victory Capital Holdings, Inc., (“VCH”) a Delaware corporation, and its wholly-owned subsidiaries. All references to years, unless otherwise noted, refer to our fiscal year which ends on December 31.

## **NOTE REGARDING THIRD-PARTY INFORMATION**

This Annual Report on Form 10-K includes certain market and industry data and forecasts related thereto that we rely on and refer to. We obtained this information and these statistics from sources other than us, which we have supplemented where necessary with information from publicly available sources and our own internal estimates. We use these sources and estimates and believe them to be reliable, but we cannot give any assurance that any of the projected results will be achieved.

## **ITEM 1. BUSINESS**

### **Overview**

We are a diversified global asset management firm with total assets under management (“AUM”) of \$313.8 billion, and \$316.6 billion in total client assets, as of December 31, 2025. Our differentiated business model combines boutique investment qualities with the benefits of a scaled, integrated, centralized (not standardized) operating and distribution platform.

Victory Capital provides specialized investment strategies to institutions, intermediaries, retirement platforms and individual investors. With multiple Investment Franchises and a Solutions Platform that maintain autonomy in their respective investment processes, Victory Capital offers a wide array of investment products, including actively and passively managed mutual funds, rules-based and active exchange traded

funds (“ETFs”), institutional separate accounts, variable insurance products (“VIPs”), alternative investments, private closed end funds, and a 529 Education Savings Plan. Victory Capital’s strategies are also offered through third-party investment products, including mutual funds, third-party ETF model strategies, retail separately managed accounts (“SMAs”) and unified managed accounts (“UMAs”) through wrap account programs, Collective Investment Trusts (“CITs”), and undertakings for the collective investment in transferable securities (“UCITS”). As of December 31, 2025, our Franchises and our Solutions Platform collectively managed a diversified set of 187 investment strategies.

Our design logos and the marks “Victory Capital,” “Victory Capital Management,” “Victory Funds,” “VictoryShares,” “Victory Capital inVest,” “Victory Capital Solutions,” “inVest,” “Munder,” “Munder Capital,” “New Energy Capital,” “Pioneer Investments,” “THB,” “The Road to Victory,” “RS Investments,” “Sycamore Capital,” “Trivalent Investments,” “Victory Income Investors,” and “WestEnd Advisors,” are pending or owned by us as of December 31, 2025. All other trademarks, service marks and trade names appearing in this report are the property of their respective owners.

## **Business History and Organization**

Victory Capital Holdings, Inc. was formed in 2013 for the purpose of acquiring Victory Capital Management (“VCM”) and Victory Capital Services, Inc. (“VCS”) from KeyCorp. VCM is a U.S. registered investment adviser (“RIA”) managing assets through open-end mutual funds, institutional separate accounts, CITs, wrap account programs, UCITS, private funds, and ETFs. VCM also provides mutual fund administrative services for the Victory Portfolios, Victory Variable Insurance Funds, the mutual fund series of the Victory Portfolios II, Victory Portfolios III, and Victory Portfolios IV (collectively, the “Victory Funds”), a family of open-end mutual funds, and the VictoryShares (the Company’s ETF brand). Additionally, VCM employs all of the Company’s United States investment professionals across its Franchises and Solutions, which are not separate legal entities.

Victory Capital Services Inc. (“VCS”), a wholly-owned subsidiary of the Company, is registered with the SEC as an introducing broker-dealer and serves as distributor and underwriter for the Victory Funds and a 529 Education Savings Plan. VCS is also the placement agent for certain private funds managed by VCM. Victory Capital Transfer Agency, Inc. (“VCTA”), a wholly-owned subsidiary of Victory Capital Holdings, is registered with the SEC as a transfer agent for the Victory Funds III.

## **We are a Growth Company**

We have a purposeful strategy designed to achieve lasting profitable growth and success for our clients, our employees, and our shareholders. We have focused strategies for pursuing both organic and inorganic growth.

**Organic Growth** – We seek to grow organically by offering strategies that are value-added, and solution oriented to investment portfolios with strong risk-adjusted performance track records over the long term. A key driver of our growth strategy lies in enhancing the strength of our existing Investment Franchises. We primarily do this by providing them with access to our operating platform, technology, distribution, marketing, product development, and other support functions. Our centralized distribution model serves as a powerful growth engine for them by actively sourcing new clients while delivering service and reporting. By absorbing the administrative and operational complexity, we enable our investment professionals to concentrate on what they do best: managing assets and cultivating enduring client relationships. We also help our Franchises through new product development and optimizing product packaging to ensure they remain competitive and responsive to evolving market opportunities.

We continually evaluate and make investments to improve our operating platform. Recent initiatives include investments in artificial intelligence (“AI”), data and analytics, technology, product development, U.S. and International distribution, and marketing to enhance organic growth in our business and increase the effectiveness of our distribution channels.

**Inorganic Growth** – We complement our organic growth through strategic acquisitions. We primarily seek to acquire investment management firms that will add high quality investment teams, enhance our growth and financial profile, improve our diversification by asset class and investment capability, achieve our integration and synergy expectations, and expand our distribution capabilities.

One of our key advantages in a competitive merger and acquisition environment is our ability to provide access to multiple distribution channels. Our sales and marketing platforms drive organic growth to our

acquired Investment Franchises both by opening new distribution channels and penetrating deeper into existing ones. This support from our sales and marketing professionals allows our investment professionals to focus primarily on delivering investment excellence.

Since our management-led buyout from KeyCorp in 2013, we have successfully closed eight acquisitions, made, and exited two minority investments, and through December 31, 2025, grown our Total Client Assets 1,669% from \$17.9 billion to \$316.6 billion. We understand the need to execute transactions while minimizing disruption to the investment teams and to the client experience. Our team is very experienced and has a history of success in meeting those objectives. Previous acquisitions have evolved and diversified our products resulting in a mix of compelling investment strategies in asset classes where we can be successful and earn sustainable management fees.

During 2025, we closed on our strategic transaction with Amundi SA (“Amundi”) to combine their U.S. operations (“Amundi US”) into Victory Capital, established exclusive long-term global distribution agreements, and Amundi became a strategic shareholder of Victory Capital. The addition of Amundi US, which was rebranded back to Pioneer Investments, as our largest Investment Franchise meaningfully enhanced our scale, expanded our global client base, and further diversified our investment and product capabilities.

### Summary of Prior Key Acquisitions



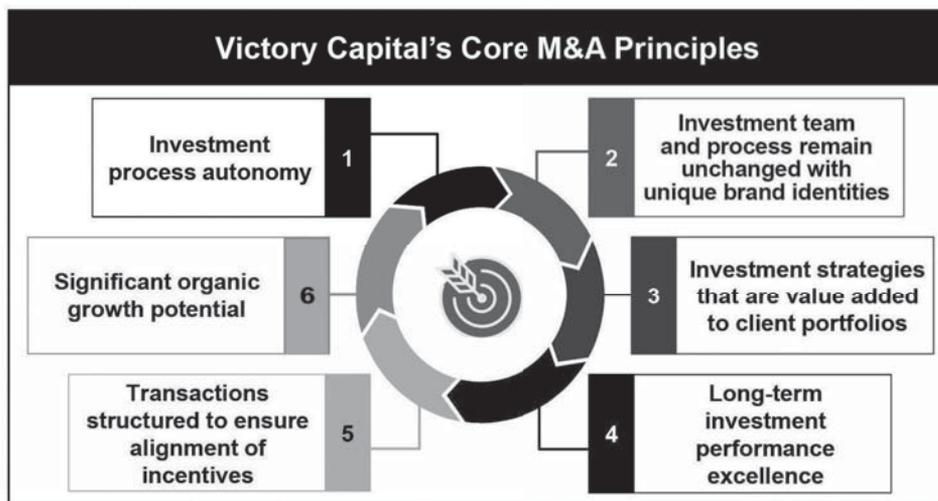
We regularly evaluate potential acquisition candidates and maintain a strong network of industry participants and advisors who provide opportunities to establish potential target relationships and source transactions. Our management team leads and participates in our acquisition strategy, leveraging their many years of experience actively operating our Company on a day-to-day basis to successfully source, execute, integrate, and ultimately operate acquired businesses.

Based on our successful acquisition track record, we believe that there is a significant opportunity for us to continue to profitably grow through additional acquisitions, as industry dynamics have expanded the universe of potential acquisition targets.

**Alternative Investments** – We offer both open-end liquid alternative investments as well as closed-end private funds. Given our multi-faceted distribution channels, combined with our ability to develop investment

vehicles to deliver these strategies, we are ideally situated to play a role in democratizing access to alternative investments for retail investors.

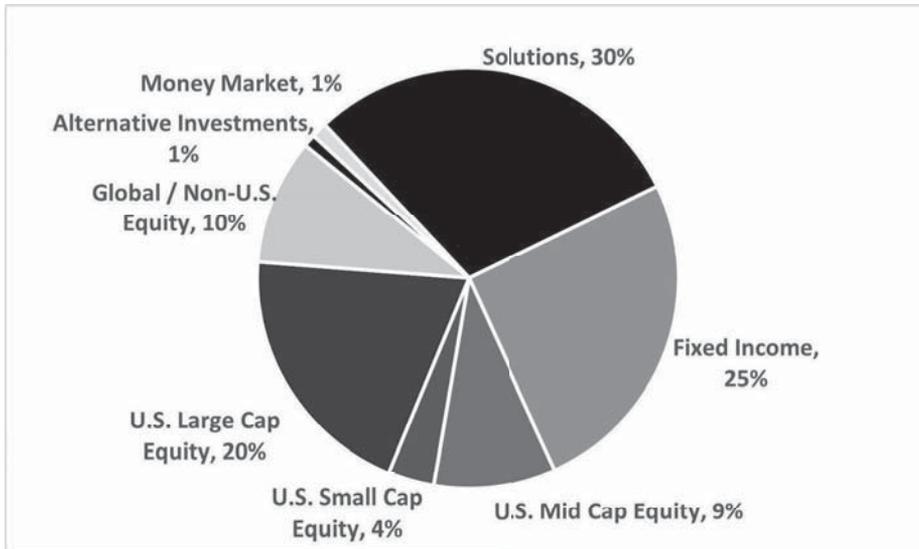
With attractive fee rates, margins, longer capital commitments compared with our liquid products, and less likelihood of being disintermediated by non-active strategies, we remain interested in adding additional alternative investment capabilities. This is particularly the case as the regulatory environment evolves, and more financial advisors and retail investors are seeking access to alternative investment products and strategies. We are committed to maintaining the same guiding principles with alternative Investment Franchises that led to success with our core traditional Investment Franchises.



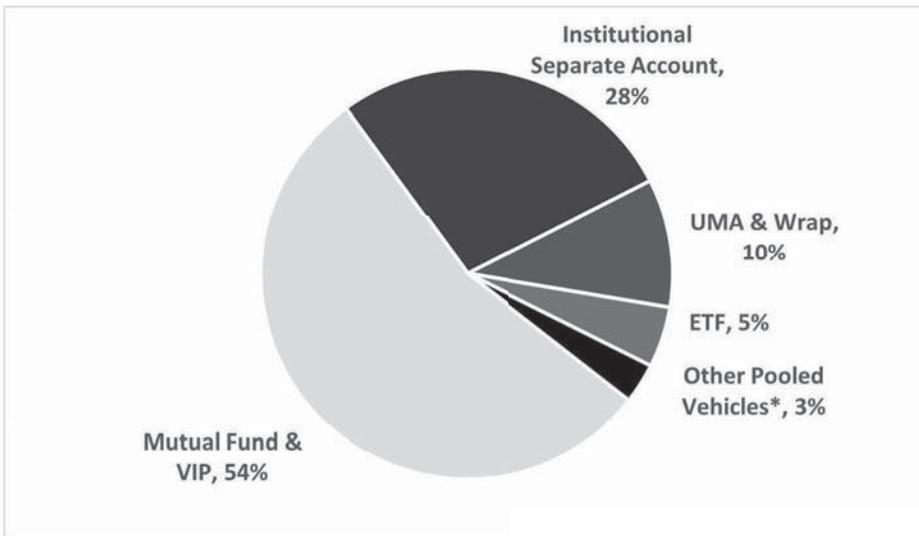
### Diversification Strategy

We offer an array of equity, fixed income, investment models, alternative investments, closed end private funds, and solutions strategies that encompass a diverse spectrum of market capitalization segments, industry sectors, investment styles and approaches. We believe that these strategies are positioned to attract positive net flows and sustainable fee rates over the long term and provide us with a next generation investment management platform. As illustrated below, as of December 31, 2025, our current business is well diversified from multiple perspectives, including by asset class, by investment vehicle, by geography, and by Investment Franchise and our Solutions Platform.

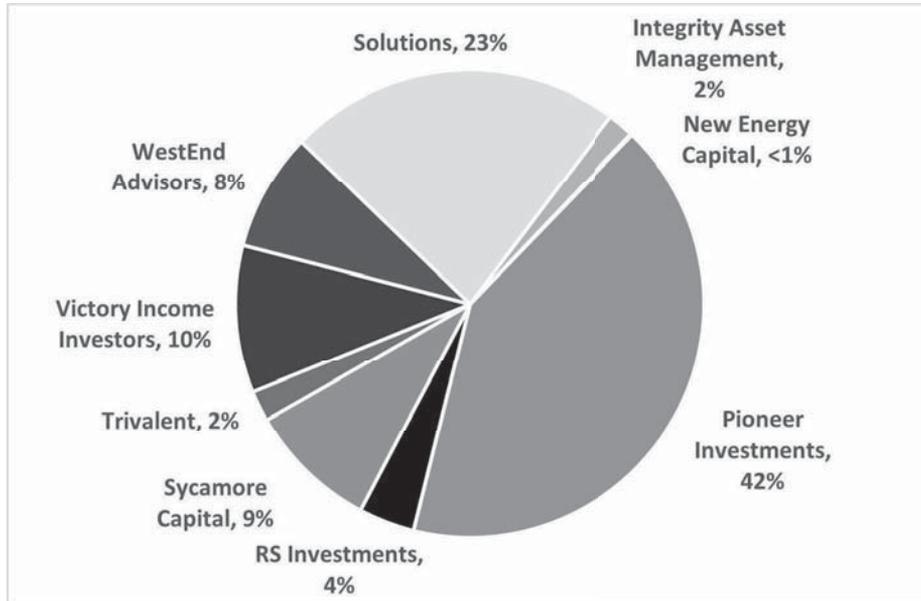
### Asset Class Mix



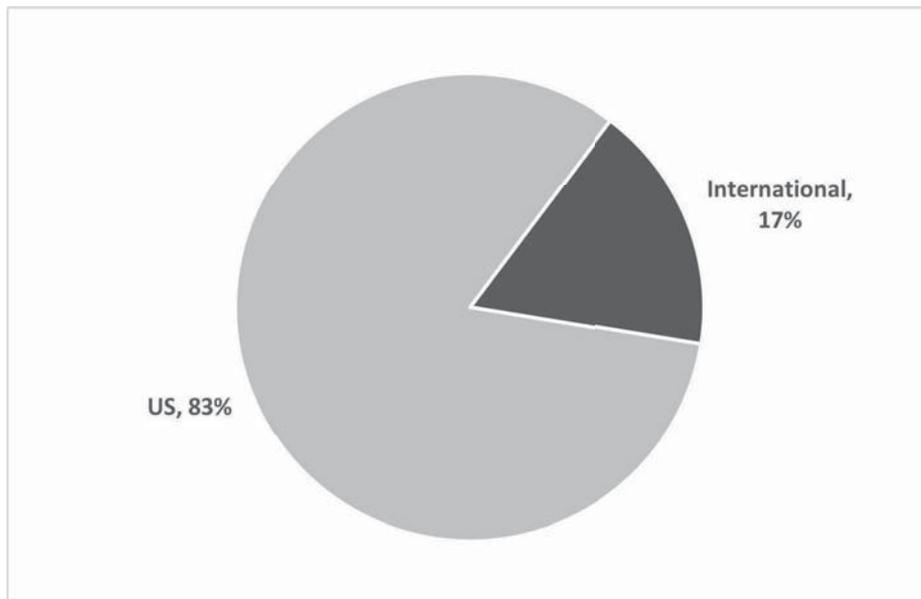
### Vehicle Mix



### Franchise / Platform Mix



### Geography



*\*Includes CITs, private funds, and non-U.S. domiciled pooled vehicles.*

*All pie chart data is as of December 31, 2025, values may not total 100% due to rounding.*

Within individual asset classes and strategies, our Franchises employ different investment approaches. This diversification reduces the correlation between investment return streams generated by multiple Franchises investing within the same asset class. For example, we have two Franchises (Victory Income Investors and Pioneer Investments) focused on fixed income, each with a different investment approach. Victory Income Investors employs a bottom-up, credit-focused strategy concentrated primarily on U.S. markets, without making top-down interest rate decisions, allowing credit selection to drive portfolio returns. Pioneer Investments utilizes broader global capabilities across a wider spectrum of fixed income sub-asset classes and sectors, actively positioning portfolios based on their views of interest rates and relative valuations across sectors while also relying on their credit expertise. Due to the differences in investment approaches, each Franchise has a different return profile for investors in different market environments while maintaining desired asset class exposure.

Our multi-channel distribution capabilities provide another degree of diversification, with approximately 37% of our Total Client Assets from U.S. retail and retirement clients, 20% from US direct investor clients, 26% from U.S. institutional clients, and 17% from clients outside of U.S., as of December 31, 2025. Within these channels, clients are further diversified among intermediary platforms (broker dealer, RIA, wealth), sub advisory relationships, corporate and public entities, insurance companies, 529 Education Saving Plan participants, Taft-Hartley plans, endowments, Family Offices, and various geographic jurisdictions around the world. We believe this broad diversification of customers has a stabilizing effect on revenue, as diverse types of investors have unique demand patterns and respond differently to trends and market cycles.

### **Our Investment Franchises**

Our eight Investment Franchises and Solutions Platform are not separate legal entities, with one exception: WestEnd Advisors operates as a separate RIA and legal entity. The distinct names and brands of our franchises are designed to embody and reinforce their respective investment autonomy and investment processes in the market. No Investment Franchise accounts for more than 42% of total AUM. Notably, this Investment Franchise includes three distinct teams focused on equity, fixed income, and multi-asset strategies. We are well diversified across asset classes, investment approaches, and geographically. Our Investment Franchises are independent from one another from an investment process perspective, maintain their own separate brands and logos, which have been built over time, and are led by dedicated Chief Investment Officers (“CIOs”) or a dedicated management team. We customize each Franchise’s integration with our operating platform to optimize their investment processes.

**Integrity Asset Management** – Integrity Asset Management utilizes a dynamic value-oriented approach to U.S. mid- and small-capitalization companies. Integrity conducts fundamental stock research to find attractive companies that have compelling discounts to the prevailing market conditions. Integrity is based in Rocky River, OH, and managed \$6.0 billion in AUM as of December 31, 2025. Our Integrity Investment Franchise includes 10 investment professionals with average industry experience of approximately 26 years.

**New Energy Capital (NEC)** – NEC manages alternative investments in private closed end funds, with investment periods ranging between five and 10 years. NEC was one of the first investors to focus on clean energy and infrastructure investments of small-and mid-sized clean energy infrastructure projects and companies. NEC’s investments provide growth capital in all forms across the capital structure from credit to equity, as well as hybrid financing arrangements. Based in Hanover, NH, our NEC Investment Franchise manages less than \$1 billion and includes four investment professionals with average industry experience of approximately 21 years.

**Pioneer Investments** – Pioneer Investments employs a conviction-driven, active management approach to all asset classes, including U.S. equities, global equities, multi-asset and fixed income. With a broad suite of differentiated processes and strategies, they managed \$132.3 billion in AUM as of December 31, 2025. Their 74 investment professionals have an average of 24 years of experience and are primarily located in Boston, MA, and Durham, NC.

**RS Investments** – RS Investments is made up of three distinct investment teams each with its own CIO: (i) RS Value, (ii) RS Growth and (iii) RS Global. RS Value and RS Growth apply an original and proprietary fundamental approach to investing in value and growth-oriented U.S. equity strategies. RS Global utilizes a highly disciplined quantitative approach to managing core-oriented global and international equity strategies. RS Investments is based in San Francisco, CA, and managed \$19.8 billion in AUM as of December 31, 2025.

Our RS Investments Investment Franchise teams total 18 investment professionals with average industry experience of approximately 23 years.

**Sycamore Capital** – Sycamore Capital applies a quality value-oriented approach to U.S. mid- and small-capitalization companies. Sycamore conducts fundamental research to find companies with strong high-quality balance sheets that are undervalued versus comparable high-quality companies. Sycamore is based in Cincinnati, OH, and managed \$28.4 billion in AUM as of December 31, 2025. Our Sycamore Investment Franchise has a team of 18 including 12 investment professionals with average industry experience of approximately 18 years.

**Trivalent Investments** – Trivalent Investments utilizes a disciplined approach to stock selection across large to small companies in the international and emerging markets space. Trivalent's investment strategy is primarily a proprietary quantitative process that drives stock selection across various countries. Trivalent frequently conducts reviews of stock selection rankings within a portfolio construction and risk management context in order to isolate performance to stock selection. Trivalent is based in Boston, MA, and managed \$8.5 billion in AUM as of December 31, 2025. Our Trivalent Investment Franchise includes seven investment professionals with average industry experience of approximately 29 years.

**Victory Income Investors** – Victory Income Investors utilizes a rigorous process rooted in a team-oriented approach among portfolio managers, research analysts and traders. Their taxable and tax-exempt portfolios are built bond by bond using a fundamental, bottom up, credit and yield-focused analysis. Victory Income Investors is based in San Antonio, TX, and managed \$35.6 billion in AUM as of December 31, 2025. Our Victory Income Investors Investment Franchise has a team of 39 including 30 investment professionals with an average industry experience of approximately 25 years.

**WestEnd Advisors** – WestEnd is a third-party ETF model strategist providing turnkey, core model allocation strategies serving as holistic solutions and complementary sources of alpha. WestEnd is based in Charlotte, NC, and had assets under advisement ("AUA") and AUM totaling \$26.9 billion as of December 31, 2025. Our WestEnd Investment Franchise has a team of 28 including seven investment professionals averaging approximately 17 years of industry experience.

### **Solutions Platform**

Our Solutions Platform consists of multi-asset, multi-manager, quantitative, rules-based, factor-based, and customized portfolios. These strategies are designed to achieve specific return characteristics, with products that include values-based and thematic outcomes and exposures. We offer our Solutions Platform through a variety of vehicles, including separate accounts, mutual funds, UMA accounts, and rules-based and active ETFs under our VictoryShares ETF brand. Like our Investment Franchises, our Solutions Platform is operationally integrated and supported by our centralized distribution, marketing, and operational support functions. Our Solutions Platform is based in San Antonio, TX, and managed \$55.8 billion in AUM as of December 31, 2025. The Solutions Platform team of 20 includes 14 investment professionals with average industry experience of approximately 17 years.

### **Our Products and Investment Performance**

As of December 31, 2025, our eight Franchises and Solutions Platform offered 187 investment strategies with the majority consisting of U.S. equities, fixed income, global/non-U.S. equities, model portfolios and solutions. At year end, these asset classes collectively comprised 98% of our total AUM, and 99% of long-term AUM.

**Product Diversification** – Our investment strategies are offered through actively and passively managed mutual funds, rules-based and active ETFs, institutional separate accounts, VIPs, alternative investments, private closed end funds, and a 529 Education Savings Plan. Victory Capital's strategies are sold directly to investors as well as through third-party investment products, including mutual funds, third-party ETF model strategies, retail SMAs and UMAs through wrap account programs, CITs, and UCITS. Our product types may expand further, as we can add investment vehicles for strategies offered by our Investment Franchises.

**Geographic Diversification** – We serve investors located in more than 60 countries around the world. Through our 15-year distribution agreement with Amundi, we are their exclusive provider of traditional U.S.-manufactured active asset management products for distribution outside of the U.S., where Amundi has a local presence in 35 countries and 550 sales professionals across geographies. As of December 31, 2025, 17% of our AUM was managed on behalf of clients located outside of the United States.

**Investment Performance** – Our Investment Franchises have established a long track record of benchmark-relative outperformance, including prior to their respective acquisitions by us. As of December 31, 2025, 78% of our strategies by AUM had returns in excess of their respective benchmarks over a ten-year period, 68% over a five-year period, 63% over a three-year period, and 63% over a one-year period. On an equally weighted basis, 68% of our strategies outperformed their benchmarks over a ten-year period, 69% over a five-year period, 62% over a three-year period, and 60% over a one-year period. We consider both the AUM-weighted and equal-weighted metrics in evaluating our investment performance. The advantage of the AUM-weighted metric is that it reflects the investment performance of our Company as a whole, indicating whether we tend to outperform our benchmarks for the assets we manage. The disadvantage is that the metric fails to capture the overall effectiveness of our individual investment strategies; it does not capture whether most of our strategies tend to outperform their respective benchmarks. Conversely, the equal-weighted metric reflects the overall effectiveness of our individual investment strategies but fails to capture the investment performance of our Company as a whole.

The table below sets forth our 10 largest strategies by assets as of December 31, 2025, and their average annual total returns compared to their respective benchmark index over the one-, three-, five- and 10-year periods ended December 31, 2025. These strategies represented approximately 44% of our Total Client Assets as of December 31, 2025.

Strategy/Benchmark Index	1 year	3 years	5 years	10 years
Pioneer US Large Cap Core Equity	24.32 %	26.02 %	15.99 %	16.69 %
S&P 500	17.88 %	23.01 %	14.42 %	14.82 %
<i>Excess Return</i>	6.44 %	3.01 %	1.57 %	1.87 %
Sycamore Mid Cap Value Equity	3.20 %	8.23 %	10.53 %	11.60 %
Russell Midcap Value	11.05 %	12.27 %	9.83 %	9.78 %
<i>Excess Return</i>	(7.85) %	(4.04) %	0.70 %	1.82 %
Pioneer US Large Cap Growth Equity	14.89 %	22.25 %	12.76 %	15.22 %
Russell 1000 Growth	18.56 %	31.15 %	15.32 %	18.13 %
<i>Excess Return</i>	(3.67) %	(8.90) %	(2.56) %	(2.91) %
Victory S&P 500 Index	18.21 %	23.19 %	14.56 %	14.90 %
S&P 500	17.88 %	23.01 %	14.42 %	14.82 %
<i>Excess Return</i>	0.33 %	0.18 %	0.14 %	0.08 %
Pioneer Multi-Asset Income	23.92 %	13.73 %	10.84 %	9.72 %
65% Bloomberg US Aggregate - 35% MSCI ACWI-ND	12.46 %	10.10 %	3.68 %	5.52 %
<i>Excess Return</i>	11.46 %	3.63 %	7.16 %	4.20 %
Pioneer Multi-Sector Fixed Income	11.34 %	8.37 %	2.89 %	4.74 %
Bloomberg US Universal	7.58 %	5.24 %	0.06 %	2.44 %
<i>Excess Return</i>	3.76 %	3.13 %	2.83 %	2.30 %
Pioneer US Multi-Asset Ultrashort Income	5.15 %	6.77 %	4.63 %	3.41 %
ICE BofAML US 3-Month Treasury Bill	4.18 %	4.81 %	3.17 %	2.18 %
<i>Excess Return</i>	0.97 %	1.96 %	1.46 %	1.23 %

Pioneer US Core Plus Fixed Income	9.24 %	6.48 %	1.04 %	3.38 %
Bloomberg US Aggregate	<u>7.30 %</u>	<u>4.66 %</u>	<u>(0.36) %</u>	<u>2.01 %</u>
<i>Excess Return</i>	1.94 %	1.82 %	1.40 %	1.37 %
WEA Global Balanced	16.94 %	13.20 %	6.35 %	8.62 %
Global Balanced Benchmark	<u>16.81 %</u>	<u>14.87 %</u>	<u>7.06 %</u>	<u>8.50 %</u>
<i>Excess Return</i>	0.13 %	(1.67) %	(0.71) %	0.12 %
Victory Nasdaq 100 Index	21.09 %	33.22 %	15.31 %	19.71 %
NASDAQ-100	<u>21.02 %</u>	<u>33.20 %</u>	<u>15.30 %</u>	<u>19.70 %</u>
<i>Excess Return</i>	0.07 %	0.02 %	0.01 %	0.01 %

A high percentage of our mutual fund and ETF assets have four- or five-star Morningstar ratings. As of December 31, 2025, 54 of our Victory Capital mutual funds and ETFs, with Morningstar overall ratings, earned ratings of four or five stars overall and 65% of our mutual fund and ETF AUM were rated four or five stars overall by Morningstar. Over a three-year and five-year basis, 57% and 54% of our fund AUM achieved four- or five-star ratings, respectively.

### Competitive Strengths

We believe we have significant competitive strengths that position us for sustained growth and shareholder value creation over the long term.

**Integrated Platform Providing Centralized Distribution, Marketing, and Support Functions to Investment Franchises, which maintain Investment Autonomy** – Our integrated centralized (not standardized) operating and distribution platform allows us to achieve benefits from both our substantial scale and the focus of our investment managers. Our Investment Franchises retain investment autonomy while benefiting from our centralized operating platform that can be tailored to meet their specific needs. We have demonstrated an ability to incorporate our Franchises onto our flexible infrastructure without significantly increasing incremental fixed costs, which is a key component to the scalability of our business model. This structure enables our Franchises to focus their efforts on the investment process, providing them with a scaled platform to enhance their investment performance and consequently their growth prospects. Centralized operations allow our Franchises to customize their desired investment support functions in ways that are best suited for their investment workflow. Through our unified distribution platform, our Franchises can efficiently sell their products to institutional investors, retirement plans, wealth managers, directly to individual investors, as well as through retail and retirement intermediaries of all sizes, and to investors located outside of the U.S. across numerous geographies and regulatory jurisdictions, where it can be challenging for smaller managers to gain access.

Within our model, each Franchise retains its own brand and logo, which has been built over time. Unlike other models with unified branding, there is no requirement for newly acquired Franchises to adjust their product set due to pre-existing products on our platform; they are marketed under their own brand as they were previously. Because of this dynamic, we have the flexibility to add new Franchises either to gain greater exposure to certain asset classes or increase capacity in places where we already have exposure.

**Proven Acquirer with Compelling Value Proposition**– We believe our platform allows us to continue to be a strategic acquirer, providing us with an opportunity to further grow and scale our business, expand our distribution capabilities, optimize our operating platform and achieve our integration and synergy expectations. Through numerous transactions we have demonstrated an ability to successfully source, execute, and integrate new businesses.

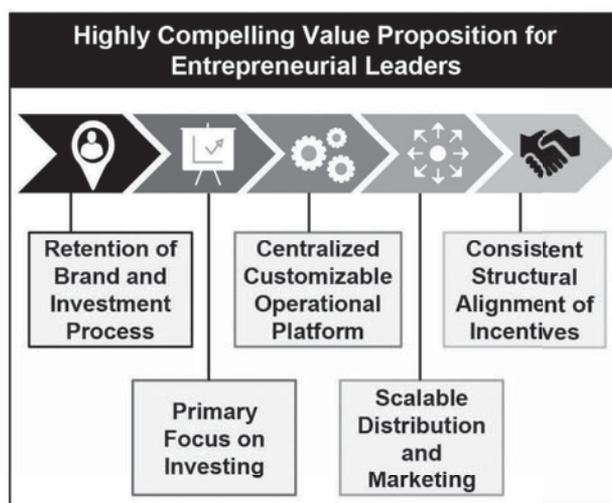
We believe our unique business model is attractive for potential acquisition prospects. Under our model, Franchises retain the brands they have built as well as autonomy over their investment decisions, while simultaneously benefiting from the ability to leverage our centralized distribution, marketing, and operations platform. Our model reduces the administrative burdens borne by our Investment Franchises and allows them to focus on the investment process, which we believe can enhance their investment performance. By offering a platform on which Franchises can focus on their core competencies, grow their client base faster and participate in a revenue share program, we believe we offer a compelling proposition. Furthermore, we

believe equity ownership by our investment professionals and other employees reinforces our ownership culture by sharing in the potential upside of the entirety of our diversified investment management business.

Making us an even more attractive partner to investment firms seeking global distribution is our 15-year exclusive offshore distribution agreement with Amundi which commenced in 2025. Through this long-term agreement, Victory Capital is the exclusive supplier of traditional U.S.-manufactured active asset management products for Amundi’s distribution outside of the U.S. Amundi has a broad and deep distribution and joint venture network around the globe with a presence in 35 countries, clients in 60 countries, and access to 200 million retail clients. This agreement also stipulates that Amundi is the exclusive distributor of products outside of the U.S. and that Victory Capital is the exclusive U.S. distributor of Amundi’s active asset management products managed outside U.S. The agreement is scheduled to automatically renew in 2040 and then remain effective for successive five-year terms.

Because we integrate a sizable portion of most of our Franchises’ distribution, operational and administrative functions, we have been able to extract significant expense synergies from certain acquisitions, enabling us to create greater value from transactions.

We will seek to continue to augment our differentiated investment management platform by focusing on acquisition candidates that can make our investment platform better, that expand our distribution or investment capabilities, which optimize our operating platform and/or achieve our integration and synergy expectations.



**Portfolio of Investment Strategies with Potential for Outperformance** – In assembling our portfolio of Franchises, we have selected investment managers offering strategies in asset classes where active managers have shown an established track record of outperformance relative to benchmarks through security and sector selection, and portfolio construction. We continue to build our platform to address the needs of clients who would like exposure to asset classes that have potential for alpha generation. We find that macro industry trends of asset flows moving from actively managed strategies to passive ones are less pronounced in certain asset classes and seek to concentrate our business development efforts in these areas.

**Diversified Platform Across Investment Strategies, Franchises, and Client Type and Domicile** – We have strategically built an investment platform that is diversified by investment strategy, Franchise, client type, and geographic location. Within each asset class, Franchises with overlapping investment mandates still contribute to our diversification by pursuing different investment philosophies and/or processes. For example, U.S. mid cap equities, which accounted for approximately 9% of Total Client Assets as of December 31, 2025, consists of four Franchises, each following a different investment strategy. We believe the diversity in investment styles reduces the correlation between the return profiles of strategies within the same asset class and consequently provides an additional layer of diversification of AUM and revenue stability.

Our AUM is also well diversified at the Franchise level. Furthermore, we believe our Franchises' brand independence reduces the impact of each individual Franchise's performance on clients' perceptions of the other Franchises. The distribution of AUM by Franchise and the number of Franchises, as well as succession planning, mitigates the level of key person risk typically associated with investment management businesses.

We believe our client base serves as another important diversifying element, as different client segments have shown to have distinct characteristics, including asset class and product preferences, sales and redemptions trends, and exposure to secular trends. We strive to maintain a balance between U.S. retail clients, direct U.S. investors, U.S. institutional clients, and international clients with 37%, 20%, 26%, and 17% of our Total Client Assets as of December 31, 2025, in each of these channels and geographies, respectively. We also have the capability to deliver our strategies in investment vehicles designed to meet the needs and preferences of investors in each channel. These investment vehicles include actively and passively managed open-end mutual funds with channel-specific share classes, rules-based and active ETFs, third-party ETF model strategies, SMAs, UMAs, VIPs, CITs, wrap account programs, UCITS, alternative investments, private closed end funds, and a 529 Education Savings Plan. If a strategy is currently not offered in the wrapper of choice for a client, we have the infrastructure and ability to create new investment vehicles, which helps our Franchises further diversify their client base.

**Attractive Financial Profile** – Our revenues are recurring in nature, as they are based on the level of client assets we manage. Most of our strategies are in asset classes that require specialized skill, are in demand, and typically command attractive fee rates. With the growth of our Solutions Platform and third-party ETF model strategies, our average fee rate could fluctuate as those businesses continue to scale and represent an increasing proportion of our total AUM. Despite lower average fee rates, by managing these competitively priced products on our integrated platform we can earn margins on these products in excess of our average consolidated margin.

Because we largely outsource our middle- and back-office functions, as well as certain aspects of technological support, we have relatively minimal capital expenditure requirements. Our integrated platform allows us the ability to make investments that can benefit each Franchise and our Solutions Platform. Approximately two-thirds of our operating expenses are variable in nature, consisting of the incentive compensation pool for employees, sales commissions, third-party distribution costs, sub-advising and the fees we pay to certain vendors. This automatic flexing of our operating expense base helps to support profitability throughout various market cycles.

We have identified three primary net income growth drivers; (i) we grow our AUM organically through inflows into our strategies and the market appreciation of those strategies; (ii) we have a proven ability to grow via strategic and synergistic acquisitions; and (iii) we have constructed a scalable and efficient platform.

**Economic and Structural Alignment of Interests Promotes Ownership Culture** – Through our revenue share compensation model for our investment professionals and broad firmwide employee equity and product ownership, we have structurally aligned our employees' long-term interests with those of our clients and shareholders and have created an ownership culture that encourages employees to act in the best interests of clients and our Company shareholders. We believe the high percentage of employee ownership creates a collective alignment with our success. Additionally, our employees invest in products managed by our Franchises and Solutions Platform, providing direct alignment with the interests of our clients. As of December 31, 2025, 69% of our employees controlled 12% of the fully diluted common shares in our Company. In addition to being aligned with our financial success through their equity ownership, at their own discretion, our current employees have invested more than \$350 million in the products we manage as of December 31, 2025. Combined, our 699 employees' value of ownership in our company and our products at year-end 2025 was over \$825 million.

We directly align the compensation paid to our investment teams with the performance of their respective Franchises by structuring formula-based revenue sharing on the products they manage. We believe that compensation based on revenue rather than profits incentivizes investment professionals to focus their attention on investment performance, while encouraging them to focus on client retention, provide excellent client service, and attract new assets. We believe the formula-based, client-aligned nature of our revenue sharing reduces complexity and fosters a culture of transparency where Franchises understand how, and on what terms, they are being measured to earn compensation.

### **Integrated Distribution, Marketing and Operations**

The centralization of our distribution, marketing and operational functions is a key component in our model, allowing our Franchises to focus on their core competencies of security and sector selection, portfolio construction, and client service. In addition, we believe it provides our Franchises with the benefits of operating at scale, providing them with access to a larger number of clients as well as a more streamlined cost structure. As of December 31, 2025, we had 699 full-time employees with 231 in investment management, 251 in sales and marketing roles and 217 in management and support functions.

Our centralized distribution and marketing functions lead the sales effort for our U.S. institutional, U.S. retail intermediary, U.S. direct investor channels, and a team of specialized professionals collaborate with Amundi's distribution teams, third-party distributors, and joint venture partners for sales outside of the U.S. Our sales teams are staffed with accomplished professionals that are given specific training on how to position each of our strategies. Our distribution teams have historically focused on developing strategic long-term relationships with institutional consultants, institutional asset owners, retail and retirement intermediaries, RIAs, Family Offices, the Direct Channel, and bank trust departments. We have also added resources to coordinate the sale of Victory Capital's traditional asset management products through the Amundi distribution networks. Complementing these efforts, we use data extensively to enhance the effectiveness of our distribution teams. We have increased investments in data packs from intermediaries, artificial intelligence initiatives, and predictive analytics — used to determine specific financial advisors' propensities to buy or sell products — further enhancing efficiencies.

These relationships enhance our platform's overall reach and allow our Franchises and Solutions Platform to access more clients. To ensure elevated levels of client service, our sales teams liaise regularly with product specialists at our Franchises. The specialists are tasked with responding to institutional client and retail inquiries on product performance and educating prospective investors and retail partners in coordination with the relevant internal sales team members. Our distribution and marketing professionals collaborate closely with our Franchises' product specialists to attract new clients while also servicing and generating additional sales from existing clients.

**US Direct Investor Business** – In 2020, we launched a digital platform to directly serve investors which features a client-centric design. Visitors to the site are presented with channel-specific content, useful investment tools and calculators, and timely investment insights from the Company's investment experts. At our direct investor business contact center, we have approximately 96 sales and service professionals focused on assisting our direct investors (the "Investors"). They engage with thousands of Investors every week via phone, chat or email depending on the Investor's preference. We also have a mobile application that streamlines service for Investors and enhances internal efficiency. Through these interactions we provide Investors with account servicing, portfolio reviews, college planning assistance and investment guidance at no additional cost to the Investor. Many of our direct investor business contact center professionals are Financial Industry Regulatory Authority ("FINRA") licensed, so they are professionally qualified to serve the Investors' investment needs.

**US Institutional Sales** – Our institutional sales team attracts and builds relationships with institutional clients, a wide range of institutional consultants and mutual fund complexes and other organizations seeking sub-advisers. Our approach to institutional sales in the U.S. is purposeful and focused on relationship building. Our institutional clientele includes more than 480 institutional mandates from more than 425 clients including corporations, public funds, non-profit organizations, Taft-Hartley plans, sub-advisory clients, and insurance companies. Our institutional sales and client-service professionals manage existing client relationships, serve consultants and prospects, and/or focus on specific segments. They have extensive experience and a comprehensive understanding of our investment activities. Our client-facing institutional sales professionals have an average of more than 20 years of industry tenure, and they are supported by a separate team dedicated to handling requests for proposals, or RFPs, from prospective clients.

**US Retail Sales** – Our retail sales team includes regional external wholesalers, retirement specialists, national account specialists, and ETF sales specialists, all of whom are supported by an internal sales desk. We also have a team of distribution professionals specializing in the sale of third-party ETF model strategies. Additionally, we have a growing team focused on RIA, Bank Trust & Multi Family Offices with exceptional product knowledge to enhance the growth in this sub-channel within our retail sales. In the retail channel, we focus on gathering assets through intermediaries, such as banks, broker-dealers, wirehouses, retirement platforms and RIA networks. We offer mutual funds, ETFs, third-party ETF models, CITs, and separately

managed wrap and unified managed accounts on intermediary and retirement platforms. We have agreements with many of the largest platforms in our retail channel, which has provided an opportunity to place our retail products on those platforms. Further, to enhance our presence on large distribution platforms, we have focused our efforts on servicing intermediary home offices and research departments. These efforts have led to robust growth in platform penetration, as measured by investment products on approved and recommended lists, as well as our inclusion in model portfolios. This penetration provides the opportunity for us to sell more products through distribution platforms. We have several products on the research recommended/model portfolios of the top U.S. intermediary platforms. We also have several products on the recommended list of the top retirement platforms.

**International Sales** – We maintain a significant global footprint, with approximately 17% of our AUM managed on behalf of clients located outside of the U.S. Our international reach is supported through a diverse array of investment vehicles, including registered UCITS funds, locally domiciled non-UCITS wrappers across regions, U.S.-exchange listed ETFs, and separately managed accounts, across multiple asset classes and investment styles.

The foundation of our global distribution reach is through an exclusive offshore distribution agreement with Amundi, one of the top 10 largest asset managers in the world and the largest in Europe. Upon acquiring Amundi's U.S. business, Victory Capital became the exclusive supplier of traditional U.S.-manufactured active asset management products for Amundi's distribution outside of the U.S. Amundi has a broad and deep distribution and joint venture network around the globe with a presence in 35 countries and clients in 60 countries. This agreement also stipulates that Amundi is the exclusive distributor of Victory Capital's U.S.-manufactured active asset management products outside of the US.

This unique relationship leverages one of the industry's most sophisticated and far-reaching distribution networks. Amundi's infrastructure is powered by over 1,000 dedicated professionals, including 550 sales specialists, 300 marketing experts, and 160 client service professionals. This network serves a diverse client base encompassing 1,000 institutional investors, 600 distributors, and access to more than 200 million retail clients globally.

This strategic partnership positions our investment solutions at the center of a truly global distribution ecosystem with substantial scale and reach, enabling efficient delivery of our investment capabilities across international markets. In parallel, our partnership with Amundi is poised to elevate Victory Capital's diversification across asset flows and revenue streams, and to further grow our organizational relevance alongside Amundi's cross-regional and cross-asset growth ambitions.

**Marketing** – Our marketing function serves as a strategic enabler of our distribution capabilities, enhancing brand visibility and market positioning across our portfolio of Investment Franchises and Solutions Platform. The function executes integrated marketing strategies encompassing corporate, Investment Franchise and Solutions branding, digital engagement, content development, social media, and public relations. These efforts strengthen advisor and institutional client relationships, support product positioning, and amplify our differentiated and centralized platform.

**Operations** – Our centralized operations functions serve as a shared resource platform providing our Franchises and Solutions Platform with the support that they need so that they can focus on their investment processes. Our Investment Franchises share operating functions such as trading platforms, risk and compliance, middle- and back-office support, technology, data and analytics, finance, human resources, accounting, and legal. Although our operations are centralized, we allow our Investment Franchises a degree of customization with respect to their desired investment support functions, which we believe helps them maintain their unique investment processes and operational preferences without disruptions.

We outsource certain middle- and back-office activities, such as sub-transfer agent, trade settlement, portfolio analytics, custodian reconciliation, portfolio accounting, corporate action processing, performance calculation and client reporting, to scaled, recognized service providers, who provide their services to us on a variable-cost basis. Systems and processes are customized as necessary to support our investment processes and operations. We maintain relationships with multiple vendors for most of our outsourced functions, which we believe mitigates vendor-specific risk. We maintain comprehensive cyber and information security, business continuity, and data privacy programs designed to protect client assets, sensitive information including personally identifiable information (PII), and operational continuity. These enterprise-

wide programs are integrated across our centralized platform and regularly tested to address evolving threats and regulatory requirements.

Outsourcing these functions enables us to grow our AUM, both organically and through acquisitions, without the incremental capital expenditures and working capital that would typically be needed. Under our direction and oversight, our outsourced model enhances our ability to integrate our acquisitions, as we are experienced in working with our vendors to efficiently bring additional Franchises onto our platform in a cost-efficient manner.

We believe both the scalability of our business and our cost structure, in which approximately two-thirds of our operating expenses are variable, drives industry-leading margins and facilitates free cash flow conversion. Additionally, we believe having most of our expenses tied to AUM and the number of client accounts provides downside margin protection should there be sustained net outflows or adverse market conditions.

### **Competition**

Our investment products are sold in the traditional institutional channels, through intermediary and retirement distribution platforms, and directly to investors. We face competition with other investment firms in attracting and retaining client assets. Additionally, we compete with other acquirers of investment management firms, including independent, integrated investment management firms and multi-boutique businesses, insurance companies, banks, and other financial institutions.

We compete with other managers offering similar strategies. Some of these organizations have greater financial resources and capabilities than we can offer and have impressive performance track records. We effectively compete with other investment management firms for client assets based on the following primary factors: (i) our investment performance track record of delivering alpha; (ii) the specialized nature of our investment strategies; (iii) fees charged; (iv) access to distribution channels; (v) client service; and (vi) our employees' alignment of interests with investors.

We compete with other potential acquirers of investment management firms primarily on the basis of the following factors: (i) the strength of our distribution relationships; (ii) the value we add through our shared distribution, marketing and operations platforms as well as our uncapped revenue sharing arrangements; (iii) the investment autonomy Franchises retain post-acquisition; (iv) the tenure and continuity of our management and investment professionals; and (v) the value that can be delivered to the seller through realization of synergies created by the combination of the businesses.

Our ability to continue to compete effectively will also depend upon our ability to retain our current investment professionals and employees and to attract highly qualified new investment professionals and employees. For additional information concerning the competitive risks that we face, refer to "Risk Factors — Industry Risks — The investment management industry is intensely competitive."

### **Human Capital**

We have created strong alignment of interests with clients and shareholders through employee ownership, our Franchise revenue share structure, and employee investments in our products. Notably, a significant number of our employee shareholders acquired their equity in 2013 in connection with the management-led buyout from KeyCorp, as well as in connection with the acquisitions of RS Investments, USAA Asset Management Company, and Pioneer Investments. We believe the opportunity to own equity in a well-diversified investment management company promotes long-term thinking and client alignment and is attractive, both to existing employees and those who join as part of acquisitions. We principally compensate our investment professionals through a revenue share program, which we believe further incentivizes our investment professionals to focus on investment performance and client retention, while simultaneously minimizing potential distractions from an expense allocation process that would be involved in a profit-sharing program. We believe the combination of these mechanisms promotes long-term thinking and enhances both the client experience and the creation of value for our shareholders.

Our senior management team, Franchises' CIOs and sales leaders are highly experienced in the industry, each bringing significant expertise to his or her role, having tenures on average of more than 20 years.

As an asset management firm, we are in the human capital business. As such, we value and appreciate our most important asset—our people. We employ "owners," not employees. Accordingly, we strive to offer

competitive compensation and employee benefits to all employees. We want them to own their contribution to Victory Capital's success. In recognition of this mission, Victory Capital has established an equity awards program, in which most employees participate. As of December 31, 2025, we had 699 employees, with 69% holding ownership interests in our Company totaling 12% of the fully diluted common shares in our firm. At year-end, our employees also had more than \$350 million of their personal assets invested in our investment products.

We believe that doing our part to maintain the health and welfare of our employees is a critical element for achieving commercial success. As such, we provide our employees with comprehensive health benefits and offer a wellness program which focuses on employee health strategies and includes a discount to employee medical premiums for the completion of certain wellness initiatives. In addition, we offer employee assistance programs, including confidential assistance for financial, mental, and physical well-being. Finally, the well-being of our employees is enhanced when they can give back to their local communities or charities. We have programs that facilitate this by encouraging employees to contribute both their time and monetary donations to causes they care about. We recognize and appreciate the importance of creating an environment in which all employees feel valued, included, and empowered to do their best work.

We encourage you to review our Responsible Business Report (located on our website) for more detailed information regarding our human capital programs and initiatives. Nothing on our website is deemed incorporated by reference into this Report.

### **Regulatory Environment and Compliance**

Our business is subject to extensive regulation in the United States at the federal level and, to a lesser extent, the state level, as well as regulation by self-regulatory organizations, and outside the United States. Under these laws and regulations, agencies that regulate investment advisers have broad administrative powers, including the power to limit, restrict or prohibit an investment adviser from carrying on its business in the event that it fails to comply with such laws and regulations. Possible sanctions that may be imposed include the suspension of individual employees, limitations on engaging in certain lines of business for specified periods of time, revocation of investment adviser registration and other registrations, censures, and fines.

**SEC Investment Adviser and Investment Company Registration / Regulation** – VCM and WestEnd are both independently registered with the SEC as investment advisers under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and the Victory Funds, VictoryShares and several of the investment companies we sub-advise are registered under the Investment Company Act of 1940, as amended (the "1940 Act"). The Advisers Act and the 1940 Act, together with the SEC's regulations and interpretations thereunder, impose substantive and material restrictions and requirements on the operations of advisers and registered funds. The SEC is authorized to institute proceedings and impose sanctions for violations of the Advisers Act and the 1940 Act, ranging from fines and censures to termination of an adviser's registration. As an investment adviser, we have a fiduciary duty to our clients. The SEC has interpreted that duty to impose standards, requirements, and limitations on, among other things: trading for proprietary, personal and client accounts; allocations of investment opportunities among clients; our use of soft dollars; execution of transactions; and recommendations to clients. We manage accounts for clients on a discretionary basis, with authority to buy and sell securities for each portfolio, select broker-dealers to execute trades and negotiate brokerage commission rates. In connection with certain of these transactions, we receive soft dollar credits from broker-dealers that have the effect of reducing certain of our expenses. All our soft dollar arrangements are intended to be within the safe harbor provided by Section 28(e) of the Exchange Act. If our ability to use soft dollars were reduced or eliminated as a result of the implementation of statutory amendments or new regulations, our operating expenses would increase. In addition, we also advise clients on a non-discretionary basis where we provide actively managed models. This is often referred to as assets under advisement.

As registered investment advisers, VCM and WestEnd are subject to many additional requirements that cover, among other things: disclosure of information about our business to clients; maintenance of written policies and procedures; maintenance of extensive books and records; restrictions on the types of fees we may charge; custody of client assets; client privacy; and advertising. The SEC has authority to inspect any investment adviser and typically inspects a registered adviser periodically to determine whether the adviser is conducting its activities (i) in accordance with applicable laws, (ii) in a manner that is consistent with disclosures made to clients and (iii) with adequate systems and procedures to ensure compliance.

For the year ended December 31, 2025, 75% of our total revenues were derived from our services to investment companies registered under the 1940 Act – i.e., mutual funds and ETFs. The 1940 Act imposes

significant requirements and limitations on a registered fund, including with respect to its capital structure, investments, and transactions. While we exercise broad discretion over the day-to-day management of the business and affairs of the Victory Funds, VictoryShares and the investment portfolios of the Victory Funds, VictoryShares and the funds we sub-advise, the funds are subject to oversight of and governance by each fund's board of directors. Under the 1940 Act, a majority of the directors of our registered funds must not be "interested persons" with respect to us (sometimes referred to as the "independent director" requirement) in order to rely on certain exemptive rules under the 1940 Act relevant to the operation of registered funds. The responsibilities of the fund's board include, among other things: approving our investment advisory agreement with the fund (or, for sub-advisory arrangements, our sub-advisory agreement with the fund's investment adviser); approving other service providers; determining the method of valuing assets; and monitoring transactions involving affiliates. Our investment advisory agreements with these funds may be terminated by the funds on not more than 60 days' notice and are subject to annual renewal by the fund's board after the initial term of one to two years. The 1940 Act also imposes on investment advisers, or sub-advisers, to a registered fund a fiduciary duty with respect to the receipt of the advisers' investment management fees or the sub-advisers' sub-advisory fees. That fiduciary duty may be enforced by the SEC, by administrative action or by litigation by investors in the fund pursuant to a private right of action.

As required by the Advisers Act, our investment advisory agreements may not be assigned without the client's consent. Under the 1940 Act, investment advisory agreements with registered funds (such as the mutual funds and ETFs we manage) terminate automatically upon assignment. The term "assignment" is broadly defined and includes direct assignments as well as assignments that may be deemed to occur upon the transfer, directly or indirectly, of a "controlling block" of our outstanding voting securities. Refer to "Risk Factors—Business Risks—An assignment could result in termination of our investment advisory agreements to manage SEC-registered funds and could trigger consent requirements in our other investment advisory agreements."

**SEC Broker-Dealer Registration / FINRA Regulation** – VCS is subject to regulation by the SEC, FINRA and various states. In addition, certain of our employees are registered with FINRA and such states and subject to SEC, state and FINRA regulation. The failure of these companies and/or employees to comply with relevant regulations could have a material adverse effect on our business.

**SEC Transfer Agent Registration** – VCTA is a SEC-registered transfer agent. Our registered transfer agent is subject to the 1934 Act and the rules and regulations promulgated thereunder. These laws and regulations generally grant the SEC and other supervisory bodies broad administrative powers to address non-compliance with regulatory requirements.

**ERISA-Related Regulation** – We are a fiduciary under Employee Retirement Income Security Act ("ERISA") with respect to assets that we manage for benefit plan clients subject to ERISA. ERISA, the regulations promulgated thereunder, and applicable provisions of the Internal Revenue Code impose certain duties on persons who are fiduciaries under ERISA, prohibit certain transactions involving ERISA plan clients and impose monetary penalties for violations of these prohibitions. The duties under ERISA require, among other obligations, that fiduciaries perform their duties solely in the interests of ERISA plan participants and beneficiaries.

**CFTC Regulation**– VCM is registered as both a commodity pool operator and commodity trading advisor with the CFTC and a member of the National Futures Association ("NFA") and approved by the NFA as a swap firm. In addition, certain VCM employees are registered with the CFTC and are also members of the NFA. Both the CFTC and NFA administer comparable regulatory systems covering futures contracts and various other financial instruments, including swaps. Registration with the CFTC and NFA membership subjects VCM to regulation by the CFTC and the NFA including, but not limited to, reporting, recordkeeping, disclosure, self-examination, and training requirements. Registration with CFTC also subjects VCM to periodic on-site audits. Each of the CFTC and NFA is authorized to institute proceedings and impose sanctions for violations of applicable regulations.

**Non-U.S. Regulation** – In addition to the extensive regulation to which we are subject in the United States, we are subject to regulation internationally. Our business is also subject to the rules and regulations of the countries in which we market our funds or services and conduct investment activities.

In the United Kingdom, RS Investments (UK) Limited ("RSUK") is authorized by the Financial Conduct Authority ("FCA") to conduct asset management activities in the United Kingdom. The FCA's rules adopted

under the Financial Services and Markets Act of 2000 (the “FSMA”) govern the majority of RSUK’s capital and liquidity resources requirements, senior management arrangements, conduct of business requirements, interaction with clients, and systems and controls, Breaches of the FCA’s rules may result in a wide range of disciplinary actions against RSUK and/or its employees.

In Canada, VCM is registered with the Ontario Securities Commission (“OSC”) to act as sub-adviser for OTC derivatives and to act as adviser with respect to “foreign contracts” as defined in OSC Rule 32-506.

In South Africa, VCM is registered with the Financial Sector Conduct Authority (“FSCA”) as a juristic representative. As a juristic representative VCM is subject to certain fitness and propriety requirements imposed by the FSCA.

VCM is cleared by the Central Bank of Ireland, which regulates our Irish business activities, to act as an investment manager to Irish UCITS funds.

VCM is also licensed as an Australian Financial Services Licensee pursuant to section 913B of the Corporations Act 2001 subject to certain conditions and restrictions prescribed and contained within the license.

**Compliance** – Our legal and compliance functions consist of 26 professionals as of December 31, 2025. This group is responsible for all legal and regulatory compliance matters, as well as for monitoring adherence to client investment guidelines. Our legal and compliance teams work through a well-established reporting and communication structure to ensure we have a consistent and holistic program for legal and regulatory compliance. Senior management also is involved at various levels in all these functions. We cannot assure that our legal and compliance functions will be effective in preventing all losses. Refer to “Item 1A. Risk Factors— General Risks — If our techniques for managing risk are ineffective, we may be exposed to material unanticipated losses.”

For more information about our regulatory environment, refer to “Risk Factors — Legal and Regulatory Risks — As an investment management firm, we are subject to extensive regulation” and “Risk Factors — Legal and Regulatory Risks —The regulatory environment in which we operate is subject to continual change and regulatory developments designed to increase oversight may materially adversely affect our business.”

#### **Available Information**

We routinely file annual, quarterly and current reports, proxy statements and other information required by the SEC. Our SEC filings are available to the public from the SEC’s public internet site at <https://www.sec.gov>.

We maintain a public internet site at [ir.vcm.com](http://ir.vcm.com) and make available free of charge through this site our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Proxy Statements and Forms 3, 4 and 5 filed on behalf of directors and executive officers, as well as any amendments to those reports filed or furnished pursuant to the Exchange Act, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. We also post on our website the charters for our board of directors’ Audit Committee, Nominating and Governance Committee and Compensation Committee, as well as our Corporate Governance Guidelines, our Responsible Business Reports, and our Code of Business Conduct and Ethics governing our directors, officers, and employees. The information on our website is not incorporated by reference into this annual report.

#### **ITEM 1A. RISK FACTORS.**

*The risks described below are not the only ones facing us. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition or results of operations. In such case the trading price of our common stock could decline. This report also contains forward-looking statements and estimates that involve risks and uncertainties. Our actual results could differ materially from those anticipated*

*in the forward-looking statements as a result of specific factors, including the risks and uncertainties described below.*

## **Risk Factors Summary**

The following is a summary of risks and uncertainties that affect our business, financial condition or results of operations. We are providing the following summary of risk factors to enhance readability of our risk factor disclosure. Material risks that may adversely affect our business, financial condition or results of operations include, but are not limited to, the following:

### Market and Investment Performance Risks

- We earn substantially all of our revenues based on AUM, and any reduction in AUM would reduce our revenues and profitability.
- The ongoing conflicts and potential military conflicts in Ukraine, Venezuela, China/Taiwan and/or the Middle East have, and will likely continue to, negatively impact the global economy.
- We are exposed to risks arising from our International Activities.
- If our strategies perform poorly, clients could redeem their assets and we could suffer a decline in our AUM, which would reduce our earnings.
- The historical returns of our strategies may not be indicative of their future results or of the strategies we may develop in the future.
- The performance of our strategies or the growth of our AUM may be constrained by unavailability of appropriate investment opportunities.

### Business Risks

- The loss of key investment professionals or members of our senior management team could have a material adverse effect on our business.
- We derive substantially all of our revenues from contracts and relationships that may be terminated upon short or no notice.
- Investors in certain funds that we advise can redeem their assets from those funds at any time without prior notice.
- Investment recommendations provided to our direct investor channel may not be suitable or fulfill regulatory requirements; representatives may not disclose or address conflicts of interest, conduct inadequate due diligence, provide inadequate disclosure; transactions may be subject to human error or fraud.
- The significant growth we have experienced over the past few years may be difficult to sustain and our growth strategy is dependent in part upon our ability to make and successfully integrate new strategic acquisitions.
- Our expenses are subject to fluctuations that could materially impact our results of operations.
- New lines of business or new products and services may subject us to reputational harm, additional costs or operating risks.
- Our efforts to establish and develop new teams and strategies may be unsuccessful and could negatively impact our results of operations and could negatively impact our reputation and culture.
- An assignment could result in termination of our investment advisory agreements to manage SEC-registered funds and could trigger consent requirements in our other investment advisory agreements.
- Our failure to comply with investment guidelines set by our clients, including the boards of registered and unregistered funds, and limitations imposed by applicable law, could result in damage awards against us and a loss of AUM, either of which could adversely affect our results of operations or financial condition.

- We provide a broad range of services to the Victory Funds, VictoryShares and sub-advised mutual funds which may expose us to liability.
- Potential impairment of goodwill and intangible assets could result in not realizing the value of these assets.
- If we were deemed an investment company required to register under the Investment Company Act of 1940 (the "Investment Company Act"), we would become subject to burdensome regulatory requirements and our business activities could be restricted.

#### Merger and Acquisition Risks

- We may not realize the benefits we expect from mergers and acquisitions because of integration difficulties and other challenges.
- Certain liabilities resulting from acquisitions are estimated and could lead to a material impact on earnings.

#### Indebtedness Risks

- Our substantial indebtedness may expose us to material risks.

#### Public Company Risks

- The market price of our Common Stock is likely to be volatile and could decline.
- Future sales of shares by shareholders could cause our stock price to decline.
- Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, operating results and stock price.
- Our ability to pay regular dividends is subject to our Board's discretion and Delaware law.
- Future offerings of debt or equity securities may dilute or rank senior to our common stock.
- Provisions in our charter documents could discourage a takeover that shareholders may consider favorable.
- Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for substantially all disputes between us and our shareholders, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.
- Our certificate of incorporation contains a corporate opportunity waiver that permits certain of our significant stockholders and their affiliates to compete with us and to pursue business opportunities without offering them to us, which may result in conflicts of interest and limit our access to potentially beneficial transactions.

#### Legal and Regulatory Risks

- As an investment management firm and brokerage firm, we are subject to extensive U.S. and non-U.S. regulation.
- Regulatory and governmental examinations and/or investigations, litigation and the legal risks associated with our business, could adversely impact our AUM, increase costs and negatively impact our profitability and/or our future financial results.
- The regulatory environment in which we operate is subject to continual change and regulatory developments designed to increase oversight and may materially adversely affect our business.

#### Industry Risks

- Recent trends in the investment management industry could reduce our AUM, revenues and net income, such as increased demand for passive management, low fee products or alternative asset classes.
- The investment management industry is intensely competitive and is consolidating.

- Failure to address the increased transformative pressures affecting the asset management industry could negatively impact our business.

#### Third Party Risks

- We depend primarily on third parties to market Victory Funds and VictoryShares.
- We rely on third parties to provide products or services for the operation of our business, and a failure or inability by such parties to provide these products or services could materially adversely affect our business.

#### Operational and Cybersecurity Risks

- Operational risks may disrupt our business, result in losses or limit our growth.
- Failure to implement effective information and cyber security policies, procedures and capabilities could disrupt operations and cause financial losses.
- Our use of Artificial Intelligence technologies may not be successful and may present business, compliance and reputational risks.
- Disruption to the operations of third parties whose functions are integral to our ETF platform may adversely affect the prices at which VictoryShares trade, particularly during periods of market volatility.

#### General Risks

- Reputational harm could result in a loss of AUM and revenues.
- If our techniques for managing risk are ineffective, we may be exposed to material unanticipated losses.
- Certain of our strategies invest principally in the securities of non-U.S. companies, which involve foreign currency exchange, tax, political, social and economic uncertainties and risks.
- The expansion of our business outside of the United States raises tax and regulatory risks, may adversely affect our profit margins and places additional demands on our resources and employees.
- Failure to properly address conflicts of interest could harm our reputation, business and results of operations.
- Our contractual obligations may subject us to indemnification obligations to third parties.
- Insurance may not be available on a cost-effective basis to protect us from liability.
- Failure to protect our intellectual property may negatively impact our business.
- Climate change may adversely affect our office locations.

#### Market and Investment Performance Risks

***We earn substantially all of our revenues based on AUM, and any reduction in AUM would reduce our revenues and profitability. AUM fluctuates based on many factors, including investment performance, client withdrawals and difficult market conditions.***

We earn substantially all of our revenues from asset-based fees from investment management products and services to individuals and institutions. Therefore, if our AUM declines, our fee revenue will decline, which will reduce our profitability as certain of our expenses are fixed. There are several reasons that AUM could decline:

- The performance of our investment strategies is critical to our business, and any real or perceived negative absolute or relative performance could negatively impact the maintenance and growth of AUM. Net flows related to our strategies can be affected by investment performance relative to other competing strategies or to established benchmarks. Our investment strategies are rated, ranked, recommended or assessed by independent third parties, distribution partners, and industry periodicals and services. These assessments may influence the investment decisions of

our clients. If the performance or assessment of our strategies is seen as underperforming relative to peers, it could result in an increase in the withdrawal of assets by existing clients and the inability to attract additional commitments from existing and new clients. In addition, certain of our strategies have or may have capacity constraints, as there is a limit to the number of securities or size of market available for the strategy to operate effectively. In those instances, we may choose to limit access to those strategies to new or existing investors, such as we have done for two mutual funds managed by the Sycamore Capital Franchise which had an aggregate of \$20.6 billion in AUM as of December 31, 2025.

- General domestic and global economic and political conditions can influence AUM. Changes in interest rates, the availability and cost of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, tariffs, commodity prices, currency exchange rates and controls and national and international political circumstances such as the increased tension between the U.S. and China (including wars (such as the military conflict between Russia and Ukraine and the conflict in the Middle East, military conflicts and potential conflicts in Venezuela and China/Taiwan), pandemics, terrorist acts and security operations) and other conditions may impact the equity and credit markets, which may influence our AUM. If the security markets decline or experience volatility, our AUM and our revenues could be negatively impacted. In addition, diminishing investor confidence in the markets and/or adverse market conditions could result in a decrease in investor risk tolerance. Such a decrease could prompt investors to reduce their rate of commitment or to fully withdraw from markets, which could lower our overall AUM.
- Capital and credit markets can experience substantial volatility. The significant volatility in the markets in the recent past has highlighted the interconnection of the global markets and demonstrated how the deteriorating financial condition of one institution may materially adversely impact the performance of other institutions. In the event of extreme circumstances, including economic, political or business crises, such as a widespread systemic failure in the global financial system or failures of firms that have significant obligations as counterparties, we may suffer significant declines in AUM and severe liquidity or valuation issues.
- Changes in interest rates can have adverse effects on our AUM. Increases in interest rates may adversely affect the net asset values of our AUM. Furthermore, increases in interest rates may result in reduced prices in equity markets. Conversely, decreases in interest rates could lead to outflows in fixed income assets that we manage as investors seek higher yields.

Any of these factors could reduce our AUM and revenues and, if our revenues decline without a commensurate reduction in our expenses, would lead to a reduction in our net income.

***Continued geopolitical uncertainty such as the ongoing conflicts in Ukraine, Venezuela, and the Middle East and tension between (i) the U.S., China, North Korea, Iran and Russia and (ii) China/Taiwan has, and will likely continue to, negatively impact the global economy.***

Continued geopolitical uncertainty such as the ongoing conflicts in Ukraine, Venezuela and the Middle East and tension between (i) the U.S. and China, North Korea, Iran and Russia and (ii) China/Taiwan has created significant volatility, uncertainty and economic disruption. While it has not had a material adverse effect on our business, operations and financial results, the extent to which the geopolitical uncertainty and conflicts impact our business, operations and financial results going forward will depend on numerous evolving factors that we may not be able to accurately predict, including: the duration and scope of the uncertainty and conflicts; governmental and business actions that have been and continue to be taken in response, and the impact on economic activity.

#### ***We are exposed to risks arising from our International Activities***

In addition to having a UK subsidiary, we provide investment management services in a number of jurisdictions outside of the United States. Our international operations require us to comply with the legal and regulatory requirements of various foreign jurisdictions and expose us to political environments and risks that can compare less favorably than those in the United States.

Our foreign business operations and services are also subject to the following risks:

- difficulty in managing, operating, and marketing our international service;

- the inability to transact in various investments or to repatriate the proceeds from our investments from countries outside the U.S.; and
- the potential nationalization of our property or that of the companies in our investment portfolios;
- significant adverse changes in international legal and regulatory environments.

***If our strategies perform poorly, clients could redeem their assets and we could suffer a decline in our AUM, which would reduce our earnings.***

The performance of our strategies is critical in retaining existing client assets as well as attracting new client assets. If our strategies perform poorly for any reason, our earnings could decline because:

- our existing clients may redeem their assets from our strategies or terminate their relationships with us;
- the Morningstar and Lipper ratings and rankings of mutual funds, ETFs and UCITS we manage may decline, which may adversely affect the ability of those funds to attract new or retain existing assets; and
- third-party financial intermediaries, advisors or consultants may remove our investment products from recommended lists due to poor performance or for other reasons, which may lead our existing clients to redeem their assets from our strategies or reduce asset inflows from these third parties or their clients.

Our strategies can perform poorly for a number of reasons, including: general market conditions; investor sentiment about market and economic conditions; investment styles and philosophies; investment decisions; global events; the performance of the companies in which our strategies invest and the currencies in which those investment are made; the fees we charge; the liquidity of securities or instruments in which our strategies invest; and our inability to identify sufficient appropriate investment opportunities for existing and new client assets on a timely basis. In addition, while we seek to deliver long-term value to our clients, volatility may lead to under-performance in the short term, which could adversely affect our results of operations.

In addition, when our strategies experience strong results relative to the market, clients' allocations to our strategies typically increase relative to their other investments and we sometimes experience withdrawals as our clients rebalance their investments to fit their asset allocation preferences despite our strong results.

While clients do not have legal recourse against us solely on the basis of poor investment results, if our strategies perform poorly, we are more likely to become subject to litigation brought by dissatisfied clients. In addition, to the extent clients are successful in claiming that their losses resulted from fraud, negligence, willful misconduct, breach of contract or other similar misconduct, these clients may have remedies against us, the mutual funds and other pooled investment vehicles we advise and/or our investment professionals under various U.S. and non-U.S. laws.

***The historical returns of our strategies may not be indicative of their future results or of the strategies we may develop in the future.***

The historical returns of our strategies and the ratings and rankings we or the mutual funds, ETFs and other pooled investment vehicles that we advise have received in the past should not be considered indicative of the future results of these strategies or of any other strategies that we may develop in the future. The investment performance we achieve for our clients varies over time and the variance can be wide. The ratings and rankings we or the mutual funds, ETFs and other pooled investment vehicles that we advise have received are typically revised monthly. Our strategies' returns have benefited during some periods from investment opportunities and positive economic and market conditions. In other periods, general economic and market conditions have negatively affected investment opportunities and our strategies' returns. These negative conditions may occur again, and in the future, we may not be able to identify and invest in profitable investment opportunities within our current or future strategies.

New strategies that we launch or acquire in the future may present new and different investment, regulatory, operational, distribution and other risks than those presented by our current strategies. New strategies may invest in instruments with which we have no or limited experience, create portfolios that present new or

different risks or have higher performance expectations that are more difficult to meet. Any real or perceived problems with future strategies or vehicles could cause a disproportionate negative impact on our business and reputation.

***The performance of our strategies or the growth of our AUM may be constrained by unavailability of appropriate investment opportunities.***

The ability of our investment teams to deliver strong investment performance depends in large part on their ability to identify appropriate investment opportunities in which to invest client assets. If the investment team for any of our strategies is unable to identify sufficient appropriate investment opportunities for existing and new client assets on a timely basis, the investment performance of the strategy could be adversely affected. In addition, if we determine that sufficient investment opportunities are not available for a strategy, we may choose to limit the growth of the strategy by limiting the rate at which we accept additional client assets for management under the strategy, closing the strategy to all or substantially all new investors or otherwise taking action to limit the flow of assets into the strategy. If we misjudge the point at which it would be optimal to limit access to or close a strategy, the investment performance of the strategy could be negatively impacted. The risk that sufficient appropriate investment opportunities may be unavailable is influenced by a number of factors, including general market conditions, but is particularly acute with respect to our strategies that focus on small- and mid-cap equities, and is likely to increase as our AUM increases, particularly if these increases occur very rapidly. By limiting the growth of strategies, we may be managing the business in a manner that reduces the total amount of our AUM and our investment management fees over the short term.

**Business Risks**

***The loss of key investment professionals or members of our senior management team could have a material adverse effect on our business.***

We depend on the skills and expertise of our portfolio managers and other investment professionals and our success depends on our ability to retain the key members of our investment teams, who possess substantial experience in investing and have been primarily responsible for the historical investment performance we have achieved.

Because of the tenure and stability of our portfolio managers, our clients may attribute the investment performance we have achieved to these individuals. The departure of a portfolio manager could cause clients to withdraw assets from the strategy, which would reduce our AUM, investment management fees and our net income. The departure of a portfolio manager also could cause consultants and intermediaries to stop recommending a strategy, clients to refrain from allocating additional assets to the strategy or delay such additional assets until a sufficient new track record has been established and could also cause the departure of other portfolio managers or investment professionals. We have instituted succession planning at our Franchises in an attempt to minimize the disruption resulting from these potential changes, but we cannot predict whether such efforts will be successful.

We also rely upon the contributions of our senior management team to establish and implement our business strategy and to manage the future growth of our business. The loss of any of the senior management team could limit our ability to successfully execute our business strategy or adversely affect our ability to retain existing and attract new client assets and related revenues.

Any of our investment or management professionals may resign at any time, join our competitors or form a competing company. Although many of our portfolio managers and each of our named executive officers are subject to post-employment non-compete obligations, these non-competition provisions may not be enforceable or may not be enforceable to their full extent. In addition, we may agree to waive non-competition provisions or other restrictive covenants applicable to former investment or management professionals in light of the circumstances surrounding their relationship with us. Although we may pursue legal actions for alleged breaches of non-compete or other restrictive covenants, such legal actions may not be effective in preventing such breaches. In addition, certain states like California, Minnesota, North Dakota and Oklahoma have required employers to rescind or limit the enforceability of non-competes. We do not generally carry "key man" insurance that would provide us with proceeds in the event of the death or disability of any of the key members of our investment or management teams.

Competition for qualified investment and management professionals is intense and we may fail to successfully attract and retain qualified personnel in the future. Our ability to attract and retain these

personnel will depend heavily on the amount and structure of compensation and opportunities for equity ownership we offer. Any cost-reduction initiative or adjustments or reductions to compensation or changes to our equity ownership culture could cause instability within our existing investment teams and negatively impact our ability to retain key personnel. In addition, changes to our management structure, corporate culture and corporate governance arrangements could negatively impact our ability to retain key personnel.

***We derive substantially all of our revenues from contracts and relationships that may be terminated upon short or no notice.***

We derive substantially all of our revenues from investment advisory and sub-advisory agreements as well as fund administration and accounting, agreements with the Victory Funds and VictoryShares and transfer agency agreements with the Victory Portfolios III (the "Victory Funds III"), all of which are terminable by clients or our funds' boards upon short notice or no notice.

Our investment advisory agreements with registered funds, which are funds registered under the Investment Company Act of 1940, as amended, or the 1940 Act, including mutual funds and ETFs, are generally terminable by the funds' boards or a vote of a majority of the funds' outstanding voting securities on not more than 60 days' written notice, as required by law. After an initial term (not to exceed two years), each registered fund's investment advisory agreement must be approved and renewed annually by that fund's board, including by its independent members. We maintain a long history of renewing these agreements. In addition, all of our separate account clients and certain of the mutual funds that we sub-advise have the ability to re-allocate all or any portion of the assets that we manage away from us at any time with little or no notice. When a sub-adviser terminates its sub-advisory agreement to manage a fund that we advise there is a risk that investors in the fund could redeem their assets in the fund, which would cause our AUM to decrease. Similarly, our fund administration, accounting, and transfer agency agreements are subject to annual fund board approval.

These investment advisory and other agreements and client relationships may be terminated or not renewed for any number of reasons. The decrease in revenues that could result from the termination of a material client relationship or group of client relationships could have a material adverse effect on our business.

***Investors in certain funds that we advise can redeem their assets from those funds at any time without prior notice.***

Investors in the mutual funds and certain other pooled investment vehicles that we advise or sub-advise may redeem their assets from those funds at any time on fairly limited or no prior notice, thereby reducing our AUM. These investors may redeem for any number of reasons, including general financial market conditions, global events, the absolute or relative investment performance we have achieved, or their own financial conditions and requirements. In a declining stock market, the pace of redemptions could accelerate. Poor investment performance relative to other funds tends to result in decreased client commitments and increased redemptions. For the year ended December 31, 2025, we generated approximately 80% of our total revenues from mutual funds and other pooled investment vehicles that we advise (including our proprietary mutual funds, or the Victory Funds, VictoryShares, and other entities for which we are adviser or sub-adviser). The redemption of assets from those funds could adversely affect our revenues and have a material adverse effect on our earnings.

***Investment recommendations provided to our direct investor channel may not be suitable or fulfill regulatory requirements; representatives may not disclose or address conflicts of interest, conduct inadequate due diligence, provide inadequate disclosure; transactions subject to human error or fraud.***

The direct channel serves existing or potential individual investors who invest in our proprietary mutual funds, ETFs and the USAA 529 Education Savings Plan. Investors also have the ability to invest in third party mutual funds, third party ETFs and individual equity securities listed on major U.S. exchanges on a self-directed basis. Our broker-dealer subsidiary has a dedicated retail investor-facing sales team who discuss the merits of investing in our proprietary products. The sales team provides recommendations based on the investor's needs to aid them in their decision making. Our sales team's recommendations may not fulfill regulatory requirements as a result of their failing to collect sufficient information about an investor or failing to understand the investor's needs or risk tolerances. Risks associated with providing recommendations also include those arising from how we disclose and address actual or potential conflicts of interest, inadequate

due diligence, inadequate disclosure, human error and fraud. In addition, Regulation Best Interest imposes heightened conduct standards, suitability analysis and disclosure requirements when we provide recommendations to retail investors. To the extent that we fail to satisfy regulatory requirements, fail to know our investors, improperly advise these investors, or risks associated with providing investment recommendations otherwise materialize, we could be found liable for losses suffered by such investors, or could be subject to regulatory fines, and penalties, any of which could harm our reputation and business.

We may be subject to claims of unsuitable investments. If individual investors suffer losses on their investment they may seek compensation from us on the basis of allegations that their investments were not suitable or that the fund prospectuses or other marketing materials contained material errors or were misleading. Despite the controls relating to disclosure in fund prospectuses and marketing materials, it is possible that such action may be successful, which in turn could adversely affect the business, financial condition and results of operations.

***The significant growth we have experienced over the past few years may be difficult to sustain and our growth strategy is dependent in part upon our ability to make and successfully integrate new strategic acquisitions.***

Our total client assets have increased from \$17.9 billion following our 2013 management-led buyout from KeyCorp to \$316.6 billion as of December 31, 2025, primarily as a result of acquisitions. The absolute measure of our AUM represents a significant rate of growth that may be difficult to sustain. The continued long-term growth of our business will depend on, among other things, successfully making new acquisitions, achieving our synergies, retaining key investment professionals, maintaining existing strategies and selectively developing new, value-added strategies. There is no certainty that we will be able to identify suitable candidates for acquisition at prices and terms we consider attractive, consummate any such acquisition on acceptable terms, have sufficient resources to complete an identified acquisition or that our strategy for pursuing acquisitions will be effective. In addition, any acquisition can involve a number of risks, including the existence of known, unknown or contingent liabilities. An acquisition may impose additional demands on our staff that could strain our operational resources and require expenditure of substantial legal, investment banking and accounting fees. We may be required to issue additional shares of common stock or spend significant cash to consummate an acquisition, resulting in dilution of ownership or additional debt leverage, or spend additional time and money on facilitating the acquisition that otherwise would be spent on the development and expansion of our existing business.

We may not be able to successfully manage the process of integrating an acquired company's people and other applicable assets to extract the value and synergies projected to be realized in connection with the acquisition. The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of one or more of our combined businesses and the possible loss of key personnel and AUM. The diversion of management's attention and any delays or difficulties encountered in connection with acquisitions and the integration of an acquired company's operations could have an adverse effect on our business.

Our business growth will also depend on our success in achieving superior investment performance from our strategies, as well as our ability to maintain and extend our distribution capabilities, to deal with changing market and industry conditions, to maintain adequate financial and business controls and to comply with new legal and regulatory requirements arising in response to both the increased sophistication of the investment management industry and the significant market and economic events of the last decade.

We may not be able to manage our growing business effectively or be able to sustain the level of growth we have achieved historically.

***Our expenses are subject to fluctuations that could materially impact our results of operations.***

Our results of operations are dependent upon the level of our expenses, which can vary from period to period. We have certain fixed expenses that we incur as a going concern, and some of those expenses are not subject to adjustment. If our revenues decrease, without a corresponding decrease in expenses, our results of operations would be negatively impacted. While a majority of our expenses are variable, and we attempt to project expense levels in advance, there is no guarantee that an unforeseen expense will not arise or that we will be able to adjust our variable expenses quickly enough to match a declining revenue base. Consequently, either event could have either a temporary or permanent negative impact on our results of operations.

***New lines of business or new products and services may subject us to reputational harm, additional costs or operational risks.***

Our financial performance depends, in part on our ability to react to changes in the asset management industry, respond to evolving client demands, and manage new investment products and services. From time to time, we may implement new lines of business or offer new products and services. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed or clients demand the creation of increasingly customizable products. In developing and marketing new lines of business and/or new products and services, we may invest significant time and resources and price and profitability targets may not prove feasible. External factors, such as competitive alternatives and shifting market preferences, may also impact the successful implementation of a new line of business and/or a new product or service. Furthermore, strategic planning remains important as we adopt innovative products, services, and processes in response to the evolving demands for financial services and the entrance of new competitors. Any new line of business and/or new product or service could have a significant impact on the effectiveness of our system of internal controls, so we must responsibly innovate in a manner that is consistent with sound risk management and is aligned with the overall business strategies. Failure to successfully manage these risks in the development and implementation of new lines of business and/or new products or services could have a material adverse effect on our reputation, business, results of operations and financial condition.

***Our efforts to establish and develop new teams and strategies may be unsuccessful and could negatively impact our results of operations and could negatively impact our reputation and culture.***

We seek to add new investment teams that invest in a way that is consistent with our philosophy of offering high value-added strategies. We also look to offer new strategies managed by our existing teams. We expect the costs associated with establishing a new team and/or strategy initially to exceed the revenues generated, which will likely negatively impact our results of operations. If new strategies, whether managed by a new team or by an existing team, invest in instruments, or present operational issues and risks, with which we have little or no experience, it could strain our resources and increase the likelihood of an error or failure.

In addition, the historical returns of our existing strategies may not be indicative of the investment performance of any new strategy, and the poor performance of any new strategy could negatively impact the reputation of our other strategies.

We may support the development of new strategies by making one or more seed investments using capital that would otherwise be available for our general corporate purposes and acquisitions. Making such a seed investment could expose us to potential capital losses.

***An assignment could result in termination of our investment advisory agreements and could trigger consent requirements in our other investment advisory agreements.***

Under the 1940 Act, each of the investment advisory agreements between registered funds and our subsidiary, VCM, and investment sub-advisory agreements between the investment adviser to a registered fund and VCM, will terminate automatically in the event of its assignment, as defined in the 1940 Act.

Assignment, as generally defined under the 1940 Act and the Investment Advisers Act of 1940, as amended, or the Advisers Act, includes direct assignments as well as assignments that may be deemed to occur, under certain circumstances, upon the direct or indirect transfer of a “controlling block” of our outstanding voting securities. A transaction is not an assignment under the 1940 Act or the Advisers Act if it does not result in a change of actual control or management of VCM.

Upon the occurrence of such an assignment, VCM could continue to act as adviser or sub-adviser to any such registered fund only if that fund’s board and shareholders approved a new investment advisory agreement, except in the case of certain of the registered funds that we sub-advise for which only board approval would be necessary pursuant to a manager-of-managers SEC exemptive order. In addition, as required by the Advisers Act, each of the investment advisory agreements for the separate accounts and pooled investment vehicles we manage provides that it may not be assigned, as defined in the Advisers Act, without the consent of the client. In addition, the investment advisory agreements for certain pooled investment vehicles we manage outside the U.S. contain provisions requiring board approval and or client consent before they can be assigned. If an assignment were to occur, we cannot be certain that we would be

able to obtain the necessary approvals from the boards and shareholders of the registered funds we advise or the necessary consents from our separate account or pooled investment vehicle clients.

If an assignment of an investment advisory agreement is deemed to occur, and our clients do not consent to the assignment or enter into a new agreement, our results of operations could be materially and adversely affected.

***Our failure to comply with investment guidelines set by our clients, including the boards of registered and unregistered funds, and limitations imposed by applicable law, could result in damage awards against us and a loss of AUM, either of which could adversely affect our results of operations or financial condition.***

When clients retain us to manage assets on their behalf, they generally specify certain guidelines regarding investment allocation and strategy that we are required to follow in managing their assets. The boards of registered and unregistered funds we manage generally establish similar guidelines regarding the investment of assets in those funds. We are also required to invest the registered funds' assets in accordance with limitations under the 1940 Act and applicable provisions of the Internal Revenue Code of 1986, as amended, or the Internal Revenue Code. Other clients, such as plans subject to the Employee Retirement Income Security Act of 1974, as amended, or ERISA, or non-U.S. funds and pooled investment vehicles, require us to invest their assets in accordance with applicable law. Our failure to comply with any of these guidelines and other limitations could result in losses to clients or investors in a fund which, depending on the circumstances, could result in our obligation to make clients or fund investors whole for such losses. If we believed that the circumstances did not justify a reimbursement, or clients and investors believed the reimbursement we offered was insufficient, they could seek to recover damages from us or could withdraw assets from our management or terminate their investment advisory agreement with us. Any of these events could harm our reputation and materially adversely affect our business.

***We provide a broad range of services to the Victory Funds, VictoryShares and sub-advised mutual funds which may expose us to liability.***

We provide a broad range of administrative services to the Victory Funds and VictoryShares, including providing personnel to the Victory Funds and VictoryShares to serve as directors and officers, the preparation or supervision of the preparation of the Victory Funds' and VictoryShares' regulatory filings, maintenance of board calendars and preparation or supervision of the preparation of board meeting materials, management of compliance and regulatory matters, provision of shareholder services and communications, accounting services, including the supervision of the activities of the Victory Funds' and VictoryShares' accounting services provider in the calculation of the funds' net asset values, supervision of the preparation of the Victory Funds' and VictoryShares' financial statements and coordination of the audits of those financial statements, tax services, including calculation of dividend and distribution amounts and supervision of tax return preparation, supervision of the work of the Victory Funds' and VictoryShares' other service providers, VCTA acting as transfer agent to the Victory Funds III and VCS acting as a distributor for the Victory Funds and VictoryShares. If we make a mistake in the provision of those services, the Victory Funds or VictoryShares could incur costs for which we might be liable. In addition, if it were determined that the Victory Funds or VictoryShares failed to comply with applicable regulatory requirements as a result of action or failure to act by our employees, we could be responsible for losses suffered or penalties imposed. In addition, we could have penalties imposed on us, be required to pay fines or be subject to private litigation, any of which could decrease our future income or negatively affect our current business or our future growth prospects. Although less extensive than the range of services we provide to the Victory Funds and VictoryShares, we also provide a limited range of services, in addition to investment management services, to sub-advised mutual funds.

In addition, we from time to time provide information to the funds for which we act as sub-adviser (or to a person or entity providing administrative services to such a fund), and to the UCITS, for which we act as investment manager (or to the promoter of the UCITS or a person or entity providing administrative services to such a UCITS), which is used by those funds or UCITS in their efforts to comply with various regulatory requirements. If we make a mistake in the provision of those services, the sub-advised fund or UCITS could incur costs for which we might be liable. In addition, if it were determined that the sub-advised fund or UCITS failed to comply with applicable regulatory requirements as a result of action or failure to act by our employees, we could be responsible for losses suffered or penalties imposed. In addition, we could have

penalties imposed on us, be required to pay fines or be subject to private litigation, any of which could decrease our future income or negatively affect our current business or our future growth prospects.

***Potential impairment of goodwill and intangible assets could result in not realizing the value of these assets.***

As of December 31, 2025, our goodwill and intangible assets totaled \$3.7 billion. The value of these assets may not be realized for a variety of reasons, including, but not limited to, significant redemptions, loss of clients, damage to brand name and unfavorable economic conditions. In accordance with the guidance under Financial Accounting Standards Board, or FASB, ASC 350-20, Intangibles—Goodwill and Other, we review the carrying value of goodwill and intangible assets not subject to amortization on an annual basis, or more frequently if indications exist suggesting that the fair value of our intangible assets may be below their carrying value. Determining goodwill and intangible assets, and evaluating them for impairment, requires significant management estimates and judgment, including estimating value and assessing useful life in connection with the allocation of purchase price in the acquisition creating them. We evaluate the value of intangible assets subject to amortization on an annual basis and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Should such reviews indicate impairment, a reduction of the carrying value of the intangible asset could occur.

***If we were deemed an investment company required to register under the 1940 Act, we would become subject to burdensome regulatory requirements and our business activities could be restricted.***

Generally, a company is an “investment company” required to register under the 1940 Act if, absent an applicable exception or exemption, it (i) is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or (ii) engages, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire “investment securities” having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis.

We hold ourselves out as an investment management firm and do not propose to engage primarily in the business of investing, reinvesting or trading in securities. We believe we are engaged primarily in the business of providing investment management services and not in the business of investing, reinvesting or trading in securities. We also believe our primary source of income is properly characterized as income earned in exchange for the provision of services. We believe less than 40% of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis comprise assets that could be considered investment securities.

We intend to conduct our operations so that we will not be deemed an investment company required to register under the 1940 Act. However, if we were to be deemed an investment company required to register under the 1940 Act, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with our affiliates, could make it impractical for us to continue our business as currently conducted and could have a material adverse effect on our financial performance and operations.

**Merger and Acquisition Risks**

***We may not realize the benefits we expect from mergers and acquisitions because of integration difficulties and other challenges.***

We regularly review, and from time to time have discussions on and engage in, potential transactions, including potential acquisitions of other asset managers or their assets, consolidations, equity method investments or similar transactions, some of which may be material. The success of these transactions will depend in large part on the success of integrating the personnel, operations, strategies, technologies and other components of the businesses following the completion of the transaction. The Company may fail to realize some or all of the anticipated benefits if the integration process takes longer than expected or is more costly than expected. The failure of the Company to meet the challenges involved in successfully integrating the operations or to otherwise realize any of the anticipated benefits could impair the operations of the Company. Potential difficulties that we may encounter in the integration process include the following:

- the integration of personnel, operations, strategies, technologies and support services;
- the disruption of ongoing businesses and distraction of their respective personnel from ongoing business concerns;

- the retention of the existing clients;
- the retention of key intermediary distribution relationships;
- the integration of corporate cultures and maintenance of employee morale;
- the retention of key employees;
- the creation of uniform standards, controls, procedures, policies and information systems;
- the reduction of the costs associated with combining operations;
- the consolidation and rationalization of information technology platforms and administrative infrastructures; and
- potential unknown liabilities;

The anticipated benefits and synergies include the elimination of duplicative personnel, realization of efficiencies in consolidating duplicative corporate, business support functions and amortization of purchased intangibles for tax purposes. However, these anticipated benefits and synergies assume a successful integration and are based on projections, which are inherently uncertain, and other assumptions. Even if integration is successful, anticipated benefits and synergies may not be achieved.

***Certain liabilities resulting from acquisitions are estimated and could lead to a material impact on earnings.***

Through our acquisition activities, we may record liabilities for future contingent earnout payments that are to be settled in cash. The fair value of these liabilities is assessed on a quarterly basis and changes in assumptions used to determine the amount of the liability could lead to an adjustment that may have a material impact, favorable or unfavorable, on our results of operations.

#### **Indebtedness Risks**

***Our substantial indebtedness may expose us to material risks.***

As of December 31, 2025, we had approximately \$983 million of outstanding debt. In addition, we maintain a \$100 million revolving credit facility, though no amounts were outstanding as of December 31, 2025.

Our substantial indebtedness may make it more difficult for us to withstand or respond to adverse or changing business, regulatory and economic conditions or to take advantage of new business opportunities or make necessary capital expenditures. In addition, the 2019 Credit Agreement contains financial and operating covenants that may limit our ability to conduct our business. While we are currently in compliance in all material respects with the financial and operating covenants under the 2019 Credit Agreement, we cannot assure that at all times in the future we will satisfy all such financial and operating covenants (or any such covenants applicable at the time) or obtain any required waiver or amendment, in which event all outstanding indebtedness could become immediately due and payable. This could result in a substantial reduction in our liquidity and could challenge our ability to meet future cash needs of the business.

To the extent we service our debt from our cash flow, such cash will not be available for our operations or other purposes. Because of our significant debt service obligations, the portion of our cash flow used to service those obligations could be substantial if our revenues decline, whether because of market declines or for other reasons. Any substantial decrease in net operating cash flows or any substantial increase in expenses could make it difficult for us to meet our debt service requirements or force us to modify our operations. Our ability to repay the principal amount of any outstanding loans under the 2019 Credit Agreement, to refinance our debt or to obtain additional financing through debt or the sale of additional equity securities will depend on our performance, as well as financial, business and other general economic factors affecting the credit and equity markets generally or our business in particular, many of which are beyond our control. Any such alternatives may not be available to us on satisfactory terms or at all.

## **Public Company Risks**

### ***The market price of our Common Stock is likely to be volatile and could decline.***

Investors in our Common Stock may experience a decrease in the value of their shares, including decreases unrelated to our operating performance or prospects. Factors that could cause the market price of our Common Stock to fluctuate significantly include:

- our operating and financial performance and prospects and the performance of other similar companies;
- our quarterly or annual earnings or those of other companies in our industry;
- conditions that impact demand for our products and services;
- the public's reaction to our press releases, financial guidance and other public announcements, and filings with the SEC;
- changes in earnings estimates or recommendations by securities or research analysts who track our Common Stock;
- market and industry perception of our level of success in pursuing our growth strategy;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- changes in government and other regulations; changes in accounting standards, policies, guidance, interpretations or principles;
- departure of key personnel;
- the number of shares publicly traded;
- sales of our Common Stock by us, our investors or members of our management team; and
- changes in general market, economic and political conditions in the U.S. and global economies or financial markets, including those resulting from natural disasters, telecommunications failures, cyber-attacks, civil unrest in various parts of the world, acts of war, terrorist attacks or other catastrophic events.

Any of these factors may result in large and sudden changes in the trading volume and market price of our Common Stock.

Following periods of volatility in the market price of a company's securities, shareholders often file securities class-action lawsuits against such company. Our involvement in a class-action lawsuit could divert our senior management's attention and, if adversely determined, could have a material and adverse effect on our business, financial condition and results of operations.

### ***Future sales of shares by shareholders could cause our stock price to decline.***

Sales of substantial amounts of our Common Stock in the public market, or the perception that these sales could occur, could cause the market price of our Common Stock to decline. As of February 19, 2026, 64,049,636 shares of our Common Stock are outstanding. Shares of our Common Stock are freely tradable without restriction under the Securities Act, unless purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act.

### ***Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, operating results and stock price.***

Section 404 of the Sarbanes-Oxley Act and related SEC rules require that we perform an annual management assessment of the design and effectiveness of our internal control over financial reporting. Our assessment concluded that our internal control over financial reporting was effective as of December 31, 2025; however, there can be no assurance that we will be able to maintain the adequacy of our internal control over financial reporting, as such standards are modified, supplemented or amended from time to time in future periods. Accordingly, we cannot assure that we will be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. Moreover, effective internal control is necessary for us to produce reliable financial reports and is

important to help prevent financial fraud. If we cannot provide reliable financial reports or prevent fraud, our business and operating results could be harmed, investors could lose confidence in our reported financial information, and the trading price of our Common Stock could drop significantly.

***Our ability to pay regular dividends is subject to our Board's discretion and Delaware law.***

We intend to pay dividends to holders of our Common Stock as described in "Dividend Policy." Our board of directors may, in its sole discretion, change the amount or frequency of dividends or discontinue the payment of dividends entirely. In making decisions regarding our quarterly dividends, we consider general economic and business conditions, our strategic plans and prospects, our businesses and investment opportunities, our financial condition and operating results, working capital requirements and anticipated cash needs, contractual restrictions (including under the terms of our Sixth Amendment to the 2019 Credit Agreement) and legal, tax, regulatory and such other factors as we may deem relevant.

***Future offerings of debt or equity securities may dilute or rank senior to our Common Stock.***

In the future, we may issue additional shares of common stock or other equity or debt securities convertible into common stock in connection with a financing, acquisition or employee arrangement, or in certain other circumstances. Any of these issuances could be senior to, have different preferences, or result in substantial dilution to, our existing common shares and could cause the trading price of our Common Stock to decline.

If we decide to issue debt securities, which would rank senior to shares of our common stock, it is likely that they will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. We and, indirectly, our shareholders will bear the cost of issuing and servicing such securities. We may also issue preferred equity, which will have superior rights relative to our common stock, including with respect to voting and liquidation.

Furthermore, if our future access to public markets is limited or our performance decreases, we may need to carry out a private placement or public offering of our Common Stock at a lower price than the price at which investors purchased their shares.

Because our decision to issue debt, preferred or other equity or equity-linked securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, holders of our Common Stock will bear the risk of our future offerings reducing the market price of our Common Stock and diluting the value of their shareholdings in us.

***Provisions in our charter documents could discourage a takeover that shareholders may consider favorable.***

Certain provisions in our governing documents could make a merger, tender offer or proxy contest involving us difficult, even if such events would be beneficial to the interests of our shareholders. Among other things, these provisions:

- permit our board of directors to establish the number of directors and fill any vacancies and newly created directorships;
- authorize the issuance of "blank check" preferred stock that our board of directors could use to implement a shareholder rights plan;
- provide that our board of directors is expressly authorized to amend or repeal any provision of our bylaws;
- restrict the forum for certain litigation against us to Delaware;
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by shareholders at annual shareholder meetings;
- establish a classified board of directors with three classes of directors and the removal of directors only for cause;
- require that actions to be taken by our shareholders be taken only at an annual or special meeting of our shareholders, and not by written consent;
- establish certain limitations on convening special shareholder meetings; and

- restrict business combinations with interested shareholders.

These provisions may delay or prevent attempts by our shareholders to replace members of our management by making it more difficult for shareholders to replace members of our board of directors, which is responsible for appointing the members of our management. Anti-takeover provisions could depress the price of our common stock by acting to delay or prevent a change in control of us.

***Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for substantially all disputes between us and our shareholders, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.***

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws or any action asserting a claim against us that is governed by the internal affairs doctrine. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees and may discourage these types of lawsuits.

***Our certificate of incorporation contains a corporate opportunity waiver that permits certain of our significant stockholders and their affiliates to compete with us and to pursue business opportunities without offering them to us, which may result in conflicts of interest and limit our access to potentially beneficial transactions.***

Under the Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation, there is a corporate opportunities waiver in favor of Amundi and its directors, officers, employees representatives and affiliates and certain entities associated with Crestview Victory, L.P. (the "Identified Persons") which provides that, for so long as any directors, officers, employees and/or other representatives of the Identified Persons serves as director, officer or agent of Victory, the Identified Persons do not have a duty to refrain from: (i) engaging in the same or similar business activities or lines of business in which Victory or any of its affiliates now engages or proposes to engage, or (ii) otherwise competing with Victory or any of its affiliates, and, to the fullest extent permitted by law, no Identified Person shall be liable to Victory or its stockholders or to any affiliate of Victory for breach of any fiduciary duty solely by reason of the fact that such Identified Person engages in any such activities. Further, if an Identified Person acquires knowledge of a potential transaction which may constitute a corporate opportunity for both (a) the Identified Person outside of his or her capacity as an officer of Victory or a member of the Victory board, and (b) Victory, then the Identified Person shall not have any duty to offer or communicate information regarding such corporate opportunity to us, and we renounce any interest or expectancy in any potential transaction or matter of which the Identified Person acquires knowledge, except for any corporate opportunity which is expressly offered to an Identified Person solely in his or her capacity as an officer of Victory or a member of the Victory board.

### **Legal and Regulatory Risks**

***As an investment management and brokerage firm, we are subject to extensive U.S. and non-U.S. regulation.***

Investment management firms are subject to extensive regulation in the United States, primarily at the federal level, including regulation by the SEC under the 1940 Act and the Advisers Act, by the U.S. Department of Labor, or the DOL, under ERISA, by the Commodity Futures Trading Commission, or the CFTC, by the National Futures Association, or NFA, under the Commodity Exchange Act, and by the Financial Industry Regulatory Authority, Inc., or FINRA. The U.S. mutual funds and ETFs we manage are registered with and regulated by the SEC as investment companies under the 1940 Act. The Advisers Act imposes numerous obligations on investment advisers, including recordkeeping, advertising, compliance and operating requirements, conflict of interest and supervision requirements, disclosure obligations and prohibitions on fraudulent activities. The 1940 Act imposes similar obligations, as well as additional detailed operational requirements, on registered funds, which must be adhered to by their investment advisers. Investment advisers also are subject to certain state securities laws and regulations. Non-compliance with the Advisers Act, the 1940 Act or other federal and state securities laws and regulations could result in investigations, sanctions, disgorgement, fines, reputational damage, or loss of registration to conduct advisory business.

Trading and investment activities conducted by the investment adviser for its client accounts are regulated under the Exchange Act, as well as the rules of various securities exchanges and self-regulatory organizations, including laws governing trading on inside information, market manipulation and a broad number of technical requirements (e.g., short sale limits, volume limitations and reporting obligations) and market regulation policies. Violation of any of these laws and regulations could result in fines or sanctions, as well as restrictions on the investment management firm's activities and damage to its reputation.

Certain client accounts subject the investment adviser to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and to regulations promulgated thereunder by the DOL, since we act as a "fiduciary" under ERISA with respect to benefit plan clients that are subject to ERISA. ERISA and applicable provisions of the Internal Revenue Code impose certain duties on persons who are fiduciaries under ERISA, require the investment adviser to carry bonds insuring against losses caused by fraud or dishonesty, prohibit certain transactions involving ERISA plan clients and impose excise taxes for violations of these prohibitions, and mandate certain required periodic reporting and disclosures. ERISA also imposes additional compliance, reporting and operational requirements on investment advisers that otherwise are not applicable to clients that are not subject to ERISA.

The Direct Investor Business allows Investors to leverage our open architecture brokerage option and establish brokerage accounts to invest in mutual funds and ETFs from our platform along with individual stocks and products managed by third-party providers including cash management capabilities, these brokerage activities are likely to result in increased focus from FINRA as we will have to comply with extensive regulations imposed by FINRA.

### **Non-U.S. Regulation**

Our operations outside the U.S. are subject to the laws and regulations of various non-U.S. jurisdictions and non-U.S. regulatory agencies and bodies. Our international operations are subject to regulatory systems in various jurisdictions, comparable to those covering our operations in the U.S.

In the U.K., the Financial Conduct Authority (the "FCA") regulates our subsidiary. Authorization by the FCA is required to conduct any financial services-related business in the U.K. pursuant to the Financial Services and Markets Act 2000. The FCA's rules under that act govern a firm's capital resources requirements, senior management arrangements, business conduct, interaction with clients, and systems and controls.

Our compliance with multiple regulatory regimes may increase operational costs, complexity and the time required to execute transactions that may require regulatory approval.

***Regulatory and governmental examinations and/or investigations, litigation and the legal risks associated with our business, could adversely impact our AUM, increase costs and negatively impact our profitability and/or our future financial results.***

We operate in a highly regulated industry and accordingly, we face the risk of significant intervention by regulatory authorities, including extended investigation and surveillance activity, adoption of costly or restrictive new regulations and judicial or administrative proceedings that may result in substantial penalties. Among other things, we could be fined, lose our licenses or be prohibited or limited from engaging in some of our business activities or corporate transactions. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect clients and other third parties who deal with us and are not designed to protect our shareholders. Consequently, these regulations often serve to limit our activities, including through net capital, client protection and market conduct requirements.

In addition, we have received and routinely receive and respond to regulatory and governmental requests for documents or other information, subpoenas, examinations and, in some instances, investigations in connection with our business activities. In addition, from time to time we are named as a party in litigation in the ordinary course of business. Claims made against us, including those without merit, may result in reputational harm and responding to such matters is an expensive process. Risks associated with legal liability often are difficult to assess or quantify and their existence and magnitude can remain unknown for significant periods of time. In addition, we may be obligated, and under our certificate of incorporation, bylaws

and form of director indemnification agreement are obligated under certain conditions, or may choose, to indemnify directors, officers or personnel against liabilities and expenses they may incur in connection with such matters to the extent permitted under applicable law. Financial exposures, including AUM outflows, from and expenses incurred relating to any examinations, investigations, enforcement actions, litigation, and/or settlements have and may adversely impact our AUM, increase costs, and negatively impact our reputation, profitability, and revenue any of which could have a material negative impact on our financial results.

Accordingly, we face the risk of significant intervention by regulatory authorities, including extended investigation and surveillance activity, adoption of costly or restrictive new regulations and judicial or administrative proceedings that may result in substantial penalties. Among other things, we could be fined, lose our licenses or be prohibited or limited from engaging in some of our business activities or corporate transactions. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect clients and other third parties who deal with us and are not designed to protect our shareholders. Consequently, these regulations often serve to limit our activities, including through net capital, client protection and market conduct requirements.

***The regulatory environment in which we operate is subject to continual change and regulatory developments designed to increase oversight may materially adversely affect our business.***

We operate in a legislative and regulatory environment that is subject to continual change, the nature of which we cannot predict. We may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC, other U.S. or non-U.S. governmental regulatory authorities or self-regulatory organizations that supervise the financial markets or the investment products that we offer.

We may be adversely affected as a result of new or revised legislation or regulations or by changes in the interpretation of existing laws and regulations, in the U.S. and other non-U.S. jurisdictions. Over the years, the U.S. federal corporate governance and securities laws, and laws in other non-U.S. jurisdictions, have been augmented substantially and made significantly more complex by various legislation. As we continue to address our legal and regulatory requirements or focus on meeting new or expanded requirements, we may need to continue to expend a substantial amount of additional time, costs and resources. Regulatory reforms may add further complexity to our business and operations and could require us to alter our investment management services and related activities, which could be costly, impede our growth and adversely impact our AUM, revenues and income. Regulatory reforms may also impact our clients, which could cause them to change their investment strategies or allocations in a manner adverse to our business.

In the U.S., the election of a new presidential administration has resulted in and may continue to shift enforcement priorities under existing regulations, alter existing regulations, or pursue additional rulemaking impacting the financial services industry, whereas certain state and other governmental entities may seek to maintain existing, or implement potentially more rigorous, regulatory requirements in response, which, coupled with legal challenges to a number of significant regulations and judicial decisions regarding administrative law, may create uncertainty or lead to divergent interpretations of law, or change the requirements applicable to our businesses.

During 2025 the SEC withdrew several proposed rules, including those related to predictive data analytics, cybersecurity risk management, and the safeguarding of client assets. During the same period, the Department of Labor ("DOL") requested a motion to dismiss its own appeal of court challenges to the amended fiduciary duty rule. The SEC also extended compliance dates for certain recently adopted rules, including Form N-PORT and Form N-CEN reporting requirements and the Investment Company Names Rule.

***Form N-PORT and Form N-CEN Reporting; Guidance on Open-End Fund Liquidity Risk***

On August 28, 2024, the SEC adopted amendments to reporting requirements on Forms N-PORT and N-CEN that apply to certain registered investment companies. On April 16, 2025, the SEC extended the effective date for the amendments to Form N-PORT from November 17, 2025, to November 17, 2027. The amendments require more frequent reporting of monthly portfolio holdings and related information to the

Commission and the public, amend certain reporting requirements, and require open-end funds to report information about service providers used to comply with liquidity risk management program requirements.

This rule, as adopted, has created additional operational complexities and has increased our administrative burden and costs.

#### *Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers*

In 2024, FinCEN issued a final rule to include certain investment advisers in the definition of “Financial Institution” under the Bank Secrecy Act (BSA), and a proposed rule that would require investment advisers to have reasonable procedures to verify the identity of their customers.

These rules, as adopted, subject investment advisers to similar requirements applicable to other Financial Institutions in the U.S. and will increase administrative burdens and costs. The compliance date for the Anti-Money Laundering Program rule is January 1, 2028.

#### *U.S. Department of Labor Reforms*

The DOL’s 2024 amended fiduciary rule broadening the definition of who is considered an “investment advice fiduciary” to a retirement investor, and adding significant restrictions and requirements for the use of prohibited transaction exemptions typically relied upon by investment firms such as ours, remains subject to applicable legal challenges. Under the new rule, a financial services provider that provides one-time advice to a retirement investor may become subject to the Employee Retirement Income Security Act (“ERISA”) fiduciary standard. In addition to the 2024 fiduciary rule, the DOL amended the Qualified Professional Asset Manager (“QPAM”) exemption as of June 2024, which many investment firms have relied upon when providing services to and engaging in transactions on behalf of applicable retirement plans, individual retirement accounts (IRAs) and/or certain commingled investment vehicles that have retirement plan investors. The QPAM amendment makes material changes and imposes additional conditions and affirmative requirements for the ongoing use of such exemption. On August 7, 2025, President Trump issued an Executive Order to facilitate the ability of participants in 401(k) and other defined contribution plans to obtain exposure to alternative assets, including private equity, real estate, and digital assets.

#### *Privacy and Data Protection Laws and Regulations*

There continues to be an increased regulatory and enforcement focus with respect to the protection of individuals’ privacy and personal data around the world, and the ongoing need to secure and ensure only appropriate collection and use of sensitive customer, personnel, and others’ personal data. A majority of the jurisdictions where we operate are covered, or we expect will be covered, by stringent privacy and data protection laws and regulations.

As the regulatory focus on privacy continues to intensify and laws and regulations concerning the management of personal data continue to expand, risks related to the handling of privacy obligations and personal data collection across our business will increase. For example, in addition to international data protection and privacy laws and regulations like the EU’s GDPR, we are, and expect to continue to be, subject to and affected by existing, new and evolving country, federal and state laws, regulations and guidance around the world impacting consumer and personnel privacy, including various U.S. state consumer privacy laws, and Non-U.S. laws that provide for enhanced consumer protections for their residents and impose requirements for the handling, disclosure and deletion of personal information of their residents.

#### *Investment Company Names Rule*

On September 20, 2023, the SEC adopted amendments to Rule 35d-1 under the Investment Company Act of 1940, the fund “Names Rule.” On March 14, 2025, the SEC extended the compliance date for the amendments to Rule 35d-1 to June 11, 2026, for fund groups with net assets of \$1 billion or more as of the end of their most recent fiscal year. The final amendments among other things:

- Improve and expand the current requirement for certain registered funds to adopt a policy to invest at least 80% of their assets in accordance with the investment focus the fund's name suggests;
- Providing new enhanced disclosure and reporting requirements; and
- Define a time for funds that deviate from their 80% Investment Policy to come back into compliance.

This rule, as passed, will significantly increase registered funds disclosures and compliance obligations, and create additional operational complexities for Victory Funds and Victory Shares.

#### SEC Rules on Form PF

In 2023 and 2024, the SEC adopted new rules and amendments to Form PF for registered investment advisers requiring new disclosures, filing obligations and enhanced reporting. On June 11, 2025, the SEC announced an extension of the deadline for fund managers to begin filing a new version of Form PF, until October 1, 2025. Then on September 17, 2025, the SEC again extended the compliance date for the Form PF amendments until October 1, 2026.

Implementing these rules and amendments may increase VCM reporting, disclosure and compliance obligations and create additional operational complexities for VCM.

#### Sustainability and Climate Disclosure Laws and Regulations

Sustainable investing and related environmental, social and governance ("ESG") topics continue to be the focus of increased regulatory and legal scrutiny across jurisdictions. In the U.S., the SEC adopted, but subsequently stayed the implementation of, climate disclosure rules to require public issuers to include enhanced disclosure and financial metrics regarding corporate climate-related information in their periodic reports and registration statements. These rules remain stayed and subject to ongoing legal challenges. State laws and regulations regarding these topics are also continuing to evolve and be the subject of ongoing legal challenge. In addition, globally, the independent International Sustainability Standards Board and other applicable sustainability disclosure standards continue to impact how national regulators and governance bodies approach these and related topics.

#### Industry Risks

***Recent trends in the investment management industry could reduce our AUM, revenues and net income, such as increased demand for passive management, low fee products or alternative asset classes.***

Certain passive products and asset classes, such as index and certain types of ETFs, are becoming increasingly popular with investors, including institutional investors. This could continue to pressure mutual fund AUM. In recent years, across the investment management industry, passive products have experienced inflows and traditional actively managed products have experienced outflows, in each case, in the aggregate and our strategies are generally considered active. In order to maintain appropriate fee levels in a competitive environment, we must be able to continue to provide clients with investment products and services that are viewed as appropriate in relation to the fees charged, which may require us to demonstrate that our strategies can outperform such passive products. If our clients, including our funds' boards, were to view our fees as being high relative to the market or the returns provided by our investment products, we may choose to reduce our fee levels or existing clients may withdraw their assets in order to invest in passive products, and we may be unable to attract additional commitments from existing and new clients, which would lead to a decline in our AUM and market share. To the extent we offer such passive products, we may not be able to compete with other firms offering similar products.

Our revenues and net income are dependent on our ability to maintain current fee levels for the products and services we offer. The competitive nature of the investment management industry has led to a trend toward lower fees in certain segments of the investment management market. Our ability to sustain fee levels depends on future growth in specific asset classes and distribution channels. These factors, as well as regulatory changes, could further inhibit our ability to sustain fees for certain products. A reduction in the fees charged by us could reduce our revenues and net income.

Our fees vary by asset class and produce different revenues per dollar of AUM based on factors such as the type of assets being managed, the applicable strategy, the type of client and the client fee schedule. Institutional clients may have significant negotiating leverage in establishing the terms of an advisory relationship, particularly with respect to the level of fees paid, and the competitive pressure to attract and retain institutional clients may impact the level of fee income earned by us. We may decline to manage assets from potential clients who demand lower fees even though such assets would increase our revenue and AUM in the short term.

***The investment management industry is intensely competitive and is consolidating.***

The investment management industry is intensely competitive, with competition based on a variety of factors, including investment performance, fees, continuity of investment professionals and client relationships, the quality of services provided to clients, corporate positioning and business reputation, continuity of selling arrangements with intermediaries and differentiated products. A number of factors, including the following, serve to increase our competitive risks:

- the consolidation of financial services firms through mergers and acquisitions;
- a number of our competitors have greater financial, technical, marketing and other resources, more comprehensive name recognition and more personnel than we do;
- potential competitors have a relatively low cost of entering the investment management industry;
- certain investors may prefer to invest with an investment manager that is not publicly traded based on the perception that a publicly traded asset manager may focus on the manager's own growth to the detriment of investment performance for clients;
- other industry participants, hedge funds and alternative asset managers may seek to recruit our investment professionals;
- certain competitors charge lower fees for their investment management services than we do; and
- as competitors grow through consolidation their increased size and scale increases competitive pressures on fees and distribution relationships.

Additionally, intermediaries through which we distribute our funds may also sell their own proprietary funds and investment products, which could limit the distribution of our strategies. If we are unable to compete effectively, our earnings could be reduced and our business could be materially adversely affected.

***Failure to address the increased transformative pressures affecting the asset management industry could negatively impact our business.***

The asset management industry is facing transformative pressures and trends from a variety of different sources including increased fee pressure; a continued shift away from actively managed core equities and fixed income strategies towards alternative, passive and smart beta strategies; increased demands from clients and distributors for client engagement and services; a trend towards institutions developing fewer relationships and partners and reducing the number of investment managers they work with; increased regulatory activity and scrutiny of many aspects of the asset management industry, including ESG practices and related matters, transparency/unbundling of fees, inducements, conflicts of interest, capital, liquidity, solvency, leverage, operational risk management, controls and compensation; advances in technology and digital wealth and distribution tools and increasing client interest in interacting digitally with their investment portfolios; and growing digital asset markets that remain subject to substantial volatility and significant regulatory uncertainty. As a result of the trends and pressures discussed above, the asset management industry is facing an increased level of disruption. If we are unable to adapt our strategy and business to address adequately these trends and pressures, we may be unable to meet client needs satisfactorily, our competitive position may weaken, and our business results and operations may be adversely affected.

**Third Party Risks**

***We depend primarily on third parties to market and sell our products.***

Our ability to attract additional assets to manage in the United States is highly dependent on our access to third-party intermediaries. We gain access to investors in the Victory Funds and VictoryShares primarily through consultants, 401(k) platforms, broker-dealers, financial advisors and mutual fund platforms through

which shares of the funds are sold. We have relationships with certain third-party intermediaries through which we access clients in multiple distribution channels.

We compensate most of the intermediaries through which we gain access to investors in the Victory Funds and VictoryShares by paying fees, most of which are a percentage of assets invested in the Victory Funds and VictoryShares through that intermediary and with respect to which that intermediary provides shareholder and administrative services. The allocation of such fees between us and the Victory Funds and VictoryShares is determined by the board of the Victory Funds and VictoryShares, based on information and a recommendation from us, with the intent of allocating to us all costs attributable to marketing and distribution of (i) shares of the Victory Funds otherwise covered by distribution fees paid pursuant to a distribution and service plan adopted in accordance with Rule 12b-1 under the 1940 Act and (ii) VictoryShares.

In the future, our expenses in connection with those intermediary relationships could increase if the portion of those fees determined to be in connection with marketing and distribution, or otherwise allocated to us, increased. Clients of these intermediaries may not continue to be accessible to us on terms we consider commercially reasonable, or at all. The absence of such access could have a material adverse effect on our results of operations.

We access institutional clients primarily through consultants. Our institutional business is dependent upon referrals from consultants. Many of these consultants review and evaluate our products and our firm from time to time. Poor reviews or evaluations of either a particular strategy or us as an investment management firm may result in client withdrawals or may impair our ability to attract new assets through these consultants.

In connection with the Amundi transaction, the Amundi Parties, the Company and VCM, have entered into an Off-Shore Master Distribution and Services Agreement and an On-Shore Master Distribution and Services Agreement (the "Distribution and Services Agreements") which has become effective on closing of the transaction.

We depend on the Amundi parties to distribute Victory products outside the United States and create investment vehicles to provide investment management services with respect to any U.S. traditional active asset management products that we offer.

Under the Distribution Agreements, (1) Amundi has the exclusive right, subject to certain exceptions, to distribute Victory's products outside of the United States; (2) Victory has the exclusive right, subject to certain exceptions, to provide investment management services with respect to any traditional U.S. active asset management products to the Amundi Parties for distribution outside the United States; (3) Victory has the exclusive right, subject to certain exceptions, to distribute Amundi products in the United States; and (4) Amundi has the exclusive right, subject to certain exceptions, to provide investment advisory or investment management services with respect to any non-U.S. active asset management products to Victory for distribution in the United States. Victory will be entitled to a percentage of fee revenues derived from Victory's products that the Amundi Parties distribute outside the United States, and the Amundi Parties will be entitled to a percentage of fee revenues derived from the Amundi Parties' products that Victory distributes in the United States. The Distribution and Services Agreements will continue until the 15th anniversary of the date of the closing of the Amundi transaction, and automatically renew thereafter and remain effective for successive five-year terms. The Distribution and Services Agreements may be terminated under certain limited circumstances. Given the exclusive distribution arrangement with the Amundi Parties, outside the United States we will be dependent on Amundi's distribution and sales channels to sell our products, and we do not control the ultimate investment recommendations given by them to clients. In addition, we will be dependent on Amundi to create investment vehicles to provide investment management services with respect to any U.S. active asset management products that we offer.

***We rely on third parties to provide products or services for the operation of our business, and a failure or inability by such parties to provide these products or services could materially adversely affect our business.***

We have determined, based on an evaluation of various factors, that it is more efficient to use third parties for certain functions and services. As a result, we have contracted with a limited number of third parties to provide critical operational support, such as middle- and back-office functions, information technology services and various fund administration and accounting roles, and the funds contract with third parties in custody, transfer agent and sub transfer agent roles. The third parties with which we do business may also be sources of cybersecurity or other technological risks. While we engage in certain actions to reduce the

exposure, such as collaborating to develop secure transmission capabilities, performing security control assessments and limiting third party access to the least privileged level necessary to perform job functions, our business would be disrupted if key service providers become unable to continue to perform the services upon which we depend or fail to protect against or respond to cyber-attacks, data breaches or other incidents. Moreover, to the extent our third-party providers increase their pricing, our financial performance will be negatively impacted. In addition, upon termination of a third-party contract, we may encounter difficulties in replacing the third-party on favorable terms, transitioning services to another vendor, or in assuming those responsibilities ourselves, which may have a material adverse effect on our business.

### **Operational and Cybersecurity Risks**

#### ***Operational risks may disrupt our business, result in losses or limit our growth.***

We are heavily dependent on the capacity and reliability of the communications, information and technology systems supporting our operations, whether developed, owned and operated by us or by third parties. We also rely on manual workflows and a variety of manual user controls. Operational risks such as trading or other operational errors or interruption of our financial, accounting, trading, compliance and other data processing systems, whether caused by human error, fire, other natural disaster or pandemic, power or telecommunications failure, cyberattack or viruses, act of terrorism or war or otherwise, could result in a disruption of our business, liability to clients, regulatory intervention or reputational damage, and thus materially adversely affect our business. The potential for some types of operational risks, including, for example, trading errors, may be increased in periods of increased volatility, which can magnify the cost of an error. Insurance and other safeguards might not be available or might only partially reimburse us for our losses.

Although we have backup systems in place, our backup procedures and capabilities in the event of a failure or interruption may not be adequate. As our client base, number and complexity of strategies and client relationships increase, developing and maintaining our operational systems and infrastructure may become increasingly challenging. We may also suffer losses due to employee negligence, fraud or misconduct. Non-compliance with policies, employee misconduct, negligence or fraud could result in legal liability, regulatory sanctions and serious reputational or financial harm. It is not always possible to deter or detect employee misconduct and the precautions we take to prevent and detect this activity may not always be effective. Employee misconduct could have a material adverse effect on our business.

#### ***Failure to implement effective information and cyber security policies, procedures and capabilities could disrupt operations and cause financial losses.***

We electronically receive, process, store and transmit sensitive information of our clients including personal data, such as, without limitation, names, addresses, social security numbers, and driver's license numbers, which may be necessary to support our clients' investment transactions. The uninterrupted operation of our information systems, as well as the confidentiality of the customer information that resides on such systems, is critical to our successful operation. Bad actors may attempt to harm us by gaining access to confidential or proprietary client information, often with the intent of stealing from or defrauding us or our clients. In some cases, they seek to disrupt our ability to conduct our business, including by destroying information maintained by us. As a financial services provider, cybersecurity represents one of our principal operational risks. Our operations depend on effective information and cybersecurity policies, procedures and capabilities to provide secure processing, storage and transmission of confidential and other information across our computer systems, software, networks, and mobile devices, as well as third-party vendors. Although we maintain a system of internal controls designed to provide reasonable assurance that fraudulent activity is either prevented or detected on a timely basis and we take other protective measures and endeavor to modify them as circumstances warrant, our computer systems, software, networks and mobile devices may be vulnerable to cyberattacks, sabotage, unauthorized access, computer viruses, worms or other malicious code, and other events that have a security impact. In addition, our interconnectivity with service providers and other third parties may be adversely affected if any of them are subject to a successful cyberattack or other information security event. Although we collaborate with service providers and third parties to develop secure

transmission capabilities and cyberattack protections, we cannot ensure we or any third party maintain appropriate controls to protect information confidentiality.

An externally caused information security incident, such as a cyberattack, which could include computer viruses, malware, malicious or destructive code, social engineering, phishing, denial-of-service attacks, ransomware, identity theft, or an internally caused issue, such as failure to control access to sensitive systems, could materially interrupt business operations or cause disclosure or modification of sensitive or confidential client or competitive information and could result in material financial loss, loss of competitive position, regulatory actions, breach of client contracts, reputational harm or legal liability. If one or more such events occur, it could potentially jeopardize our or our clients', employees' or counterparties' confidential and other information processed and stored in, and transmitted through, our or third-party computer systems, software, networks and mobile devices, or otherwise cause interruptions or malfunctions in our, our clients', our counterparties' or third parties' operations. As a result, we could experience material financial loss, loss of competitive position, regulatory fines and/or sanctions, breach of client contracts, reputational harm or legal liability, which, in turn, could have an adverse effect on our financial condition and results of operations.

As a provider of financial services, we are bound by the disclosure limitations and if we fail to comply with these regulations and industry security requirements, we could be exposed to damages from legal actions from clients, governmental proceedings, governmental notice requirements, and the imposition of fines or prohibitions on the services we provide. Additionally, some of our client contracts require us to indemnify clients in the event of a cyber breach if our systems do not meet minimum security standards. We may be required to spend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures, and we may be subject to litigation and financial losses that are either not insured against fully or not fully covered through any insurance that we maintain. Further, in the event of a security breach to a service provider, we may not receive timely notice of or sufficient information about the breach to be able to exert any meaningful control or influence over how and when the breach is addressed.

Increasing government and regulatory scrutiny of the measures taken by companies to protect against cyberattacks and data privacy breaches have resulted in heightened security requirements, including additional regulatory expectations for oversight of vendors and service providers. If more restrictive privacy laws, rules or industry security requirements are adopted in the future on the Federal or State level, or by a specific industry body, they could have an adverse impact on us through increased costs or business restrictions.

Any inability to prevent security or privacy breaches, or the perception that such breaches may occur, could cause our existing clients to lose confidence in our systems and terminate their agreements with us, inhibit our ability to attract new clients, result in increasing regulation, or bring about other adverse consequences from the government agencies that regulate our business.

***Our use of AI technologies may not be successful and may present business, compliance, and reputational risks***

We use, and are expanding our use of, machine learning and AI technologies in our research and processes relating to our business. If we fail to keep pace with rapidly evolving AI technological developments, or fail to launch products that are competitive, our competitive position and business results may be negatively impacted. If our competitors or other third parties incorporate AI technologies, such as emerging generative and agentic AI, into their research, processes, and products relating to their business more quickly or more successfully than us, this could impair our ability to compete effectively. Our use of AI technologies, including generative and agentic AI, requires resources to develop, test and maintain, which is costly. Despite our investments in, and commitment of resources to, the development of AI, we may not be successful in our efforts. In addition, third parties may be able to use AI to create technology that could reduce demand for our products and services.

The introduction of AI technologies, particularly generative and agentic AI, into new or existing offerings may result in new or expanded risks and liabilities, due to enhanced governmental or regulatory scrutiny, litigation,

compliance issues, ethical concerns, confidentiality, data privacy or security risks, as well as other factors that could adversely affect our business, reputation, and financial results. For example, AI technologies can lead to unintended consequences and errors, including generating content that appears correct but is factually inaccurate, misleading or otherwise flawed, or that results in unintended biases and discriminatory outcomes, which could harm our reputation and expose us to liability. If the content, analyses, or recommendations that AI applications assist in producing are, or are alleged to be, deficient, inaccurate, unreliable, misleading, biased, discriminatory or otherwise flawed, any of which may not be easily detectable, our business and reputation may be adversely affected. Use of AI technologies, and the evolving legal, regulatory and compliance framework for AI, could impact our ability to protect our data and intellectual property, as well as vendor and client information, and could expose us to intellectual property or other claims by third parties. Use of AI technologies may also increase risks related to cyberattacks or other security incidents or result in a failure to protect confidential information. Because AI technology is highly complex and rapidly developing, it is not possible to predict all of the legal, operational or technological risks that may arise relating to our use of AI. These risks include the possibility of enhanced governmental or regulatory scrutiny, litigation or other legal liability, compliance issues, ethical concerns, negative client perceptions, confidentiality or security risks, as well as other factors. Any of these issues could materially adversely affect our business, financial condition or results of operations.

AI technologies used in our research and processes relating to our business may use or incorporate data from third-party sources, including information they input into the AI tools, which may expose us to risks associated with data rights and protection.

***Disruption to the operations of third parties whose functions are integral to our ETF platform may adversely affect the prices at which VictoryShares trade, particularly during periods of market volatility.***

Shares of ETFs, such as VictoryShares, trade on stock exchanges at prices at, above or below the ETF's most recent net asset value. While ETFs utilize a creation/redemption feature and arbitrage mechanism designed to make it more likely that the ETF's shares normally will trade at prices close to the ETF's net asset value, exchange prices may deviate significantly from the ETF's net asset value. ETF market prices are subject to numerous potential risks, including trading halts invoked by a stock exchange, inability or unwillingness of market makers, authorized participants, settlement systems or other market participants to perform functions necessary for an ETF's arbitrage mechanism to function effectively, or significant market volatility. If market events lead to incidences where ETFs trade at prices that deviate significantly from an ETF's net asset value, or trading halts are invoked by the relevant stock exchange or market, investors may lose confidence in ETF products and redeem their holdings, which may cause our AUM, revenue and earnings to decline.

### **General Risks**

***Reputational harm could result in a loss of AUM and revenues.***

The integrity of our brands and reputation is critical to our ability to attract and retain clients, business partners and employees and maintain relationships with consultants. We operate within the highly regulated financial services industry and various potential scenarios could result in harm to our reputation. They include internal operational failures, failure to follow investment or legal guidelines in the management of accounts, intentional or unintentional misrepresentation of our products and services in offering or advertising materials, public relations information, litigation (whether substantiated or not), social media or other external communications, employee misconduct or investments in businesses or industries that are controversial to certain special interest groups. Any real or perceived conflict between our and our shareholders' interests and our clients' interests, as well as any fraudulent activity or other exposure of client assets or information, may harm our reputation. The negative publicity associated with any of these factors could harm our reputation and adversely impact relationships with existing and potential clients, third-party distributors, consultants and other business partners and subject us to regulatory sanctions or litigation. Damage to our brands or reputation could negatively impact our standing in the industry and result in loss of business in both the short term and the long term.

Additionally, while we have ultimate control over the business activities of our Franchises, they generally have the autonomy to manage their day-to-day operations, and if we fail to intervene in potentially serious matters that may arise, our reputation could be damaged and our results of operations could be materially adversely affected.

***If our techniques for managing risk are ineffective, we may be exposed to material unanticipated losses.***

In order to manage the significant risks inherent in our business, we must maintain effective policies, procedures and systems that enable us to identify, monitor and mitigate our exposure to operational, legal and reputational risks, including from the investment autonomy of our Franchises. Our risk management methods may prove to be ineffective due to their design or implementation, or as a result of the lack of adequate, accurate or timely information or otherwise. If our risk management efforts are ineffective, we could suffer losses that could have a material adverse effect on our financial condition or operating results. Additionally, we could be subject to litigation, particularly from our clients or investors, and sanctions or fines from regulators.

Our techniques for managing operational, legal and reputational risks in client portfolios may not fully mitigate the risk exposure in all economic or market environments, including exposure to risks that we might fail to identify or anticipate. Because our clients invest in our strategies in order to gain exposure to the portfolio securities of the respective strategies, we have not adopted corporate-level risk management policies to manage market, interest rate or exchange rate risks that could affect the value of our overall AUM.

***Certain of our strategies invest principally in the securities of non-U.S. companies, which involve foreign currency exchange, tax, political, social and economic uncertainties and risks.***

As of December 31, 2025, approximately 10% of our total AUM was invested in strategies that primarily invest in securities of non-U.S. companies and securities denominated in currencies other than the U.S. dollar. Fluctuations in foreign currency exchange rates could negatively affect the returns of our clients who are invested in these securities. In addition, an increase in the value of the U.S. dollar relative to non-U.S. currencies is likely to result in a decrease in the U.S. dollar value of our AUM, which, in turn, would likely result in lower revenue and profits.

Investments in non-U.S. issuers may also be affected by tax positions taken in countries or regions in which we are invested as well as political, social and economic uncertainty. Declining tax revenues may cause governments to assert their ability to tax the local gains and/or income of foreign investors (including our clients), which could adversely affect client interests in investing outside their home markets. Many financial markets are not as developed, or as efficient, as the U.S. financial markets, and, as a result, those markets may have limited liquidity and higher price volatility and may lack established regulations. Liquidity may also be adversely affected by political or economic events, government policies, and social or civil unrest within a particular country, and our ability to dispose of an investment may also be adversely affected if we increase the size of our investments in smaller non-U.S. issuers. Non-U.S. legal and regulatory environments, including financial accounting standards and practices, may also be different, and there may be less publicly available information about such companies. These risks could adversely affect the performance of our strategies that are invested in securities of non-U.S. issuers and may be particularly acute in the emerging or less developed markets in which we invest. In addition to our Trivalent Franchise, certain of our other Franchises and Solutions Platform invest in emerging or less developed markets.

***The expansion of our business outside of the United States raises tax and regulatory risks, may adversely affect our profit margins and places additional demands on our resources and employees.***

We have expanded and intend to continue to expand our distribution efforts into non-U.S. markets through partnered distribution efforts and product offerings, including Australia, Asia, EMEA, Latin America and Canada. Clients outside the United States may be adversely affected by political, social and economic uncertainty in their respective home countries and regions, which could result in a decrease in the net client cash flows that come from such clients. This expansion has required and will continue to require us to incur a number of up-front expenses, including those associated with obtaining and maintaining regulatory approvals as well as additional ongoing expenses, including those associated with the employment of additional support staff and regulatory compliance.

Non-U.S. clients may be less accepting of the U.S. practice of payment for certain research products and services through soft dollars (“soft dollars” are a means of paying brokerage firms for their services through commission revenue, rather than through direct payments) or such practices may not be permissible in certain jurisdictions, which could have the effect of increasing our expenses. In addition, the European Commission adopted several acts under the revised Markets in Financial Instruments Directive (known as “MiFID II”) that prevent the “bundling” of the cost of research together with trading commissions. As a result, clients subject to MiFID II may be unable to use soft dollars to pay for research services in the United Kingdom and in Europe.

Our U.S.-based employees routinely travel outside the United States as a part of our investment research process or to market our services and may spend extended periods of time in one or more non-U.S. jurisdictions. Their activities outside the United States on our behalf may raise both tax and regulatory issues. If and to the extent we are incorrect in our analysis of the applicability or impact of non-U.S. tax or regulatory requirements, we could incur costs or penalties or be the subject of an enforcement or other action. Operating our business in non-U.S. markets is generally more expensive than in the United States. In addition, costs related to our distribution and marketing efforts in non-U.S. markets generally have been more expensive than comparable costs in the United States. To the extent that our revenues do not increase to the same degree as our expenses increase in connection with our continuing expansion outside the United States, our profitability could be adversely affected. Expanding our business into non-U.S. markets may also place significant demands on our existing infrastructure and employees.

We are also subject to a number of laws and regulations governing payments and contributions to political persons or other third parties, including restrictions imposed by the Foreign Corrupt Practices Act (the “FCPA”), as well as trade sanctions administered by the Office of Foreign Assets Control, or OFAC, the U.S. Department of Commerce and the U.S. Department of State. Similar laws in non-U.S. jurisdictions may also impose stricter or more onerous requirements and implementing them may disrupt our business or cause us to incur significantly more costs to comply with those laws. Different laws may also contain conflicting provisions, making compliance with all laws more difficult. Any determination that we have violated the FCPA or other applicable anti-corruption laws or sanctions could subject us to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect our business prospects, financial condition, or results of operations. While we have developed and implemented policies and procedures designed to ensure strict compliance by us and our personnel with the FCPA and other anti-corruption laws or sanctions in jurisdictions in which we operate, such policies and procedures may not be effective in all instances to prevent violations.

***Failure to properly address conflicts of interest could harm our reputation, business and results of operations.***

As we have expanded the scope of our businesses and our client base, we must continue to address conflicts between our interests and those of our clients. In addition, the SEC and other regulators have increased their scrutiny of potential conflicts of interest. We have procedures and controls that are reasonably designed to address these issues. However, appropriately dealing with conflicts of interest is complex and difficult and if we fail, or appear to fail, to deal appropriately with conflicts of interest, we could face reputational damage, litigation or regulatory proceedings or penalties, any of which may adversely affect our revenues or net income.

***Our contractual obligations may subject us to indemnification obligations to third parties.***

In the ordinary course of business, we enter into contracts with third parties, including, without limitation, clients, vendors, and other service providers, that contain a variety of representations and warranties and that provide for indemnifications by us in certain circumstances. Pursuant to such contractual arrangements, we may be subject to indemnification costs and liability to third parties if, for example, we breach any material obligations under the agreements or agreed standards of care, or in the event such third parties have certain legal claims asserted against them. The terms of these indemnities vary from contract to contract, and future indemnification claims against us could negatively impact our financial condition.

***Insurance may not be available on a cost-effective basis to protect us from liability.***

We face the inherent risk of liability related to litigation from clients, third-party vendors or others and actions taken by regulatory agencies. To help protect against these potential liabilities, we purchase insurance in amounts, and against risks, that we consider appropriate, where such insurance is available at prices, we deem acceptable. There can be no assurance, however, that a claim or claims will be covered by insurance or, if covered, will not exceed the limits of available insurance coverage, that any insurer will remain solvent and will meet its obligations to provide us with coverage or that insurance coverage will continue to be available with sufficient limits at a reasonable cost. Insurance costs are impacted by market conditions and the risk profile of the insured and may increase significantly over relatively short periods. In addition, certain insurance coverage may not be available or may only be available at prohibitive costs. Renewals of insurance policies may expose us to additional costs through higher premiums or the assumption of higher deductibles or co-insurance liability.

***Failure to protect our intellectual property may negatively impact our business.***

Although we take steps to safeguard and protect our intellectual property, including but not limited to our trademarks, patents, copyrights and trade secrets, there can be no assurance that we will be able to effectively protect our rights. If our intellectual property rights were violated, we could be subject to economic and reputational harm that could negatively impact our business and competitiveness in the marketplace. Conversely, while we take efforts to avoid infringement of the intellectual property of third parties, if we are deemed to infringe on a third party's intellectual property rights it could expose us to litigation risks, license fees, liability and reputational harm.

***Climate change may adversely affect our office locations.***

We face possible risks and costs associated with the effects of climate change and severe weather. We cannot predict the rate at which climate change will progress. However, the physical effects of climate change could have a material adverse effect on our operations, and business. To the extent that climate change impacts changes in weather patterns, our offices could experience severe weather, including hurricanes, severe winter storms, and coastal flooding due to increases in storm intensity and rising sea levels. Certain of our offices may be vulnerable to coastal hazards, such as sea level rise, severe weather patterns and storm surges, land erosion, and groundwater intrusion. Over time, these conditions could result in our inability to operate in these office locations at all times. Climate change and severe weather may also have indirect effects on our business by increasing the cost of, or decreasing the availability of, property insurance on terms we find acceptable, by increasing the costs of energy, maintenance, repair of water and/or wind damage, and snow removal at our properties.

**ITEM 1B. UNRESOLVED STAFF COMMENTS.**

None

**ITEM 1C. CYBERSECURITY.**

**Risk Management and Strategy**

Our Information Security Committee (the "ISC") oversees and implements a cybersecurity program that seeks to assess, identify and protect against cyber security threats and detect, respond, and recover from cyber security incidents. The program is modeled upon the National Institute of Standards and Technology Cybersecurity Framework, a well-established and widely adopted framework in the financial services industry. The ISC is chaired by our Chief Information Security Officer ("CISO") and membership includes executive and management level representation from our technology, legal, and compliance departments.

Our cybersecurity program assesses our cybersecurity risk profile through inventories of physical devices, software, and information systems, evaluations of critical third-party systems, and a catalog of security risks. Periodic assessments are conducted to ensure the risk catalog is up to date.

We protect our information systems, data, and network through technical and procedural controls and security awareness training. We deploy multiple technical controls to achieve a layered security strategy including systems access controls, firewalls, web application gateways, antivirus software, e-mail filtering, and endpoint protection. Security awareness training is mandatory for all employees and conducted at time of hire and

periodically thereafter. The security awareness training program is designed to ensure employees are prepared to identify and avoid cyber risks and may cover topics such as phishing, ransomware, social engineering, public Wi-Fi risks, password security, and mobile device security. Training is supplemented by testing initiatives, including periodic phishing tests, which may result in targeted or remedial training.

We use a third-party security operations center and managed endpoint detection and response service to continuously monitor information systems for emergent events including anomalous, suspicious, and unauthorized network activity. Detected events are immediately triaged and evaluated for threat potential and impact. We also engage third-party providers to perform penetration testing designed to identify vulnerabilities for remediation. We rotate penetration testing providers to diversify testing approaches.

No known cybersecurity threats or incidents have materially affected, or are likely to materially affect, our business strategy, results of operations, or financial condition. While we maintain robust prevention and detection measures, we cannot eliminate all cybersecurity risks or guarantee absence of undetected incidents. For further details on cybersecurity risks, see "Item 1A. Risk Factors" in this Form 10-K.

## **Governance**

### ***Role of the Board of Directors and Management***

Our Executive Vice President ("EVP") and CISO oversee security architecture, engineering and operations. Our CISO has been with the firm since 2013 and has over 20 years of IT experience in various industries. He is a Certified Chief Information Security Officer from the Carnegie Mellon University executive education program, as well as a Certified Information Security Manager (CISM) and Certified Information Systems Security Professional (CISSP). Our EVP joined the firm in 2025 with over 27 years of industry and leadership experience. Both the EVP and CISO serve on the ISC.

The Audit Committee of the Board of Directors oversees our enterprise risk management, which includes cybersecurity. The ISC provides a report on our cybersecurity program to our Board at least annually.

Other key functions of the ISC are to align the overall security strategy with business objectives and to oversee the cataloging of cybersecurity risks and assessments. Additional review and oversight are provided by the Enterprise Risk Committee where cybersecurity risk is vetted against other risk categories. Management also maintains a Vendor Oversight Committee which governs the use of third-party vendors and assesses cybersecurity risk related to those vendors. The Enterprise Risk Committee and the Vendor Oversight Committee report their activities to the Audit Committee at least annually.

The third-party security operations center, the managed endpoint detection and response service, and third-party penetration testing vendors are overseen by the CISO.

In the event of a potential cybersecurity incident, the third-party security operations center is authorized to take preemptive action to address the incident and must promptly notify a member of the ISC. The ISC coordinates the response to and communication of an incident in accordance with our Incident Response Plan ("IRP") and applicable law. The IRP is designed to provide guidance for effective, efficient, and orderly response to a variety of cybersecurity incidents. The ISC is responsible for communication escalation as necessary up to and including to the Board of Directors. The IRP is periodically exercised through tabletop exercises.

## **ITEM 2. PROPERTIES.**

The Company leases its principal executive offices, which are located in San Antonio, TX. In the United States, the Company also leases office space in Brooklyn, OH; Birmingham, MI; Boston, MA; Rocky River, OH; Cincinnati, OH; Charlotte, NC; Durham, NC; Miami, FL; Denver, CO; Clive, IA; Hanover, NH; Bozeman, MT; and San Francisco, CA. The Company believes its existing facilities are adequate to meet its current and future business requirements.

## **ITEM 3. LEGAL PROCEEDINGS.**

From time to time, the Company may be subject to legal proceedings and claims in the ordinary course of business. The Company is not currently a party to any material legal proceedings.

**ITEM 4. MINE SAFETY DISCLOSURES.**

Not applicable

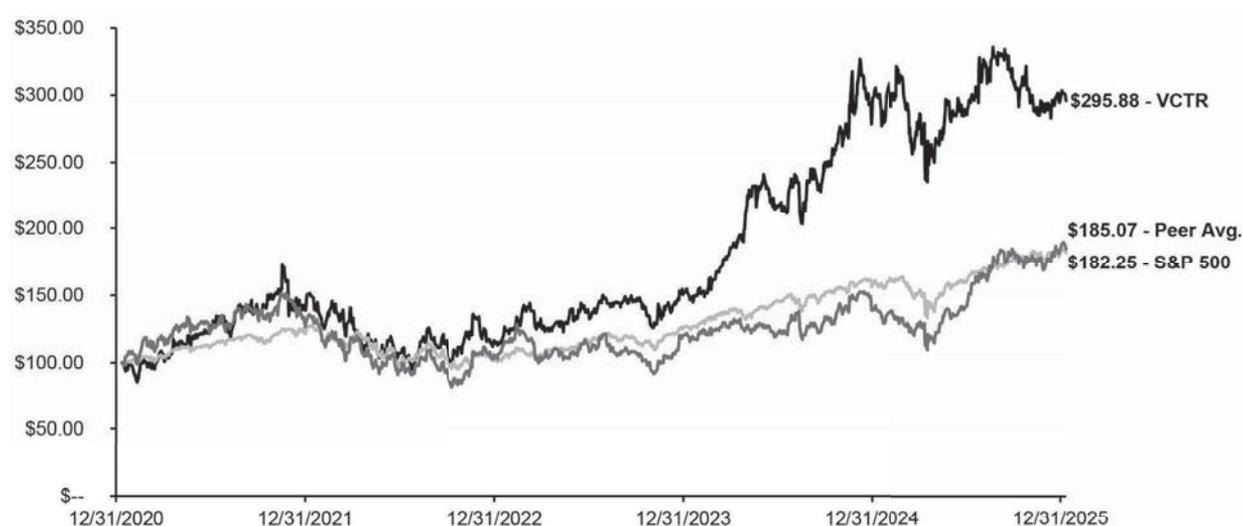
**PART II**

**ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

Shares of the Company’s Common Stock are listed and trade on NASDAQ under the symbol “VCTR”. As of December 31, 2025, there were approximately 54,000 beneficial shareholders of the Company’s Common Stock.

**Performance Graph**

The following graph shows a comparison from December 31, 2020 through December 31, 2025 of the cumulative total return of our Common Stock, the Standard & Poor’s 500 Stock Index (S&P 500 Index) and a peer group comprised of Affiliated Managers Group, Inc., Artisan Partners Asset Management Inc., Acadian Asset Management, and Virtus Investment Partners, Inc. The graph assumes that \$100 was invested at the market close on December 31, 2020 in our common stock, the S&P 500 Index and the peer group and assumes reinvestment of any dividends. The stock price performance of the following graph is not necessarily indicative of future stock price performance.



## Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table sets out information regarding purchases of equity securities by the Company for the three months ended December 31, 2025.

<b>Period</b>	<b>Total Number of Shares of Common Stock Purchased <sup>(1)</sup></b>	<b>Average Price Paid Per Share of Common Stock</b>	<b>Total Number of Shares of Common Stock Purchased as Part of Publicly Announced Plans or Programs <sup>(2)</sup></b>	<b>Approximate Dollar Value That May Yet Be Purchased Under Outstanding Plans or Programs (in millions)<sup>(2)</sup></b>
October 1, 2025 to October 31, 2025 .....	61	\$ 63.43	—	\$ 355.1
November 1, 2025 to November 30, 2025.....	723,799	63.06	716,590	310.2
December 1, 2025 to December 31, 2025.....	90,347	63.34	86,780	304.7
<b>Total</b> .....	<b>814,207</b>	<b>\$ 63.09</b>	<b>803,370</b>	

(1) Includes shares surrendered for taxes related to stock option exercises and vesting of restricted stock awards.

(2) In December 2024, the Company's Board of Directors approved a new share repurchase program (the "2025 Share Repurchase Program") authorizing the repurchase of up to \$200.0 million of the Company's Common Stock through December 31, 2026. On August 7, 2025, the Board authorized an increase in the 2025 Share Repurchase Program from \$200.0 million to up to \$500.0 million through December 31, 2027. Under the 2025 Share Repurchase Program, the Company may purchase its shares from time to time in privately negotiated transactions, through block trades, pursuant to open market purchases, or pursuant to any trading plan that may be adopted in accordance with Rule 10b5-1 of the SEC. The amount and timing of purchases under the 2025 Share Repurchase Program will depend on a number of factors including the price and availability of the Company's shares, trading volume, capital availability, Company performance and general economic and market conditions. The 2025 Share Repurchase Program can be suspended or discontinued at any time. During the quarter ended December 31, 2025, the Company adopted a Rule 10b5-1 trading plan intended to facilitate repurchases of its common stock under its previously authorized 2025 Share Repurchase Program.

## Recent Sales of Unregistered Securities

The information required by Regulation S-K Item 701 regarding the Company's issuance of unregistered equity securities is incorporated herein by reference to the Company's Current Report on Form 8-K filed on April 3, 2025 under Item 3.02 and Note 4 to the Consolidated Financial Statements.

## Dividend Policy

In 2019, the Company announced the initiation of cash dividends and paid its first quarterly dividend to shareholders in September of that year. Each year, since the commencement of cash dividends in 2019, the Company has increased the per-share amount of the quarterly cash dividends distributed to shareholders. During 2025, the Company's Board paid \$1.94 of cash dividends per share, an increase of \$0.38, or 24%, from the \$1.56 per share of cash dividends declared in 2024.

Potential future dividend payments will be at the sole discretion of our board of directors and will depend upon then-existing conditions, including capital requirements to execute our growth strategy, results of operations, financial condition, projected cash flow, and terms associated with our current credit facility or any future financing. Potential increases to the Company's cash dividend rate will be assessed annually.

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The objective of this section of the Annual Report on Form 10-K is to provide a discussion and analysis, from management's perspective, of the key performance indicators and material information necessary to assess our financial condition, results of operations, liquidity and cash flows for the year ended December 31, 2025. The following discussion should be read in conjunction with the consolidated financial statements and related notes that appear in *Part II – Item 8. Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

Management's Discussion and Analysis of Financial Condition and Results of Operations included in this report discusses our financial condition and results of operations as of and for the years ended December 31, 2025 and 2024. A discussion related to our financial condition and results of operations for 2024 as compared to 2023 can be found in *Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* of our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 28, 2025.

In addition to historical information, this discussion and analysis contain forward-looking statements that involve risks, uncertainties and assumptions, which could cause actual results to differ materially from management's expectations. Please refer to the sections of this report entitled "Forward-Looking Statements" and "Risk Factors."

### Overview

**Our Business** – Victory is a diversified global asset management firm with total client assets of \$316.6 billion, assets under management of \$313.8 billion and other assets of \$2.8 billion as of December 31, 2025. The Company operates a next-generation business model combining boutique investment qualities with the benefits of an integrated, centralized operating and distribution platform.

The Company provides specialized investment strategies to institutions, intermediaries, retirement platforms and individual investors with multiple autonomous Investment Franchises and a Solutions Platform. Victory Capital offers a wide array of investment products, including actively and passively managed mutual funds, rules-based and active exchange traded funds ("ETFs"), institutional separate accounts, variable insurance products ("VIPs"), alternative investments, private closed end funds, and a 529 Education Savings Plan. Victory Capital's strategies are also offered through third-party investment products, including mutual funds, third-party ETF model strategies, retail separately managed accounts ("SMAs") and unified managed accounts ("UMAs") through wrap account programs, Collective Investment Trusts ("CITs"), and undertakings for the collective investment in transferable securities ("UCITS"). As of December 31, 2025, our Franchises and our Solutions Platform collectively managed a diversified set of 187 investment strategies for a wide range of institutional and retail clients and direct investors.

**Franchises** – Our Franchises are largely operationally integrated but are separately branded and make investment decisions independently from one another within guidelines established by their respective investment mandates. Our largely integrated model creates a supportive environment in which our investment professionals, largely unencumbered by administrative and operational responsibilities, can focus on their pursuit of investment excellence. VCM employs all of our U.S. investment professionals across our Franchises, which are not separate legal entities.

**Solutions** – Our Solutions Platform consists of multi-asset, multi-manager, quantitative, rules-based, factor-based, and customized portfolios. These strategies are designed to achieve specific return characteristics, with products that include values-based and thematic outcomes and exposures. We offer our Solutions Platform through a variety of vehicles, including separate accounts, mutual funds, UMA accounts, and rules-based and active ETFs under our VictoryShares ETF brand. Like our Franchises, our Solutions Platform is operationally integrated and supported by our centralized distribution, marketing, and operational support functions.

Professionals within our institutional and retail distribution channels, direct investor business and marketing organization sell our products through our centralized distribution model. Our institutional sales team focuses on cultivating relationships with institutional consultants, who account for the majority of the institutional

market, as well as asset allocators seeking sub-advisers. Our retail sales team offers intermediary and retirement platform clients, including broker-dealers, retirement platforms and RIA networks, mutual funds and ETFs as well as SMAs through wrap fee programs and access to our investment models through UMAs. Our direct investor business serves the investment needs of individual clients.

We have grown our total client assets from \$17.9 billion following the management-led buyout in August 2013 to \$316.6 billion at December 31, 2025. We attribute this growth to our success in sourcing acquisitions and evolving them into organic growers, generating strong investment returns, and developing institutional, retail, international, and direct investor channels with deep penetration.

**Pioneer Investments** - On April 1, 2025, the Company completed the transactions contemplated by the Contribution Agreement to combine Amundi's U.S. business into the Company and reintroduced the brand Pioneer Investments for the acquired business and investment products. The addition of Pioneer Investments as the Company's largest Investment Franchise meaningfully enhances the Company's scale, expands its global client base and further diversifies its investment capabilities. The sequential results reflect Pioneer Investments as of April 1, 2025, which significantly impacted our financial results for the year ended December 31, 2025 when compared to the comparable periods. Refer to Notes 1 and 4 of the consolidated financial statements for further details related to the acquisition.

## **Business Highlights in 2025**

### Assets under management:

- AUM at December 31, 2025 and 2024 was \$313.8 billion and \$171.9 billion, respectively. We generated \$60.0 billion in gross flows and \$4.5 billion in net outflows for the year ended December 31, 2025 compared to \$26.2 billion in gross flows and \$7.4 billion in net outflows for the same period in 2024. Net flows for the year ended December 31, 2025 were comprised of \$4.2 billion and \$0.3 billion of net long-term and short-term outflows, respectively.

### Investment performance:

- 54 of our Victory Capital mutual funds and ETFs had overall Morningstar ratings of four or five stars and 65% of our fund and ETF AUM were rated four or five stars overall by Morningstar. 63% of our strategies by AUM had investment returns in excess of their respective benchmarks over a one-year period, 63% over a three-year period, 68% over a five-year period and 78% over a ten-year period. On an equal-weighted basis, 60% of our strategies have outperformed their benchmarks over a one-year period, 62% over a three-year period, 69% over a five-year period and 68% over a ten-year period.

### Financial highlights:

- Total revenue for the year ended December 31, 2025 was \$1.3 billion compared to \$893.5 million for the year ended December 31, 2024.
- Net income was \$330.1 million and \$288.9 million, respectively, for the years ended December 31, 2025 and 2024. Adjusted Net Income was \$472.6 million for the year ended December 31, 2025 compared to \$312.9 million for the year ended December 31, 2024. Refer to "Supplemental Non-GAAP Financial Information" for more information about how we calculate Adjusted Net Income and a reconciliation of net income to Adjusted Net Income.
- GAAP earnings per diluted share was \$4.08 for the year ended December 31, 2025 compared to \$4.38 for the same period in 2024. Adjusted net income with tax benefit per diluted share was \$6.38 and \$5.36, respectively, for the years ended December 31, 2025 and 2024. Refer to "Supplemental Non-GAAP Financial Information" for more information about how we calculate Adjusted Net Income and a reconciliation of net income to Adjusted Net Income.
- Adjusted EBITDA and Adjusted EBITDA margin were \$682.9 million and 52.3%, respectively, for the year ended December 31, 2025 compared to \$475.6 million and 53.2%, respectively, for the year ended December 31, 2024. Refer to "Supplemental Non-GAAP Financial Information" for more

information about how we calculate Adjusted EBITDA and a reconciliation of net income to Adjusted EBITDA.

## Key Performance Indicators

The following table presents the key performance indicators we focus on when reviewing our results:

<i>(\$ in millions, except for basis points and percentages)</i>	Year Ended December 31,	
	2025	2024
AUM at period end.....	\$ 313,775	\$ 171,930
Average AUM.....	268,806	169,658
Gross flows.....	59,985	26,167
AUM net short term flows.....	(258)	(287)
AUM net long term flows.....	(4,198)	(7,090)
AUM net flows.....	(4,456)	(7,377)
Total revenue.....	1,306.1	893.5
Revenue realization on average AUM.....	48.6 bps	52.6 bps
Net income.....	330.1	288.9
Adjusted EBITDA <sup>(1)</sup> .....	682.9	475.6
Adjusted EBITDA margin <sup>(1)(2)</sup> .....	52.3 %	53.2 %
Adjusted Net Income <sup>(1)</sup> .....	472.6	312.9
Tax benefit of goodwill and acquired intangibles <sup>(3)</sup> .....	41.4	40.2

(1) Our management uses Adjusted EBITDA and Adjusted Net Income to measure the operating profitability of the business. These measures eliminate the impact of one-time acquisition, restructuring and integration costs and demonstrate the ongoing operating earnings metrics of the business. These measures are explained in more detail and reconciled to net income calculated in accordance with GAAP in "Supplemental Non-GAAP Financial Information."

(2) Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of total revenue.

(3) Represents the tax benefits associated with deductions allowed for intangible assets and goodwill generated from prior acquisitions in which we received a step-up in basis for tax purposes. Acquired intangible assets and goodwill may be amortized for tax purposes, generally over a 15-year period. The tax benefit from amortization on these assets is included to show the full economic benefit of deductions for all acquired intangibles with a step-up in tax basis. Due to our acquisitive nature, tax deductions allowed on acquired intangible assets and goodwill provide us with a significant supplemental economic benefit.

The following table presents a reconciliation of our total client assets<sup>(1)</sup> as of the dates indicated:

<i>(in millions)</i>	For the Year Ended December 31,	
	2025	2024
Beginning AUM.....	\$ 171,930	\$ 161,322
Beginning other assets.....	4,165	5,289
Beginning total client assets.....	176,096	166,611
AUM net cash flows.....	(4,456)	(7,377)
Other assets net cash flows.....	(1,948)	(1,627)
Total client assets net cash flows.....	(6,404)	(9,004)
AUM market appreciation (depreciation).....	37,742	18,100
Other assets market appreciation (depreciation).....	629	504
Total client assets market appreciation (depreciation).....	38,371	18,604
AUM realizations and distributions.....	(311)	(2)
Acquired & divested assets / Net transfers <sup>(2)</sup> .....	108,869	(113)
Ending AUM.....	313,775	171,930
Ending other assets.....	2,846	4,165
Ending total client assets.....	316,621	176,096
Average total client assets.....	272,134	174,542

- (1) Includes low-fee (2 to 4 bps) institutional assets, previously reported in the Solutions asset class within the by asset class table and in Separate Accounts and Other Pooled Vehicles within the by vehicle table. These assets are included as part of Victory's Regulatory Assets Under Management reported in Form ADV Part 1.
- (2) The year ended December 31, 2025 includes the impact of Pioneer Investments as of April 1, 2025, increasing the Company's AUM by \$114.6 billion, partially offset by assets divested due to the closure of four Investment Franchises.

The following table presents a reconciliation of our total AUM<sup>(1)</sup> as of the dates indicated:

<i>(in millions)</i>	For the Year Ended December 31,	
	2025	2024
Beginning AUM .....	\$ 171,930	\$ 161,322
Gross client cash inflows.....	59,985	26,167
Gross client cash outflows .....	(64,441)	(33,545)
Net client cash flows .....	(4,456)	(7,377)
Market appreciation (depreciation).....	37,742	18,100
Realizations and distributions .....	(311)	(2)
Acquired & divested assets / Net transfers <sup>(2)</sup> .....	108,869	(113)
Ending AUM.....	313,775	171,930
Average AUM.....	268,806	169,658

- (1) Total AUM includes both discretionary assets under management and non-discretionary assets under advisement and excludes other assets.
- (2) The year ended December 31, 2025 includes the impact of Pioneer Investments as of April 1, 2025, increasing the Company's AUM by \$114.6 billion, partially offset by assets divested due to the closure of four Investment Franchises.

The following table presents a reconciliation of our other assets<sup>(1)</sup> as of the dates indicated:

<i>(in millions)</i>	For the Year Ended December 31,	
	2025	2024
Beginning other assets (institutional).....	\$ 4,165	\$ 5,289
Gross client cash inflows.....	—	467
Gross client cash outflows .....	(1,949)	(2,094)
Net client cash flows .....	(1,948)	(1,627)
Market appreciation (depreciation).....	629	504
Realizations and distributions .....	—	—
Acquired & divested assets / Net transfers .....	—	—
Ending other assets (institutional).....	2,846	4,165
Average other assets (institutional).....	3,328	4,883

- (1) Includes low-fee (2 to 4 bps) institutional assets, previously reported in the Solutions asset class within the by asset class table and in Separate Accounts and Other Pooled Vehicles within the by vehicle table. These assets are included as part of Victory's Regulatory Assets Under Management reported in Form ADV Part 1.

## Assets Under Management

Our profitability is largely affected by the level and composition of our AUM (including asset class and distribution channel) and the effective fee rates on our products. The amount and composition of our AUM are, and will continue to be, influenced by a number of factors, including; (i) investment performance, including fluctuations in the financial markets and the quality of our investment decisions; (ii) client flows into and out of our various strategies and investment vehicles; (iii) industry trends toward products or strategies that we either do or do not offer; (iv) our ability to attract and retain high quality investment, distribution, marketing and management personnel; (v) our decision to close strategies or limit growth of assets in a strategy when we believe it is in the best interest of our clients or conversely to re-open strategies in part or entirely; and (vi) general investor sentiment and confidence. Our goal is to establish and maintain a client base that is diversified by Franchise and Solutions Platform, asset class, distribution channel, vehicle and geography.

### Valuation of Assets Under Management

The fair value of assets under management of the Victory Funds and VictoryShares is primarily determined using quoted market prices or independent third-party pricing services or broker price quotes. In certain

circumstances, a quotation or price evaluation is not readily available from a pricing service. In these cases, pricing is determined by management based on a prescribed valuation process that has been approved by the directors/trustees of the sponsored products. The same prescribed valuation process is used to price securities in separate accounts and the Company's other non-alternative investment vehicles for which a quotation or price evaluation is not readily available from a pricing service.

For certain alternative investment vehicles, including the NEC funds, AUM represents limited partner capital commitments during the commitment period of the fund. Following the earlier of the termination of the commitment period and the beginning of any commitment period for a successor fund, AUM generally represents, depending on the fund, the lesser of a) the net asset value of the fund and b) the aggregated adjusted cost basis of each unrealized portfolio investment or the limited partner capital commitments reduced by the amount of capital contributions used to make portfolio investments that have been disposed. The fair value of Level III assets held by alternative investment vehicles is determined under the respective valuation policy for each fund. The valuation policies address the fact that substantially all the investments of a fund may not have readily available market information and therefore the fair value for these assets is typically determined using unobservable inputs and models that may include subjective assumptions. AUM reported by the Company for alternative investment vehicles may not necessarily equal the funds' net asset values or the total fair value of the funds' portfolio investments as AUM represents the basis for calculating management fees. For the periods presented, less than one percent of the Company's total AUM were Level III assets priced without using a quoted market price, broker price quote or pricing service quotation.

**AUM by Asset Class** – the following table presents our AUM by asset class as of the dates indicated:

<i>(in millions)</i>	As of December 31,				
	2025(1)	2024	2023	2022	2021(2)(3)
Fixed Income.....	\$ 80,544	\$ 24,402	\$ 24,355	\$ 26,353	\$ 35,154
Solutions.....	91,228	62,593	54,296	46,317	54,426
U.S. Mid Cap Equity.....	29,993	30,584	30,604	27,892	30,578
U.S. Small Cap Equity.....	11,179	14,785	15,959	15,103	20,094
U.S. Large Cap Equity.....	63,380	14,148	12,635	10,973	15,766
Global / Non-U.S. Equity.....	30,680	19,095	16,772	14,160	16,050
Alternative Investments.....	3,038	2,980	3,431	3,663	2,548
<b>Total Long-Term AUM.....</b>	<b>\$ 310,042</b>	<b>\$ 168,586</b>	<b>\$ 158,051</b>	<b>\$ 144,460</b>	<b>\$ 174,616</b>
Money Market / Short-Term ..	3,733	3,344	3,271	3,302	3,100
<b>Total AUM.....</b>	<b>\$ 313,775</b>	<b>\$ 171,930</b>	<b>\$ 161,322</b>	<b>\$ 147,762</b>	<b>\$ 177,716</b>

- (1) Includes the impact of Pioneer Investments, partially offset by assets divested due to the closure of four Investment Franchises.
- (2) Beginning in January 2022, the Company's "Other" asset class has been categorized to Solutions, Fixed Income, Global / Non-U.S. Equity, or Alternative Investments based on the underlying investment strategy. Additionally, all assets managed using alternative investment strategies are now included in the Company's Alternative Investments asset class. Prior-period figures have been adjusted accordingly.
- (3) Includes the impact of acquired assets from the THB, NEC and WestEnd Acquisitions, which closed on March 1, 2021, November 1, 2021 and December 31, 2021, respectively, and increased our AUM by approximately \$547 million, \$795 million and \$19.3 billion, at closing, respectively. The WestEnd acquired assets had no economic impact on operations in 2021 and no effect on asset flows, average assets, revenues or earnings in the full-year period ended December 31, 2021.

**Asset Flows by Asset Class** – the following table summarizes our asset flows by asset class for the periods indicated:

<i>(in millions)</i>	U.S. Mid Cap Equity	U.S. Small Cap Equity	Fixed Income	U.S. Large Cap Equity	Global/ Non-U.S. Equity	Solutions	Alternative Investments	Total Long-term	Money Market / Short-term	Total AUM <sup>(1)</sup>
<b>Year Ended December 31, 2025</b>										
Beginning AUM	\$ 30,584	\$ 14,785	\$ 24,402	\$ 14,148	\$ 19,095	\$ 62,593	\$ 2,980	\$ 168,586	\$ 3,344	\$ 171,930
Gross client cash inflows	3,622	1,475	18,314	7,646	8,428	18,421	916	58,821	1,164	59,985
Gross client cash outflows	(8,121)	(4,994)	(18,771)	(12,137)	(7,131)	(10,925)	(939)	(63,019)	(1,422)	(64,441)
Net client cash flows	(4,500)	(3,518)	(458)	(4,491)	1,297	7,496	(23)	(4,198)	(258)	(4,456)
Market appreciation / (depreciation)	1,737	353	3,506	12,367	6,836	12,677	119	37,595	146	37,742
Realizations and distributions	—	—	(287)	—	—	—	(24)	(311)	—	(311)
Acquired & divested assets / Net transfers <sup>(2)</sup>	2,172	(440)	53,381	41,356	3,452	8,463	(15)	108,368	500	108,869
Ending AUM	\$ 29,993	\$ 11,179	\$ 80,544	\$ 63,380	\$ 30,680	\$ 91,228	\$ 3,038	\$ 310,042	\$ 3,733	\$ 313,775
<b>Year Ended December 31, 2024</b>										
Beginning AUM	\$ 30,604	\$ 15,959	\$ 24,355	\$ 12,635	\$ 16,772	\$ 54,296	\$ 3,431	\$ 158,051	\$ 3,271	\$ 161,322
Gross client cash inflows	4,516	2,043	4,912	284	3,762	8,634	1,105	25,255	912	26,167
Gross client cash outflows	(7,685)	(4,195)	(5,905)	(1,540)	(2,893)	(8,509)	(1,618)	(32,345)	(1,200)	(33,545)
Net client cash flows	(3,169)	(2,152)	(993)	(1,256)	869	125	(513)	(7,090)	(287)	(7,377)
Market appreciation / (depreciation)	3,189	1,035	924	2,873	1,570	8,290	47	17,929	172	18,100
Realizations and distributions	—	—	—	—	—	—	(2)	(2)	—	(2)
Acquired & divested assets / Net transfers	(40)	(58)	116	(104)	(115)	(118)	17	(301)	188	(113)
Ending AUM	\$ 30,584	\$ 14,785	\$ 24,402	\$ 14,148	\$ 19,095	\$ 62,593	\$ 2,980	\$ 168,586	\$ 3,344	\$ 171,930

(1) Total AUM includes both discretionary assets under management and non-discretionary assets under advisement and excludes other assets.

(2) Includes the impact of Pioneer Investments, partially offset by assets divested due to the closure of four Investment Franchises.

**Total AUM by Distribution Channel** – the following table presents our total AUM by distribution channel as of the dates indicated:

<i>(in millions)</i>	As of December 31,			
	2025		2024	
	Amount	% of total	Amount	% of total
Direct .....	\$ 62,371	20 %	\$ 60,949	35 %
Non-US .....	54,799	17 %	6,224	4 %
Institutional .....	78,919	25 %	35,098	20 %
Retail .....	117,685	38 %	69,659	41 %
Total AUM <sup>(1)(2)(3)</sup> .....	<u>\$ 313,775</u>	<u>100 %</u>	<u>\$ 171,930</u>	<u>100 %</u>

- (1) The allocation of AUM by distribution channel involves the use of estimates and the exercise of judgment.
- (2) Total AUM includes both discretionary assets under management and non-discretionary assets under advisement and excludes other assets.
- (3) December 31, 2025 includes the impact of Pioneer Investments, partially offset by assets divested due to the closure of four Investment Franchises.

**Total AUM by Region** – the following table presents our total AUM by region as of the dates indicated:

<i>(in millions)</i>	As of December 31,			
	2025		2024	
	Amount	% of total	Amount	% of total
U.S. ....	\$ 258,975	83%	\$ 165,706	96%
Non-U.S. ....	54,799	17%	6,224	4%
Total AUM <sup>(1)(2)</sup> .....	<u>\$ 313,775</u>	<u>100%</u>	<u>\$ 171,930</u>	<u>100%</u>

- (1) Total AUM includes both discretionary assets under management and non-discretionary assets under advisement and excludes other assets.
- (2) December 31, 2025 includes the impact of Pioneer Investments, partially offset by assets divested due to the closure of four Investment Franchises.

**Assets Flows by Vehicle** – the following table summarizes our asset flows by vehicle for the periods indicated:

<i>(in millions)</i>	Mutual Funds <sup>(1)</sup>	ETFs <sup>(2)</sup>	Separate Accounts and Other Vehicles <sup>(3)</sup>	Total
<b>Year Ended December 31, 2025</b>				
Beginning AUM.....	\$ 113,645	\$ 7,508	\$ 50,777	\$ 171,930
Gross client cash inflows .....	24,768	7,476	27,741	59,985
Gross client cash outflows.....	(36,240)	(1,082)	(27,119)	(64,441)
Net client cash flows .....	(11,472)	6,394	622	(4,456)
Market appreciation / (depreciation) .....	20,651	1,062	16,029	37,742
Realization and distributions.....	—	—	(311)	(311)
Acquired & divested assets / Net transfers <sup>(4)</sup> .....	49,379	85	59,405	108,869
Ending AUM .....	<u>\$ 172,203</u>	<u>\$ 15,049</u>	<u>\$ 126,523</u>	<u>\$ 313,775</u>
<b>Year Ended December 31, 2024</b>				
Beginning AUM.....	\$ 108,802	\$ 4,970	\$ 47,551	\$ 161,322
Gross client cash inflows .....	14,954	3,089	8,124	26,167
Gross client cash outflows.....	(22,408)	(915)	(10,222)	(33,545)
Net client cash flows .....	(7,454)	2,174	(2,097)	(7,377)
Market appreciation / (depreciation) .....	12,561	404	5,136	18,100
Realization and distributions.....	—	—	(2)	(2)
Acquired & divested assets / Net transfers..	(263)	(40)	189	(113)
Ending AUM .....	<u>\$ 113,645</u>	<u>\$ 7,508</u>	<u>\$ 50,777</u>	<u>\$ 171,930</u>

- 
- (1) Includes institutional and retail share classes, money market and Variable Insurance Products or VIP funds.
  - (2) Represents only ETF assets held by third parties. Excludes ETF assets held by other Victory Capital products.
  - (3) Includes collective trust funds, wrap program accounts, UMAs, UCITs, private funds and non-U.S. domiciled pooled vehicles.
  - (4) Includes the impact of Pioneer Investments, partially offset by assets divested due to the closure of four Investment Franchises.

Our total AUM at December 31, 2025 increased by \$141.8 billion, or 82.5%, to \$313.8 billion from \$171.9 billion at December 31, 2024. The increase was primarily due to AUM acquired from Amundi US totaling \$114.6 billion and positive market action of \$37.7 billion partially offset by net outflows of \$4.5 billion.

Net outflows were driven by \$4.5 billion in our U.S. mid cap equity strategies, \$3.5 billion in our U.S. small cap equity strategies, \$4.5 billion in our U.S. large cap equity strategies, \$0.5 billion in fixed income strategies, and \$0.3 billion in money market and short-term strategies, partially offset by \$1.3 billion in net inflows into our global/non-U.S. equity strategies and \$7.5 billion in our Solutions Platform.

## GAAP Results of Operations

The following table presents our GAAP results of operations for the years ended December 31, 2025 and 2024:

	Year Ended December 31,		Change	
	2025	2024	\$	%
<b>Revenue</b>				
Investment management fees .....	\$ 1,045,469	\$ 704,583	\$ 340,886	48%
Fund administration and distribution fees .....	260,662	188,894	71,768	38%
<b>Total revenue</b> .....	<b>1,306,131</b>	<b>893,477</b>	<b>412,654</b>	<b>46%</b>
<b>Expenses</b>				
Personnel compensation and benefits .....	362,991	217,214	145,777	67%
Distribution and other asset-based expenses .....	231,991	146,489	85,502	58%
General and administrative .....	83,319	56,694	26,625	47%
Depreciation and amortization .....	72,851	30,176	42,675	141%
Change in value of consideration payable for acquisition of business .....	11,403	2,694	8,709	323%
Acquisition-related costs .....	35,479	11,285	24,194	214%
Restructuring and integration costs .....	29,674	1,411	28,263	2003%
<b>Total operating expenses</b> .....	<b>827,708</b>	<b>465,963</b>	<b>361,745</b>	<b>78%</b>
<b>Income from operations</b> .....	<b>478,423</b>	<b>427,514</b>	<b>50,909</b>	<b>12%</b>
<b>Other income (expense)</b>				
Interest income and other income (expense) .....	15,298	10,441	4,857	47%
Interest expense and other financing costs .....	(54,787)	(63,836)	9,049	-14%
Loss on debt extinguishment .....	(614)	(363)	(251)	69%
<b>Total other income (expense), net</b> .....	<b>(40,103)</b>	<b>(53,758)</b>	<b>13,655</b>	<b>-25%</b>
<b>Income before income taxes</b> .....	<b>438,320</b>	<b>373,756</b>	<b>64,564</b>	<b>17%</b>
<b>Income tax expense</b> .....	<b>(108,258)</b>	<b>(84,892)</b>	<b>(23,366)</b>	<b>28%</b>
<b>Net income</b> .....	<b>\$ 330,062</b>	<b>\$ 288,864</b>	<b>\$ 41,198</b>	<b>14%</b>
Preferred stock dividends .....	(29,138)	—	(29,138)	
Net income attributable to preferred stockholders .....	(30,773)	—	(30,773)	
<b>Net income attributable to common shareholders</b> .....	<b>\$ 270,151</b>	<b>\$ 288,864</b>	<b>\$ (18,713)</b>	<b>-6%</b>
<b>Earnings per share of common stock</b>				
Basic .....	\$ 4.13	\$ 4.47		
Diluted .....	\$ 4.08	\$ 4.38		
<b>Weighted average number of shares outstanding</b>				
Basic .....	65,439	64,607		
Diluted .....	66,376	65,928		
<b>Dividends declared per share of common stock</b> .....	<b>\$ 1.94</b>	<b>\$ 1.555</b>		

Our GAAP revenues principally consist of: (i) investment management fees, which are based on our overall weighted average fee rate charged to our clients and our level of AUM and (ii) fund administration and distribution fees, which are asset-based fees earned from open-end mutual funds for administration and distribution services. Fund administration and fund distribution fees also include fund transfer agent fees, which are based on a contractual rate applied to average AUM or the number of accounts in these funds.

The Company has contractual arrangements with third parties to provide certain advisory, administration, transfer agent and distribution services. Management considers whether we are acting as the principal service provider or as an agent to determine whether revenue should be recorded based on the gross amount payable by the customer or net of payments to third-party service providers, respectively. Victory is considered a principal service provider if we control the service that is transferred to the customer. We are considered an agent when we arrange for the service to be provided by another party and do not control the service.

**Investment Management Fees** – Investment management fees are earned from managing clients' assets. Our investment management fee revenue fluctuates based on a number of factors, including the total value of our AUM, the composition of AUM across investment strategies and vehicles, changes in the investment management fee rates on our products and the extent to which we enter into fee arrangements that differ from our standard fee schedule as well as the extent to which our fund expenses exceed fund caps. Investment management fees are earned based on a percentage of AUM as delineated in the respective investment management agreements. Our investment management fees are calculated based on daily average AUM, monthly average AUM or point in time AUM.

Investment management fees increased \$340.9 million, or 48.4%, to \$1.0 billion in 2025 from \$704.6 million in 2024 due to an increase in average AUM. Average AUM was \$268.8 billion in 2025 compared to \$169.7 billion in 2024.

**Fund Administration and Distribution Fees** – Fund administration fees are primarily asset-based fees earned from open-end funds for administration services. Fund administration fees fluctuate based on the level of average open-end fund AUM and the fee rates charged for these services.

Fund distribution fees are asset-based fees earned from open-end funds for distribution services. Fund distribution fees fluctuate based on the level of average open-end fund AUM and the composition of those assets across share classes that pay varying levels of fund distribution fees.

Fund administration and distribution fees increased \$71.8 million, or 38.0%, to \$260.7 million in 2025 compared to \$188.9 million in 2024. The increase is due primarily to higher mutual fund average net assets.

#### GAAP Expenses

Our GAAP expenses principally consist of: (i) personnel compensation and benefits; (ii) distribution and other asset-based expenses; (iii) general and administrative expenses; (iv) depreciation and amortization charges; and (v) acquisition-related expenses comprising of changes in the fair value of contingent acquisition payments and restructuring and acquisition costs.

**Personnel Compensation and Benefits** – Personnel compensation and benefits is our most significant category of expense. Personnel compensation and benefits consists of (i) salaries, payroll related taxes and employee benefits, (ii) incentive compensation, (iii) sales-based compensation, (iv) compensation expense related to equity awards granted to employees and directors and (v) acquisition-related compensation in the form of cash retention bonuses and certain transaction-related compensatory payment arrangements.

Incentive compensation is the largest component of the total compensation of our employees. The aggregate amount of cash incentive compensation is funded by a pool that is based on a percentage of total Company earnings (before taking into account incentive compensation). This incentive pool is used to pay the investment teams a percentage of the revenue earned by their respective Franchise on a quarterly basis. This incentive pool is also used to pay incentive compensation to senior management and other non-investment employees on an annual basis. Incentive compensation paid to senior management and to other non-investment employees is discretionary and subjectively determined based on Company and individual performance and the total amount of the incentive compensation pool.

The following table presents the components of GAAP compensation expense for the years ended December 31, 2025 and 2024:

<i>(in thousands)</i>	Year Ended December 31,	
	2025	2024
Salaries, payroll related taxes and employee benefits .....	\$ 136,161	\$ 88,599
Incentive compensation .....	140,133	102,712
Sales-based compensation <sup>(1)</sup> .....	38,661	24,338
Equity awards granted to employees and directors <sup>(2)</sup> .....	20,442	15,220
Acquisition and transaction-related compensation .....	27,594	(13,655)
<b>Total personnel compensation and benefits expense .....</b>	<b>\$ 362,991</b>	<b>\$ 217,214</b>

(1) Represents sales-based commissions paid to our distribution teams. Sales-based compensation varies based on gross and net client cash flows and revenue earned on sales.

(2) Share-based compensation typically vests over several years based on service and the achievement of specific business and financial targets. The value of share-based compensation is recognized as compensation expense over the vesting period.

Personnel compensation and benefits were \$363.0 million in 2025, an increase of \$145.8 million, or 67.1%, from \$217.2 million in 2024 mostly attributable to increases in salaries, payroll related taxes and employee benefits, incentive compensation expense and acquisition and transaction-related compensation of \$47.6 million, \$37.4 million, and \$41.2 million, respectively.

**Distribution and Other Asset-based Expenses** – Distribution and other asset-based expenses consists of: (i) broker-dealer distribution fees and platform distribution fees and (ii) sub-administration, sub-transfer agent, sub-advisory expenses and middle-office expenses.

Broker-dealer distribution fees are paid by VCS as the broker-dealer for the Victory Funds to third-party distributors. The Victory Funds pay VCS for distribution services and VCS, in turn, pays third-party distributors.

Platform distribution fees are paid by VCM as the investment adviser to the Victory Funds. Platform distribution fees are paid to financial advisors, retirement plan providers and intermediaries for servicing and administering accounts invested in shares of the Victory Funds. Distribution fees typically vary based on the level of AUM and the composition of those assets across share classes.

Sub-administration, sub-transfer agent, sub-advisory and middle-office expenses consist of fees paid to our sub-administrators of the Victory Funds and VictoryShares, fees paid to our sub-transfer agent for the Victory Funds III, fees paid to sub-advisers on certain Victory Funds and fees paid to vendors to which we outsource middle-office functions.

The following table presents the components of distribution and other asset-based expenses for the years ended December 31, 2025 and 2024:

<i>(in thousands)</i>	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Broker-dealer distribution fees.....	\$ 70,725	\$ 20,222
Platform distribution fees.....	121,734	89,233
Sub-administration.....	21,015	17,010
Sub-advisory.....	7,471	9,152
Middle-office.....	11,046	10,872
<b>Total distribution and other asset-based expenses.....</b>	<b>\$ 231,991</b>	<b>\$ 146,489</b>

Distribution and other asset-based expenses are primarily based on AUM. Distribution and other asset-based expenses increased \$85.5 million, or 58.4%, to \$232.0 million in 2025 compared to \$146.5 million in 2024, primarily due to an increase in broker dealer and platform distribution fees over the comparable period.

**General and Administrative Expenses** – General and administrative expenses primarily consist of investment research and technology costs, professional and marketing fees, travel, rent and insurance expenses.

General and administrative expenses were \$83.3 million in 2025 compared to \$56.7 million in 2024, an increase of \$26.6 million, or 47.0%. The increase is primarily due to an increase facilities and data services and technology related expenses.

**Depreciation and Amortization** – Depreciation and amortization expense consists primarily of the depreciation of property and equipment as well as the amortization of acquired intangibles that have a definite life. These intangibles include customer relationships, investment advisory contracts, intellectual property and non-compete clauses acquired in connection with a business or asset acquisition. Both depreciation and amortization are recorded ratably over the assets’ useful lives.

Depreciation and amortization increased by \$42.7 million, or 141.4%, to \$72.9 million in 2025, from \$30.2 million in 2024, due to the amortization of definite-lived intangible assets associated with the Amundi US acquisition in 2025.

**Change in Value of Consideration Payable for Acquisition of Business** – The change in value of consideration payable for acquisition of business increased \$8.7 million due the change in the fair value of the contingent consideration associated with the WestEnd Acquisition increasing \$11.4 million for the year ending December 31, 2025 compared to \$2.7 million in 2024. Refer to Note 5, *Fair Value Measurements*, for further details on the fair value of contingent consideration payable.

**Acquisition-Related Costs** – Acquisition-related costs include legal fees, advisory services, mutual fund proxy voting costs and other one-time expenses related to acquisitions.

Acquisition-related costs increased \$24.2 million to \$35.5 million for the year ended December 31, 2025 compared to \$11.3 million in the prior year. The expense for the year ended December 31, 2025 was primarily due to legal and professional fees associated with the Amundi US transaction.

**Restructuring and Integration Costs** – Restructuring and integration costs include costs incurred in connection with business combinations, asset purchases and changes in business strategy. These include severance expenses related to one-time benefit arrangements, contract termination and other costs to integrate investment platforms, products and personnel into existing systems, processes and service provider arrangements and restructuring the business to capture operating expense synergies.

Restructuring and integration costs increased \$28.3 million to \$29.7 million for the year ended December 31, 2025 compared to \$1.4 million in the prior year. The expense for the year ended December 31, 2025 primarily relates to personnel restructuring as well as integration and conversion costs related to the Amundi US transaction.

**Interest Income and Other Income (Expense)** – Interest income and other income (expense) consists primarily of interest income, gains (losses) on investments and dividend income on investments. Interest income and other income (expense) was income of \$15.3 million and \$10.4 million in 2025 and 2024, respectively. The increase was primarily due to an increase in the net unrealized fair value of deferred compensation plan investments over the comparable period.

**Interest Expense and Other Financing Costs** – Interest expense and other financing costs consists primarily of interest expense attributable to long-term debt. Interest expense and other financing costs decreased \$9.0 million to \$54.8 million in 2025 from \$63.8 million in 2024 as a result of a lower average interest rate over the comparable period. Refer to “Liquidity and Capital Resources” for more information.

**Loss on Debt Extinguishment** – Loss on debt extinguishment consists of the write-off of unamortized debt issuance costs and unamortized debt discount as a result of debt refinancing, the acceleration of the paydown of debt principal and debt repurchased and retired in open market transactions. For the year ended December 31, 2025 and 2024, the Company had losses on debt extinguishment of \$0.6 million and \$0.4 million, respectively.

**Income Tax Expense** – The provision for income taxes includes U.S. federal, state and local taxes, and foreign income taxes payable by certain of our subsidiaries. The effective tax rate is primarily driven by state and local taxes, excess tax benefits on share-based compensation, and certain non-deductible expenses. The portion of the effective income tax rate attributable to state and local income taxes varies from year to year depending on amounts of income apportioned to each jurisdiction, whether we file income tax returns on a unitary or separate return basis and with changes in tax laws.

For the year ended December 31, 2025 and 2024, the effective tax rate was 24.7% and 22.7%, respectively. The year-over-year increase in the effective tax rate is due to decreased excess tax benefits on share-based compensation and increased non-deductible expenses. Refer to Note 10, *Income Taxes*, for further details on the Company's income taxes.

### **Effects of Inflation**

Inflation did not have a material effect on our consolidated results of operations. Inflationary pressures can result in increases to our cost structure. Certain large expense components such as compensation and distribution expenses are predominately variable and move in tandem with revenues. To the degree that these expense increases are not recoverable or cannot be counterbalanced through price increases due to the competitive environment, our profitability could be negatively impacted. In addition, the value of the fixed income assets that we manage may be negatively impacted when inflationary expectations result in a rising interest rate environment. Declines in the values of AUM could lead to reduced revenues as investment management fees are generally earned as a percentage of AUM.

### **Supplemental Non-GAAP Financial Information**

We report our financial results in accordance with GAAP. Our management uses non-GAAP performance measures to evaluate the underlying operations of our business. Non-GAAP financial measures are used to supplement GAAP results to provide a more complete understanding of the factors and trends affecting our business than GAAP results alone. Due to our acquisitive nature, there are a number of acquisition and restructuring related expenses included in GAAP measures that we believe distort the underlying economics of our organization and we believe that many investors use this information when assessing the financial performance of companies in the investment management industry. We have included these non-GAAP measures to provide investors with the same financial metrics used by management to assess the operating performance of our Company.

Non-GAAP measures should be considered in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP. Our non-GAAP measures may differ from similar measures at other companies, even if similar terms are used to identify these measures. Specifically, we make use of the non-GAAP financial measures “Adjusted EBITDA” and “Adjusted Net Income.”

The following table sets forth a reconciliation from GAAP financial measures to non-GAAP measures for the periods indicated:

<i>(in thousands)</i>	<u>Year Ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
<b>Reconciliation of non-GAAP financial measures:</b>		
<b>Net income (GAAP)</b> .....	<b>\$ 330,062</b>	<b>\$ 288,864</b>
Income tax expense.....	(108,258)	(84,892)
<b>Income before income taxes</b> .....	<b>\$ 438,320</b>	<b>\$ 373,756</b>
Interest expense <sup>(1)</sup> .....	52,224	60,799
Depreciation <sup>(2)</sup> .....	11,218	8,959
Other business taxes <sup>(3)</sup> .....	3,353	1,525
Amortization of acquisition-related intangible assets <sup>(4)</sup> .....	61,633	21,217
Share-based compensation <sup>(5)</sup> .....	7,325	4,246
Acquisition, restructuring and exit costs <sup>(6)</sup> .....	104,150	1,735
Debt issuance costs <sup>(7)</sup> .....	4,628	3,385
<b>Adjusted EBITDA</b> .....	<b>\$ 682,851</b>	<b>\$ 475,622</b>
	<u>Year Ended December 31,</u>	
<i>(in thousands)</i>	<u>2025</u>	<u>2024</u>
<b>Reconciliation of non-GAAP financial measures:</b>		
<b>Net income (GAAP)</b> .....	<b>\$ 330,062</b>	<b>\$ 288,864</b>
<i>Adjustments to reflect the operating performance of the Company:</i>		
i. Other business taxes <sup>(3)</sup> .....	3,353	1,525
ii. Amortization of acquisition-related intangible assets <sup>(4)</sup> .....	61,633	21,217
iii. Share-based compensation <sup>(5)</sup> .....	7,325	4,246
iv. Acquisition, restructuring and exit costs <sup>(6)</sup> .....	104,150	1,735
v. Debt issuance costs <sup>(7)</sup> .....	4,628	3,385
Tax effect of above adjustments <sup>(8)</sup> .....	(38,576)	(8,028)
<b>Adjusted Net Income</b> .....	<b>\$ 472,575</b>	<b>\$ 312,944</b>
Tax benefit of goodwill and acquired intangibles <sup>(9)</sup> .....	\$ 41,370	\$ 40,171
Weighted average number of shares outstanding - diluted (GAAP).....	66,376	65,928
Weighted average number of shares outstanding - diluted (Non-GAAP) <sup>(10)</sup> .....	80,524	65,928
Adjusted net income with tax benefit per share.....	\$ 6.38	\$ 5.36

Adjustments made to GAAP Net Income to calculate Adjusted EBITDA and Adjusted Net Income, as applicable, are:

- (1) Adding back interest paid on debt and other financing costs, net of interest income.
- (2) Adding back depreciation on property and equipment.
- (3) Adding back other business taxes.
- (4) Adding back amortization expense on acquisition-related intangible assets.
- (5) Adding back share-based compensation associated with equity awards issued from pools created in connection with the management-led buyout and various acquisitions and as a result of equity grants related to the initial public offering (the "IPO").
- (6) Adding back direct incremental costs of acquisitions, including restructuring costs.
- (7) Adding back debt issuance and Swap unwind cost expense.
- (8) Subtracting an estimate of income tax expense applied to the sum of the adjustments above.
- (9) Represents the tax benefits associated with deductions allowed for intangibles and goodwill generated from acquisitions in which we received a step-up in basis for tax purposes. Acquired intangible assets and goodwill may be amortized for tax purposes, generally over a 15-year period. The tax benefit from amortization on these assets is included to show the full economic benefit of deductions for all acquired intangibles with a step-up in tax basis. Due to our acquisitive nature, tax deductions allowed on acquired intangible assets and goodwill provide us with a significant economic benefit.
- (10) The Company includes participating securities in its computation of adjusted earnings per diluted share, including shares of series A Non-Voting Convertible Preferred stock for the year ended December 31, 2025.

The following table presents the components of acquisition, restructuring and exit costs for the periods indicated:

<i>(in thousands)</i>	Year Ended December 31,	
	2025	2024
Acquisition-related costs .....	\$ 35,479	\$ 11,285
Change in value of consideration payable for acquisition of business .....	11,403	2,694
Restructuring and integration costs .....	29,674	1,411
Personnel compensation and benefits .....	27,594	(13,655)
<b>Total acquisition, restructuring and exit costs .....</b>	<b>\$ 104,150</b>	<b>\$ 1,735</b>

## Liquidity, Capital Resources and Contractual Obligations

**Sources and Uses of Cash** – We generate strong cash flows from operations that allow us to meet our cash requirements. Our primary uses of cash include: (i) repayment of our debt obligations, (ii) funding of acquisitions, (iii) payment of contingent consideration for previous acquisitions, and (iv) working capital needs. Cash flows from operations also allow us to meet certain other cash uses such as quarterly cash dividends and the repurchase of our Common Stock. We believe we have sufficient liquidity and capital resources to continue to paydown our debt obligations as well as to continue focusing on acquisition candidates.

The following table presents our liquidity position as of December 31, 2025 and 2024:

<i>(in thousands)</i>	December 31,	
	2025	2024
Cash and cash equivalents <sup>(1)</sup> .....	\$ 163,690	\$ 126,731
Accounts and other receivables <sup>(2)</sup> .....	181,141	100,667
Undrawn commitment on revolving credit facility <sup>(3)</sup> .....	100,000	100,000
Accounts and other payables <sup>(4)</sup> .....	(158,742)	(109,599)

- (1) We manage our cash balances in order to fund our day-to-day operations and invest excess cash into money market funds and other short-term investments.
- (2) Our accounts receivables consist primarily of investment management, fund administrative and distribution fees that have been earned but not yet received from clients. We perform a review of our receivables on a monthly basis to assess collectability.
- (3) The balance at December 31, 2025 represents the Company's undrawn \$100.0 million revolving credit facility. The balance at December 31, 2024 represents the Company's undrawn \$99.9 million revolving credit facility and a \$0.1 million standby letter of credit used as collateral for THB's real estate location.
- (4) Accounts and other payables consist primarily of various payables related to operations, transaction costs and interest payable on the term loan, as well as accrued compensation and benefits.

Excludes \$39.3 million and \$62.7 million at December 31, 2025 and 2024, respectively, related to the estimated fair value of the contingent consideration that is expected to be paid over the next twelve month period resulting from the WestEnd Acquisition.

## 2019 Credit Agreement

Since 2019, the Company is a party to a credit agreement (the "2019 Credit Agreement"), which includes both a revolving credit facility (the "Revolving Facility") with aggregate commitments of \$100.0 million (with a \$10.0 million sub-limit for the issuance of letters of credit) and a term loan with an aggregate principal amount of \$1.1 billion (the "2019 Term Loans"). Since originally entering the 2019 Credit Agreement, the Company has entered into various amendments to extend maturities, modify interest rates and modify other terms. Key provisions of the 2019 Credit Agreement and the nature of recent amendments are described below.

### Fifth Amendment

On June 7, 2024, the Company entered into the Fifth Amendment to the 2019 Credit Agreement (the "Fifth Amendment"), extending the maturity date of the \$100.0 million Revolving Facility from July 1, 2024 to March 31, 2026, and decreasing the drawn interest rate margin by 0.50% per annum. The Revolving Facility otherwise remained subject to substantially the same terms as those set forth in the 2019 Credit Agreement. The Company incurred \$1.0 million in upfront fees, arranger fees and other third party costs related to the

Fifth Amendment to the 2019 Credit Agreement, which were recorded to revolving credit facility debt issuance cost in other assets.

On July 1, 2024, the Company executed an agency succession agreement, by and among Barclays Bank PLC as the resigning administrative agent and collateral agent under the 2019 Credit Agreement and Royal Bank of Canada, as the successor administrative agent and collateral agent.

#### Sixth Amendment

On September 23, 2025, the Company entered into the Sixth Amendment to the 2019 Credit Agreement (the "Sixth Amendment"), among the Company, the other loan parties party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent, which amended the Credit Agreement dated as of July 1, 2019 (as amended through the Fifth Amendment, the "Existing Credit Agreement"), among the Company, the other loan parties party thereto from time to time, Bank of America, N.A., as administrative agent and collateral agent, and the lenders party thereto from time to time.

The Sixth Amendment extended the maturity date of the Revolving Facility from March 31, 2026 to September 23, 2030 and decreased the drawn interest rate margin by 0.25% per annum. The Revolving Facility otherwise remains subject to substantially similar terms to those set forth in the Existing Credit Agreement.

Pursuant to the Sixth Amendment, the Company also refinanced its existing term loans (the "Existing Term Loans") with replacement term loans (the "Repriced Term Loans") in an aggregate principal amount of \$985.0 million. The Repriced Term Loans will mature on September 23, 2032 and will bear interest at an annual rate equal to, at the option of the Company, either SOFR plus a margin of 2.00% or an alternate base rate plus a margin of 1.00%. The Repriced Term Loans otherwise remain subject to substantially similar terms to those that were applicable to the Existing Term Loans.

The 2019 Credit Agreement contains customary affirmative and negative covenants, including covenants that affect, among other things, the ability of the first lien leverage ratio, measured as of the last day of each fiscal quarter on which outstanding borrowings under the revolving credit facility exceed 35.0% of the commitments thereunder (excluding certain letters of credit), of no greater than 4.00 to 1.00. As of December 31, 2025 and 2024, there were no outstanding borrowings under the revolving credit facility and the Company was in compliance with its financial performance covenant.

#### **Contingent Consideration**

At December 31, 2025 and 2024, the Company had \$87.6 million and \$139.9 million, respectively, in contingent consideration that is estimated to be payable over the next one to two years resulting from the WestEnd Acquisition. For the years ended December 31, 2025 and 2024, the Company recorded an increase of \$11.4 million and \$2.7 million, respectively in contingent payment liabilities associated WestEnd Acquisition, which is included in consideration payable for acquisition of business in the Consolidated Balance Sheets.

#### **Advertising and Marketing Costs**

In 2022, the Company entered into a long-term partnership with Spurs Sports & Entertainment and executed naming rights and partnership agreements for the team's new performance center. The agreements, which end in 2033, grant the Company exclusive naming rights, sponsorship, signage, advertising and other promotional rights and benefits for the new performance center.

Payments made under the agreements are deferred and expensed on a straight-line basis over the term of the arrangement. The related advertising and marketing expense is recorded in general and administrative expense in the Consolidated Statements of Operations. The balance of amounts paid less amortized expense are included in the Consolidated Balance Sheets in other assets when cumulative payments exceed amortized expense and in other liabilities when amortized expense exceeds cumulative payments.

#### **Capital Requirements**

VCS is a registered broker-dealer subject to the Uniform Net Capital requirements under the Exchange Act, which requires maintenance of certain minimum net capital levels. In addition, we have certain non-U.S. subsidiaries that have minimum capital requirements. As a result, such subsidiaries of our Company may be

restricted in their ability to transfer cash to their parents. VCS and our non-U.S. subsidiaries were in compliance with these requirements as of and for the years ended December 31, 2025 and 2024.

**Cash Flows** – The following table is derived from our Consolidated Statements of Cash Flows for the years ended December 31, 2025 and 2024.

<i>(in thousands)</i>	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Net cash provided by operating activities .....	\$ 385,485	\$ 339,979
Net cash provided by (used in) investing activities .....	76,576	(3,979)
Net cash used in financing activities .....	(425,484)	(332,763)

### **Operating Activities**

Cash provided by operating activities was \$385.5 million in 2025, compared to \$340.0 million in 2024. The \$45.5 million increase in cash provided by operating activities was due to the combination of a \$41.2 million increase in net income and \$76.6 million increase in non-cash items partially offset by a \$72.3 million decrease in working capital.

### **Investing Activities**

Cash provided by investing activities was \$76.6 million in 2025 compared to cash used in investing activities of \$4.0 million in 2024. For the year ended December 31, 2025, cash provided by investing activities was primarily due to the combination of \$53.6 million of cash acquired from acquisition and \$27.1 million of cash provided by net purchases and sales of deferred compensation plan investments.

### **Financing Activities**

Cash used in financing activities increased \$92.7 million to \$425.5 million in 2025 from \$332.8 million in 2024. The increase was primarily due to payment of consideration for acquisition, repurchases of Common Stock, payment of dividends and payment of taxes related to settlement of equity awards of \$63.7 million, \$195.6 million, \$157.0 million, and \$13.0 million, respectively, during 2025.

### **Critical Accounting Estimates**

The preparation of our consolidated financial statements in accordance with GAAP is based on the selection and application of accounting policies that require us to make significant estimates and assumptions that in certain circumstances affect amounts reported in the audited consolidated financial statements. In preparing these financial statements, our estimates and judgments are based on historical experience, information from third-party valuation professionals and various other assumptions, giving due consideration to materiality. We consider the accounting policy discussed below to be critical to the understanding of our consolidated financial statements. Actual results could differ from our estimates and assumptions, and any such difference could be material to our consolidated financial statements. This significant accounting policy is described more fully in Note 2, Accounting Policies, to the audited consolidated financial statements.

**Contingent Consideration Payable for Acquisition of Business** – We recognize and measure contingent consideration liabilities at fair value as of the acquisition date using an option pricing model and Monte Carlo simulation. These valuations require significant estimates and judgments related to the net revenue 5 year average annual growth rate, market price of risk adjustment for revenue (continuous), revenue volatility and discount rate. The fair value of contingent consideration liabilities is remeasured at each reporting period, generally using the same methodology used to determine the acquisition date fair value. We typically utilize an independent valuation expert to assist with these valuations. Any change in the fair value estimate subsequent to the acquisition date is recorded in the earnings of that period. As of December 31, 2025, the fair value of the contingent consideration payable was \$87.6 million.

**Goodwill and Intangible Assets** – The Company accounts for business combinations under the acquisition method of accounting and allocates the purchase price to the assets acquired and liabilities assumed based on their estimated fair values on the date of acquisition. Any purchase consideration in excess of the fair value of net assets acquired is recorded as goodwill. The Company determines fair value of the tangible and

identifiable intangible assets acquired and liabilities assumed, using the best available information which incorporates various estimates and assumptions, including, but not limited to, future expected cash flows, useful lives, and discount rates. These estimates are based on historical data, internal estimates, and external sources. Unanticipated events may affect the validity of these assumptions.

In 2025, the Company recorded \$254.1 million of goodwill, \$966.0 million of indefinite-lived intangible assets and \$312.0 million of definite-lived intangible assets resulting from the Amundi US acquisition. The fair value of the intangible assets was determined based on the Multi-Period Excess Earning Method, which required applying significant assumptions including the discount rate, revenue projections, long-term growth rate, AUM growth and estimated useful life. While the Company believes these assumptions to be reasonable and appropriate, changes in these estimates could result in different fair value amounts.

*Goodwill* - Goodwill represents the excess cost of the acquisition over the fair value of net assets acquired in a business combination. Goodwill impairment testing is performed at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For goodwill impairment testing purposes, the Company has determined that there is one reporting unit. The Company conducted its annual impairment assessment as of October 1, 2025, and no impairment was identified. For purposes of this assessment, management considered various qualitative factors including, but not limited to, certain indicators of fair value (e.g., market capitalization and market multiples for asset managers) and determined that it was more likely than not that the fair value of the reporting unit was greater than its carrying value. As of December 31, 2025, the carrying value of goodwill was \$1,235.9 million.

*Indefinite-lived intangible assets* - Indefinite-lived intangible assets include trade names and contracts for fund advisory, distribution and transfer agent services. The Company conducted its annual impairment assessment as of October 1, 2025 using a qualitative approach, which required weighing positive and negative evidence across various factors to determine whether it is more likely than not that the asset is impaired, and no impairment was identified. Additionally, management periodically reassesses whether events or circumstances continue to support an indefinite useful life. Key indicators monitored by management in the assessment include significant declines in managed assets, changes to applicable legal, regulatory or contractual provisions and reductions in underlying operating cash flows. As of December 31, 2025, the carrying value of indefinite-lived intangible assets was \$2,095.8 million.

*Definite-lived intangible assets* - Definite-lived intangible assets include customer relationships, fund advisory contracts and trade names that are expected to contribute to the future cash flows of the Company for a specified period of time. Definite-lived intangible assets are amortized on a straight-line basis over their remaining expected useful lives. Management periodically evaluates the remaining useful lives and carrying value of the intangible assets to determine whether events and circumstances indicate that a change in the useful life or impairment in value may have occurred. Indicators of impairment monitored by management include a decline in the level of managed assets, changes to applicable contractual provisions and reductions in underlying operating cash flows. As of December 31, 2025, the carrying value of definite-lived intangible assets was \$381.8 million.

## **ITEM 7A. QUALITATIVE AND QUANTITATIVE DISCLOSURES REGARDING MARKET RISK.**

Market Risk – Substantially all of our revenues are derived from investment management, fund administration and distribution fees, which are primarily based on the market value of our AUM. Accordingly, our revenues and net income may decline as a result of our AUM decreasing due to depreciation of our investment portfolios. In addition, such depreciation could cause our clients to withdraw their assets in favor of other investment alternatives that they perceive to offer higher returns or lower risk, which could cause our revenues and net income to decline further.

The value of our AUM was approximately \$314 billion at December 31, 2025. A 10% increase or decrease in the value of our AUM, if proportionately distributed over all of our strategies, products and client relationships, would cause an annualized increase or decrease in our revenues of approximately \$153.9 million at our weighted-average fee rate of 49 basis points for the year ended December 31, 2025. Because of declining fee rates from larger relationships and differences in our fee rates across investment strategies, a change in the composition of our AUM, in particular, an increase in the proportion of our total AUM attributable to strategies, clients or relationships with lower effective fee rates, could have a material negative impact on our

overall weighted-average fee rate. The same 10% increase or decrease in the value of our total AUM, if attributed entirely to a proportionate increase or decrease in the AUM of the Victory Funds to which we provide a range of services in addition to those provided to institutional separate accounts, would cause an annualized increase or decrease in our revenues of approximately \$191.5 million at the Victory Funds' aggregate weighted-average fee rate of 61 basis points for the year ended December 31, 2025. If the same 10% increase or decrease in the value of our total AUM was attributable entirely to a proportionate increase or decrease in the assets of our institutional separate accounts, it would cause an annualized increase or decrease in our revenues of approximately \$94.2 million at the weighted-average fee rate across all of our institutional separate accounts of 30 basis points for the year ended December 31, 2025.

As is customary in the investment management industry, clients invest in particular strategies to gain exposure to certain asset classes, which exposes their investment to the benefits and risks of those asset classes. We believe our clients invest in each of our strategies in order to gain exposure to the portfolio securities of the respective strategies and may implement their own risk management program or procedures. We have not adopted a corporate-level risk management policy regarding client assets, nor have we attempted to hedge at the corporate level or within individual strategies the market risks that would affect the value of our overall AUM and related revenues. Some of these risks, such as sector and currency risks, are inherent in certain strategies, and clients may invest in particular strategies to gain exposure to particular risks. While negative returns in our strategies and net client cash outflows do not directly reduce the assets on our balance sheet (because the assets we manage are owned by our clients, not us), any reduction in the value of our AUM would result in a reduction in our revenues.

Exchange Rate Risk – A portion of the accounts that we advise hold investments that are denominated in currencies other than the U.S. dollar. To the extent our AUM are denominated in currencies other than the U.S. dollar, the value of that AUM will decrease with an increase in the value of the U.S. dollar or increase with a decrease in the value of the U.S. dollar. Each investment team monitors its own exposure to exchange rate risk and makes decisions on how to manage that risk in the portfolios they manage. We believe many of our clients invest in those strategies in order to gain exposure to non-U.S. currencies, or may implement their own hedging programs. As a result, we generally do not hedge an investment portfolio's exposure to non-U.S. currency.

We have not adopted a corporate-level risk management policy to manage this exchange rate risk. Assuming 10% of our AUM are invested in securities denominated in currencies other than the U.S. dollar and excluding the impact of any hedging arrangement, a 10% increase or decrease in the value of the U.S. dollar would decrease or increase the fair value of our AUM by approximately \$3.1 billion, which would cause an annualized increase or decrease in revenues of approximately \$15.0 million at our weighted-average fee rate for the business of 49 basis points for the year ended December 31, 2025.

Interest Rate Risk – Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. On March 27, 2020, the Company executed the Swap, a floating-to-fixed interest rate swap transaction, to effectively fix the interest rate at 3.465% on \$450 million of its outstanding Term Loan through the Term Loan maturity date of July 2026. On February 18, 2021, pursuant to the Second Amendment, the Company lowered the spread on the Term Loan by 0.25% resulting in a new fixed rate of 3.215% on the \$450 million of Term Loan subject to the Swap. On September 26, 2022, the Company and the Swap counterparty executed an amendment to the Swap to update LIBOR conventions to SOFR conventions and to modify the fixed rate for the change from three-month LIBOR to three-month Term SOFR effective on October 6, 2022. On October 30, 2023, the Company decided to monetize the gain on the Swap and entered into an agreement to terminate the Swap, which was effective on October 30, 2023. Refer to Note 12, Derivatives, for further information on the Swap. At December 31, 2025, we were exposed to interest rate risk as a result of the amounts outstanding under the 2019 Credit Agreement, as amended. Refer to Note 11, Debt, for a description of the amounts outstanding as of such date and the applicable interest rate.

## ITEM 8. FINANCIAL INFORMATION AND SUPPLEMENTARY DATA.

### Index to Consolidated Financial Statements

	<u>Page</u>
Consolidated Balance Sheets	72
Consolidated Statements of Operations	73
Consolidated Statements of Comprehensive Income (Loss)	74
Consolidated Statements of Changes in Stockholders' Equity	75
Consolidated Statements of Cash Flows	76
Notes to Consolidated Financial Statements	77
Report of Independent Registered Public Accounting Firm (PCAOB ID: 42)	111
Reports of Independent Registered Public Accounting Firm (PCAOB ID: 34)	112

**VICTORY CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
*(In thousands, except per share amounts)*

	December 31,	
	2025	2024
<b>Assets</b>		
Cash and cash equivalents.....	\$ 163,690	\$ 126,731
Investment management fees receivable.....	150,512	83,307
Fund administration and distribution fees receivable.....	25,861	16,014
Other receivables.....	4,768	1,346
Prepaid expenses.....	16,071	8,634
Investments in proprietary funds, at fair value.....	636	605
Deferred compensation plan investments, at fair value.....	98,758	34,608
Property and equipment, net.....	23,833	11,874
Goodwill.....	1,235,940	981,805
Other intangible assets, net.....	2,477,617	1,260,614
Other assets.....	50,164	22,053
<b>Total assets</b> .....	<b>\$ 4,247,850</b>	<b>\$ 2,547,591</b>
<b>Liabilities and stockholders' equity</b>		
Accounts payable and accrued expenses.....	\$ 72,387	\$ 57,951
Accrued compensation and benefits.....	86,355	51,648
Consideration payable for acquisition of business.....	87,564	139,894
Deferred compensation plan liability.....	80,636	34,608
Deferred tax liability, net.....	479,792	157,120
Other liabilities.....	46,373	20,871
Long-term debt, net.....	970,014	963,862
<b>Total liabilities</b> .....	<b>1,823,121</b>	<b>1,425,954</b>
Commitments and contingencies (Note 21)		
<b>Stockholders' equity</b>		
Common stock, \$0.01 par value per share:		
2025 - 600,000 shares authorized, 87,867 shares issued and 64,150 shares outstanding;		
2024 - 600,000 shares authorized, 83,948 shares issued and 63,653 shares outstanding.....	879	839
Preferred stock, \$0.01 par value per share:		
2025 - 100,000 shares authorized, 19,937 shares issued and outstanding;		
2024 - 100,000 shares authorized, no shares issued and outstanding.....	199	—
Additional paid-in capital.....	2,102,938	752,371
Treasury stock, at cost: 2025 - 23,717 shares; 2024 - 20,295 shares.....	(786,008)	(574,856)
Accumulated other comprehensive income.....	9,020	18,683
Retained earnings.....	1,097,701	924,600
<b>Total stockholders' equity</b> .....	<b>2,424,729</b>	<b>1,121,637</b>
<b>Total liabilities and stockholders' equity</b> .....	<b>\$ 4,247,850</b>	<b>\$ 2,547,591</b>

The accompanying notes are an integral part of the consolidated financial statements.

**VICTORY CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(in thousands, except per share amounts)*

	Year Ended December 31,		
	2025	2024	2023
<b>Revenue</b>			
Investment management fees .....	\$ 1,045,469	\$ 704,583	\$ 640,876
Fund administration and distribution fees .....	260,662	188,894	180,152
<b>Total revenue</b> .....	<b>1,306,131</b>	<b>893,477</b>	<b>821,028</b>
<b>Expenses</b>			
Personnel compensation and benefits .....	362,991	217,214	220,992
Distribution and other asset-based expenses .....	231,991	146,489	149,596
General and administrative .....	83,319	56,694	56,287
Depreciation and amortization .....	72,851	30,176	41,647
Change in value of consideration payable for acquisition of business .....	11,403	2,694	23,236
Acquisition-related costs .....	35,479	11,285	217
Restructuring and integration costs .....	29,674	1,411	595
<b>Total operating expenses</b> .....	<b>827,708</b>	<b>465,963</b>	<b>492,570</b>
<b>Income from operations</b> .....	<b>478,423</b>	<b>427,514</b>	<b>328,458</b>
<b>Other income (expense)</b>			
Interest income and other income (expense) .....	15,298	10,441	8,732
Interest expense and other financing costs .....	(54,787)	(63,836)	(61,282)
Loss on debt extinguishment .....	(614)	(363)	—
<b>Total other income (expense), net</b> .....	<b>(40,103)</b>	<b>(53,758)</b>	<b>(52,550)</b>
<b>Income before income taxes</b> .....	<b>438,320</b>	<b>373,756</b>	<b>275,908</b>
<b>Income tax expense</b> .....	<b>(108,258)</b>	<b>(84,892)</b>	<b>(62,751)</b>
<b>Net income</b> .....	<b>\$ 330,062</b>	<b>\$ 288,864</b>	<b>\$ 213,157</b>
Preferred stock dividends .....	(29,138)	—	—
Net income attributable to preferred stockholders .....	(30,773)	—	—
<b>Net income attributable to common shareholders</b> .....	<b>\$ 270,151</b>	<b>\$ 288,864</b>	<b>\$ 213,157</b>
<b>Earnings per share of common stock</b>			
Basic .....	\$ 4.13	\$ 4.47	\$ 3.22
Diluted .....	\$ 4.08	\$ 4.38	\$ 3.12
<b>Weighted average number of shares outstanding</b>			
Basic .....	65,439	64,607	66,202
Diluted .....	66,376	65,928	68,214
<b>Dividends declared per share of common stock</b> .....	<b>\$ 1.94</b>	<b>\$ 1.555</b>	<b>\$ 1.28</b>

The accompanying notes are an integral part of the consolidated financial statements.

**VICTORY CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
*(in thousands)*

	Year Ended December 31,		
	2025	2024	2023
<b>Net income</b> .....	<b>\$ 330,062</b>	<b>\$ 288,864</b>	<b>\$ 213,157</b>
<b>Other comprehensive income (loss), net of tax</b>			
Net unrealized income (loss) on cash flow hedges.....	—	—	(1,970)
Net amortization of deferred gain on terminated cash flow hedges.....	(9,929)	(12,607)	(2,184)
Net unrealized income (loss) on foreign currency translation .....	266	(38)	40
<b>Total other comprehensive income (loss), net         of tax</b> .....	<b>(9,663)</b>	<b>(12,645)</b>	<b>(4,114)</b>
<b>Comprehensive income</b> .....	<b>\$ 320,399</b>	<b>\$ 276,219</b>	<b>\$ 209,043</b>

The accompanying notes are an integral part of the consolidated financial statements.

**VICTORY CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
*(in thousands)*

	Shares					Stockholders' Equity				
	Preferred Stock	Common Stock	Treasury Stock	Preferred Stock	Common Stock	Treasury Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
<b>Balance, December 31, 2022</b>	—	80,528	(13,203)	\$ —	805	\$(285,425)	705,466	35,442	609,122	\$ 1,065,410
Issuance of common stock	—	9	—	—	—	—	253	—	—	253
Repurchase of shares	—	—	(4,161)	—	—	(134,506)	—	—	—	(134,506)
Shares withheld related to net settlement of equity awards	—	—	(786)	—	—	(24,355)	—	—	—	(24,355)
Vesting of restricted share grants	—	786	—	—	8	—	(8)	—	—	—
Exercise of options	—	1,081	—	—	11	—	6,024	—	—	6,035
Other comprehensive loss	—	—	—	—	—	—	—	(4,114)	—	(4,114)
Share-based compensation	—	—	—	—	—	—	16,548	—	—	16,548
Dividends declared	—	—	—	—	—	—	—	—	(85,427)	(85,427)
Net income	—	—	—	—	—	—	—	—	213,157	213,157
<b>Balance, December 31, 2023</b>	—	82,404	(18,150)	\$ —	824	\$(444,286)	728,283	31,328	736,852	\$ 1,053,001
Issuance of common stock	—	7	—	—	—	—	291	—	—	291
Repurchase of shares	—	—	(1,403)	—	—	(95,826)	—	—	—	(95,826)
Shares withheld related to net settlement of equity awards	—	—	(742)	—	—	(34,744)	—	—	—	(34,744)
Vesting of restricted share grants	—	462	—	—	4	—	(4)	—	—	—
Exercise of options	—	1,075	—	—	11	—	8,581	—	—	8,592
Other comprehensive loss	—	—	—	—	—	—	—	(12,645)	—	(12,645)
Share-based compensation	—	—	—	—	—	—	15,220	—	—	15,220
Dividends declared	—	—	—	—	—	—	—	—	(101,116)	(101,116)
Net income	—	—	—	—	—	—	—	—	285,864	285,864
<b>Balance, December 31, 2024</b>	—	83,948	(20,295)	\$ —	839	\$(574,856)	752,371	18,683	924,600	\$ 1,121,637
Issuance of common stock	—	4	—	—	—	—	620	—	—	620
Repurchase of shares	—	—	(2,922)	—	—	(195,617)	—	—	—	(195,617)
Shares withheld related to net settlement of equity awards	—	—	(217)	—	—	(12,993)	—	—	—	(12,993)
Vesting of restricted share grants	—	441	—	—	5	—	(5)	—	—	—
Exercise of options	—	137	—	—	2	—	1,218	—	—	1,220
Other comprehensive loss	—	—	—	—	—	—	—	(9,663)	—	(9,663)
Share-based compensation	—	—	—	—	—	—	20,443	—	—	20,443
Issuance of stock in connection with the acquisition of Amundi US <sup>(1)</sup>	19,742	3,293	—	—	33	—	1,328,109	—	—	1,328,339
Forfeiture of stock in connection with the acquisition of Amundi US <sup>(2)</sup>	(44)	44	(44)	—	—	(2,542)	184	—	—	(2,358)
Conversion of common stock to preferred stock <sup>(3)</sup>	239	—	(239)	2	—	—	(2)	—	—	—
Dividends declared	—	—	—	—	—	—	—	—	(156,961)	(156,961)
Net income	—	—	—	—	—	—	—	—	330,062	330,062
<b>Balance, December 31, 2025</b>	19,937	87,867	(23,717)	\$ 199	879	\$(786,006)	2,102,938	9,020	1,097,701	\$ 2,424,729

1) During the second quarter of 2025, in exchange for the contribution of all the shares of the Amundi US to the Company, the Company issued to Amundi 3,293,471 newly issued shares of Common Stock, representing 4.9% of the number of issued and outstanding shares of Common Stock after giving effect to such issuance, and 19,742,300 newly issued shares of Preferred stock, which, together with the shares of Common stock issued to Amundi represented in the aggregate 26.1% of the Company's fully diluted shares after giving effect to such share issuances. The Preferred stock issued to Amundi includes 14,305,982 shares issued on April 1, 2025 and 5,436,318 shares issued on May 23, 2025 as a true up payment in respect of client consents obtained in the 30 days following the Closing.

(2) On August 1, 2025, in accordance with the terms of the Contribution Agreement, Amundi forfeited its beneficial ownership of 44,026 shares of Preferred stock as a result of a post-closing adjustment to the amount of Preferred stock received by Amundi at the closing of the transaction.

(3) Pursuant to the terms set forth in the Shareholder Agreement, the Company issued to Amundi shares of Preferred stock in exchange for an equal number of shares of Common stock.

**VICTORY CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(in thousands)*

	Year Ended December 31,		
	2025	2024	2023
<b>Cash flows from operating activities</b>			
Net income.....	\$ 330,062	\$ 288,864	\$ 213,157
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for deferred income taxes.....	34,253	32,516	21,539
Depreciation and amortization.....	72,851	30,176	41,647
Deferred financing costs, accretion expense and derivative gains/losses.....	(9,551)	(12,393)	1,454
Share-based and deferred compensation.....	46,389	20,089	21,543
Change in fair value of contingent consideration obligations.....	11,403	2,694	23,236
Unrealized (appreciation) on investments.....	(7,207)	(706)	(1,868)
Noncash lease expense.....	592	—	—
Loss on debt extinguishment.....	614	363	—
Changes in operating assets and liabilities:			
Investment management fees receivable.....	(40,918)	(11,419)	(3,541)
Fund administration and distribution fees receivable.....	(9,847)	(1,776)	141
Other receivables.....	14,573	76	(266)
Prepaid expenses.....	(1,762)	(2,849)	316
Other assets.....	620	(733)	47,540
Accounts payable and accrued expenses.....	(17,754)	1,530	5,666
Accrued compensation and benefits.....	(13,739)	(4,390)	(2,880)
Deferred compensation plan liability.....	(25,865)	(1,534)	(523)
Other liabilities.....	771	(529)	(434)
Payment of consideration for acquisition.....	—	—	(36,436)
Net cash provided by operating activities.....	385,485	339,979	330,291
<b>Cash flows from investing activities</b>			
Purchases of property and equipment.....	(4,157)	(1,278)	(5,169)
Purchases of deferred compensation plan investments.....	(47,567)	(13,307)	(13,805)
Sales of deferred compensation plan investments.....	74,710	10,643	11,147
Purchases of proprietary funds.....	(189)	(74)	(46)
Sales of proprietary funds.....	167	37	32
Cash acquired from acquisition.....	53,612	—	—
Net cash provided by (used in) investing activities.....	76,576	(3,979)	(7,841)
<b>Cash flows from financing activities</b>			
Issuance of common stock.....	1,840	8,883	6,288
Repurchase of common stock.....	(195,617)	(103,578)	(139,299)
Payments for withholding taxes for stock-based compensation awards.....	(12,993)	(26,409)	(18,694)
Payment of debt financing fees.....	(870)	(1,024)	—
Payments of long-term senior debt.....	(238,287)	(29,519)	—
Proceeds from long-term senior debt.....	241,137	—	—
Payment of dividends.....	(156,961)	(101,116)	(85,427)
Payment of consideration for acquisition.....	(63,733)	(80,000)	—
Net cash (used in) financing activities.....	(425,484)	(332,763)	(237,132)
Effect of changes of foreign exchange rate on cash and cash equivalents.....	382	(53)	58
Net increase in cash and cash equivalents.....	36,959	3,184	85,376
Cash and cash equivalents, beginning of period.....	126,731	123,547	38,171
Cash and cash equivalents, end of period.....	\$ 163,690	\$ 126,731	\$ 123,547
<b>Supplemental cash flow information</b>			
Cash paid for interest.....	\$ 79,672	\$ 78,683	\$ 70,685
Cash paid for income taxes.....	72,885	52,253	38,690
<b>Noncash items</b>			
Operating lease right-of-use assets obtained in exchange for new operating lease liabilities.....	\$ 720	\$ 14,519	\$ —
<b>Non-cash investing and financing activities:</b>			
Issuance of 3.3 million shares of Common stock and 19.7 million shares of Preferred stock in connection with the acquisition of Amundi US.....	\$ 1,325,981	\$ —	\$ —

The accompanying notes are an integral part of the consolidated financial statements.

**VICTORY CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. ORGANIZATION AND NATURE OF BUSINESS**

Victory Capital Holdings, Inc., a Delaware corporation (along with its wholly-owned subsidiaries, collectively referred to as the “Company,” “Victory,” or in the first-person notations of “we,” “us,” and “our”), provides specialized investment strategies to institutions, intermediaries, retirement platforms and individual investors. With multiple autonomous Investment Franchises and a Solutions Platform, the Company offers a wide array of investment products, including actively and passively managed mutual funds, rules-based and active exchange traded funds (“ETFs”), institutional separate accounts, variable insurance products (“VIPs”), alternative investments, private closed end funds, and a 529 Education Savings Plan. The Company’s strategies are also offered through third-party investment products, including mutual funds, third-party ETF model strategies, retail separately managed accounts (“SMAs”) and unified managed accounts (“UMAs”) through wrap account programs, Collective Investment Trusts (“CITs”), undertakings for the collective investment in transferable securities (“UCITS”), and other pooled vehicles.

Victory Capital Management Inc. (“VCM”), a wholly-owned subsidiary of the Company, is a registered investment adviser and provides mutual fund administrative services for the Victory Portfolios, Victory Variable Insurance Funds, the mutual fund series of the Victory Portfolios II, Victory Portfolios III, and Victory Portfolios IV (collectively, the “Victory Funds”), a family of open-end mutual funds, and the VictoryShares (the Company’s ETF brand). Additionally, VCM employs all of the Company’s United States investment professionals across its Franchises and Solutions, which are not separate legal entities.

Victory Capital Services Inc. (“VCS”), a wholly-owned subsidiary of the Company, is registered with the SEC as an introducing broker-dealer and serves as distributor and underwriter for the Victory Funds, VictoryShares and a 529 Education Savings Plan. VCS is also the placement agent for certain private funds managed by VCM. Victory Capital Transfer Agency, Inc. (“VCTA”), a wholly-owned subsidiary of Victory Capital Holdings, is registered with the SEC as a transfer agent for the Victory Funds III.

WestEnd Advisors, LLC (“WestEnd”) is an ETF strategist adviser that provides financial advisers with a turnkey, core model allocation strategy for either a holistic solution or complementary source of alpha. WestEnd is a wholly-owned subsidiary of Victory Capital Holdings, Inc. and is the Company’s second registered investment adviser.

On July 8, 2024, the Company, Amundi Asset Management S.A.S (“Amundi”), and, solely for certain provisions thereof, Amundi S.A., (“Amundi Parent,” and together with Amundi, the “Amundi Parties”) entered into the Contribution Agreement (the “Contribution Agreement”) to combine Amundi’s U.S. business (“Amundi US”), into the Company. On April 1, 2025, (the “Closing”), the Company completed the acquisition and reintroduced the brand Pioneer Investments (“Pioneer” or “Pioneer Investments”) for the acquired business and investment products. VCM serves as the investment adviser and provides mutual fund administration services for certain Pioneer mutual funds under Victory Portfolios IV and Victory Variable Insurance Funds II. VCS serves as the distributor to Victory Portfolios IV and Victory Variable Insurance Funds II. Refer to Note 4, *Acquisitions*, for further details related to the acquisition.

The Company and Amundi are party to an Off-Shore Master Distribution and Services Agreement and an On-Shore Master Distribution and Services Agreement, each dated as of July 8, 2024 (as amended and restated, the “Distribution and Services Agreements”). Under the Amended and Restated Distribution and Services Agreements, Victory is entitled to a percentage of fee revenues derived from Victory’s products that the Amundi Parties distribute outside the United States, and Amundi is entitled to a percentage of fee revenues derived from the Amundi Parties’ products that Victory distributes in the United States. The Distribution and Services Agreements will continue until the 15th anniversary (unless terminated in accordance with their terms) of the date of the Closing, and automatically renew thereafter and remain effective for successive five-year terms. Victory serves as the sub-adviser for Amundi and Investment Adviser for Amundi UCITS. Refer to Note 6, *Related-party transactions*, for further details relating to investment advisory and distribution and services agreements relating to the acquisition of Amundi US.

## **NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

The Company prepares its consolidated financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Certain prior year amounts have been reclassified to conform to the current year presentation.

### **Principles of Consolidation**

The consolidated financial statements include the operations of the Company and its wholly-owned subsidiaries, after elimination of all significant intercompany transactions and balances.

The Company evaluates entities in which it invests and investment funds that it sponsors to determine whether the Company has a controlling financial interest in these entities and is required to consolidate them. A controlling financial interest generally exists if (i) the Company holds greater than 50% voting interest in entities controlled through voting interests or if (ii) the Company has the ability to direct significant activities of a fund not controlled through voting interests (a variable interest entity or VIE) and the obligation to absorb losses of and/or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company’s involvement with non-consolidated sponsored investment funds that are considered VIEs include providing investment advisory, fund administration, fund compliance, fund transfer agent, fund distribution services and other management services and/or holding a minority interest. The Company has not provided financial support to these entities outside the ordinary course of business, which includes assuming operating expenses of funds for competitive or contractual reasons through fee waivers and fund expense reimbursements. The Company does not consolidate the sponsored investment funds in which it has an equity investment as it holds a minority interest, does not direct significant activities of these funds and does not have the right to receive benefits nor the obligation to absorb losses that could potentially be significant to these funds. Refer to Note 6, *Related Party Transactions*, for additional information regarding the Company’s investments in and maximum risk of loss related to unconsolidated sponsored VIE investment funds.

### **Use of Estimates and Assumptions**

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results may ultimately differ from those estimates and the differences may be material.

### **Revenue Recognition**

The Company accounts for revenue in accordance with Accounting Standards Codification (“ASC”) 606, Revenue from Contracts with Customers. The Company’s revenue includes fees earned from providing investment management services, fund administration services, fund compliance, fund transfer agent services and fund distribution services.

Revenue is recognized for each distinct performance obligation identified in customer contracts when the performance obligation has been satisfied by transferring services to a customer either over time or at the point in time when the customer obtains control of the service. Revenue is recognized in the amount of variable or fixed consideration allocated to the satisfied performance obligation that Victory expects to be entitled to in exchange for transferring services to a customer. Variable consideration is included in the transaction price only when it is probable that a significant reversal of such revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For further information on the Company’s various revenue streams, refer to Note 3, *Revenue*.

### **Distribution and Other Asset-Based Expenses**

Distribution and other asset-based expenses include (i) broker dealer distribution fees, (ii) platform distribution fees, (iii) sub-administration, third party sub-transfer agent and sub-advisory expenses. These expenses are accrued on a monthly basis and are generally calculated as a percentage of AUM and vary as levels of AUM change from inflows, outflows and market movement and with the number of days in the month.

Also included in distribution and other asset-based expenses are middle office expenses. Middle office expenses are accrued on a monthly basis and vary with changes in mutual funds, institutional and wrap separate account AUM levels, the number of accounts and volume of account transaction activity.

### **Restructuring and Integration Costs**

In connection with business combinations, asset purchases and changes in business strategy, the Company incurs costs integrating investment platforms, products and personnel into existing systems, processes and service provider arrangements and restructuring the business to capture operating expense synergies.

These costs include severance-related expenses related to one-time benefit arrangements, contract termination costs, and other compensation-related expenses. A liability for restructuring costs is recognized only after management has developed a formal plan to which it has committed. The costs included in the restructuring liability are those costs that are either incremental or incurred as a direct result of the plan or are the result of a continuing contractual obligation with no continuing economic benefit to the Company and include penalties incurred to cancel the contractual obligation. Severance expense is recorded when management has committed to a plan for a reduction in workforce, the plan has been communicated to employees and it is unlikely that there will be significant changes to the plan.

Contract termination liabilities are recorded for contract termination costs when the Company terminates a contract or stops using the product or service covered by the contract. Contract termination liabilities are recognized and measured at fair value. Contract termination costs are recorded in restructuring and integration costs in the Consolidated Statements of Operations.

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash at banks, money market accounts and funds and short-term liquid investments with original maturities of three months or less at the time of purchase. For the Company and certain subsidiaries, cash deposits at a financial institution may exceed Federal Deposit Insurance Corporation insurance limits.

### **Investment Management Fees Receivable and Fund Administration and Distribution Fees Receivable**

Investment management fees receivable includes investment management fees due from the Victory Funds, the VictoryShares and other pooled funds sponsored by Victory and investment management fees due from non-affiliated parties. Fund administration and distribution fees receivable include administration, compliance and distribution fees due from the Victory Funds and the VictoryShares and transfer agent fees due from the Victory Portfolios III and sub-transfer agent fees due from the Victory Funds.

Provision for credit losses on these receivables is made in amounts required to maintain an adequate allowance to cover anticipated losses. All investment management fees receivable and fund administration and distribution fees receivable were determined to be collectible as of December 31, 2025, 2024 and 2023, and accordingly, no reserve for credit losses and no provision for credit losses were recognized as of and for the years ended December 31, 2025, 2024 and 2023.

### **Investments**

#### **Investments in Proprietary Funds**

Investments in proprietary funds include investments in affiliated mutual funds and are recorded in investments in proprietary funds, at fair value in the Consolidated Balance Sheets. Changes in fair value are recognized in other income (expense) in the Consolidated Statements of Operations. The cost of securities sold is determined using the specific identification method. Dividend income is accrued on the declaration date and is included in other income in the Consolidated Statements of Operations. Transactions are recorded on a trade-date basis.

The Company periodically reviews each individual security that is in an unrealized loss position to determine if the impairment is other-than-temporary. Factors that are considered in determining whether other-than-temporary declines in value have occurred include the severity and duration of the unrealized loss and the Company's ability and intent to hold the security for a length of time sufficient to allow for recovery of such unrealized losses. Impairment charges are recorded in other income (expense) in the Consolidated Statements of Operations. No impairments were recognized as a result of such review in the years ended December 31, 2025, 2024 and 2023.

### Deferred Compensation Plan Investments

Deferred compensation plan investments include investments in affiliated and third party mutual funds held in a rabbi trust under a deferred compensation plan. Deferred compensation plan investments are recorded at fair value in the Consolidated Balance Sheets. Changes in value in deferred compensation plan investments are recognized by the Company in other income (expense) in the Consolidated Statements of Operations.

The Company's investments in proprietary funds and deferred compensation plan investments are valued using quoted market prices available in an active market, which is the net asset value of the funds.

### **Derivative Financial Instruments**

The Company does not purchase or hold any derivative instruments for trading or speculative purposes.

The Company recognizes all derivatives on the balance sheet at fair value. If the derivative is designated and effective as a cash flow hedge, changes in the fair value of the derivative are recognized in accumulated other comprehensive income, a component of stockholders' equity, until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value, if any, is recognized in earnings immediately. If a derivative is not a hedge, changes in its fair value are adjusted through the income statement. Refer to Note 12, *Derivatives*, for further information of the Company's interest rate swap.

### **Property and Equipment**

Property and equipment is recorded at cost less accumulated depreciation. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the related assets, generally three to ten years. Improvements to leased property are amortized on a straight-line basis over the lesser of the useful life of the improvements or the term of the applicable lease. Property and equipment are evaluated for impairment on an ongoing basis whenever events or circumstances indicate that the carrying value may not be recoverable.

### **Leases**

The Company's leases consist primarily of real estate leases for office space. The Company determines if an arrangement is a lease at contract inception. A lease liability and a corresponding right-of-use ("ROU") asset are recognized on the commencement date for leases with terms longer than one year. The lease liability is measured at the present value of the future lease payments over the lease term generally using the Company's incremental borrowing rate, which is determined through market sources. Lease components and non-lease components such as fixed maintenance and other costs are combined into one lease component and capitalized in lease liabilities. Variable lease payments, such as utilities and common area maintenance charges, are excluded from lease liabilities and expensed as incurred. The variable lease payments are determined based on terms in the lease contracts and primarily relate to usage of the ROU asset and services received from the lessor. A ROU asset is measured initially as the value of the lease liability plus initial direct costs and prepaid lease payments and less lease incentives received. The lease term includes periods covered by options to extend the lease when it is reasonably certain that we will exercise that option. Lease expense is recognized on a straight-line basis over the lease term and is recorded in general and administrative expenses on the Consolidated Statements of Operations.

### **Capitalized Service Contract Implementation Costs**

The Company follows the internal-use software guidance in ASC 350-40 to determine for hosting arrangements that are service contracts, which implementation costs to capitalize as assets. Costs incurred in the software application development stage such as customization, integration with Company software, coding and configuration are capitalized. Costs incurred in the preliminary project and post-implementation stages are expensed as incurred.

Capitalized service contract implementation costs are expensed over the fixed, noncancelable term of the contract plus any reasonably certain renewal periods. The estimated term of the hosting arrangement is reassessed periodically, and any change is accounted for as a change in accounting estimate, with the remaining deferred costs recognized over the rest of the revised period. Amortization begins when the related component of the arrangement is ready for its intended use, and costs are evaluated for impairment on an annual basis.

## **Segment Reporting**

The Company operates in one operating and reportable segment that provides investment management services and products to institutional, intermediary, retirement platforms and individual investors. Our determination that we have one operating segment is based on the fact that the Chief Operating Decision Maker ("CODM") reviews the Company's financial performance on an aggregate level. Refer to Note 19, *Segment Reporting*, for further information.

## **Goodwill and Intangible Assets**

Goodwill represents the excess cost of the acquisition over the fair value of net assets acquired in a business combination. For goodwill impairment testing purposes, the Company has determined that there is only one reporting unit.

The Company conducts the annual impairment assessment as of October 1<sup>st</sup>, or more frequently if facts and circumstances indicate that goodwill may be impaired. The Company uses a qualitative approach to test for potential impairment of goodwill and considers such factors as macroeconomic trends, market capitalization, and book value.

Intangible assets consists of indefinite-lived intangible assets and definite-lived intangible assets acquired in a business acquisition. Indefinite-lived intangible assets are also subject to an annual impairment assessment as of October 1st, or as events occur or circumstances change that indicate the assets may be impaired. Indefinite-lived intangible assets include trade names and contracts for fund advisory, distribution and transfer agent services where the Company expects to, and has the ability to, continue to manage these funds indefinitely, the contracts have annual renewal provisions, and there is a high likelihood of continued renewal based on historical experience. Trade names are considered indefinite-lived intangible assets when they are expected to generate cash flows indefinitely.

Definite-lived intangible assets represent the value of acquired customer relationships in or with institutional separate accounts, collective funds, intermediary wrap separate account (wrap SMA), unified managed account/model (UMA) intermediaries, UCITS and private funds. Definite-lived intangible assets also include intellectual property, advisory contracts that do not have a sufficient history of annual renewal, definite-lived trade name assets, lease-related assets and non-competition agreements. The Company amortizes definite-lived identifiable intangible assets on a straight-line basis over its estimated useful life. Definite-lived intangible assets are evaluated for impairment on an ongoing basis whenever events or circumstances indicate that the carrying value of the definite-lived intangible asset may not be recoverable.

## **Advertising and Marketing Costs**

During 2022, the Company entered into a long-term partnership with Spurs Sports & Entertainment and executed naming rights and partnership agreements for the team's new performance center. The agreements, which end in 2033, grant the Company exclusive naming rights, sponsorship, signage, advertising and other promotional rights and benefits for the new performance center.

Payments made under the agreements are deferred and expensed on a straight-line basis over the term of the arrangement. The related advertising and marketing expense is recorded in general and administrative expense in the Consolidated Statements of Operations. The balance of amounts paid less amortized expense are included in the Consolidated Balance Sheets in other assets when cumulative payments exceed amortized expense and in other liabilities when amortized expense exceeds cumulative payments.

## **Share-Based Compensation Arrangements**

Compensation expense related to share-based payments is measured at the grant date based on the fair value of the award. The fair value of each option granted is estimated using the Black-Scholes option valuation model. The fair value of restricted share awards with service based vesting conditions and performance based vesting conditions is based on the market price of our stock on the date of grant. The fair value of restricted share awards subject to market conditions is estimated based on a probability-weighted expected value analysis. Compensation expense is recognized on a straight-line basis over the total vesting period of the award for the service portion of restricted share awards and stock option awards. Compensation expense is recognized on an accelerated basis over the derived service period for awards that vest based on market conditions and on an accelerated basis over the requisite service period for awards with performance conditions if it is probable that the performance conditions will be satisfied. Compensation expense is

adjusted for actual forfeitures in the period the forfeiture occurs. The corresponding credit for restricted share and stock option compensation expense is recorded to additional paid in capital.

### **Treasury Stock**

Acquisitions of treasury stock are recorded at cost as of settlement date. Treasury stock held is reported as a deduction from stockholders' equity in the Consolidated Balance Sheets. At the date of subsequent reissue, the treasury stock account is reduced by the cost of such stock on a specific-identification basis. Additional paid-in capital from treasury stock transactions is increased as the Company reissues treasury stock for more than the cost of the shares. If the Company issues treasury stock for less than its cost, additional paid-in capital from treasury stock transactions is reduced to no less than zero. Once this account is at zero, any further required reductions are recorded to retained earnings in the Consolidated Balance Sheets.

### **Preferred Stock**

The Company issued Series A Non-Voting Convertible Preferred Stock ("Preferred stock") in connection with the acquisition of Amundi US. Holders of Preferred stock do not have any voting rights, except as required by applicable law. The Preferred stock is economically equivalent to Common stock (including with respect to dividends), except that, upon liquidation of the Company (but not a consolidation, merger or reorganization), holders of the Preferred stock would be entitled to a liquidation preference equal to \$0.01 per share, plus the amount of any declared but unpaid dividends thereon as of the applicable date.

The shares of Preferred stock are not convertible to shares of Common stock at the option of the holder. Upon specified transfers of the Preferred stock to third parties, the shares of Preferred stock will automatically convert into shares of Common stock in the hands of the transferee on an equivalent basis. Conversion will only occur in the event of a transfer of shares to an entity that is not an affiliate of Amundi in certain specified transfer scenarios.

### **Earnings Per Share**

The Company includes participating securities (Preferred stock) in the computation of earnings per share pursuant to the two-class method. The two-class method of calculating earnings per share is an allocation method that calculates earnings per share for common stock and participating securities. Under the two-class method, total dividends provided to and undistributed earnings allocated to the holders of Preferred stock are subtracted from net income in determining income attributable to common stockholders. The calculation of basic earnings per share is calculated by dividing net income attributable to common shareholders by the weighted average number of shares of Victory common stock outstanding during the period.

Diluted earnings per share is calculated under both the two-class and treasury stock methods, and the more dilutive amount is reported. When applying the treasury stock method, Victory includes vested and unvested stock options and unvested restricted stock grants outstanding during the periods presented in its calculation of diluted earnings per share. The treasury stock method assumes that the proceeds of exercise are used to purchase common stock at the average market price for the period. Assumed proceeds include the amount the employee must pay upon exercise and the average unrecognized compensation cost.

### **Foreign Currency Transactions**

The financial statements of the Company's subsidiaries which operate outside of the U.S. are measured using the local currency as the functional currency. Adjustments to translate those statements into U.S. dollars are recorded in other comprehensive income (loss), which were immaterial in amount as of December 31, 2025, 2024 and 2023.

Transactions denominated in currencies other than the functional currency are recorded using the exchange rate on the date of the transaction. Exchange differences arising on the settlement of financial assets and liabilities are recorded in other income (expense) in the Consolidated Statements of Operations. Foreign exchange gains and losses for the years ended December 31, 2025, 2024 and 2023 were immaterial.

### **Income Taxes**

Income taxes are accounted for using the assets and liability method as required by ASC 740, Income Taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred

tax liabilities are generally attributable to indefinite-lived intangible assets, goodwill, depreciation, debt issuance costs and mark-to-market gains on the Swap. Deferred tax assets are generally attributable to definite-lived intangible assets, share-based compensation expense, deferred compensation and acquisition-related costs. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company assesses whether a valuation allowance should be established against its deferred income tax assets based on consideration of all available evidence, both positive and negative, using a more-likely-than-not standard. The assessment considers, among other matters, recent operating results, forecasts of future profitability, the duration of statutory carry back and carry forward periods and the Company's experience with tax attributes expiring unused. Changes in circumstances could cause the Company to revalue its deferred tax balances with the resulting change impacting the Consolidated Statements of Operations in the period of the change.

The Company records income tax liabilities pursuant to ASC 740, *Income Taxes*, which prescribes the recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on de-recognition, classification of interest and penalties, accounting in interim periods, disclosure and transition. For tax positions meeting a more-likely-than-not threshold, the amount recognized in the financial statements is the largest amount of benefit greater than 50% likely of being sustained. The more-likely-than-not threshold must continue to be met in each reporting period to support continued recognition of the benefit. The Company's accounting policy with respect to interest and penalties related to tax uncertainties is to classify these amounts as income taxes.

### **Business Combinations**

The Company accounts for business combinations under the acquisition method of accounting and allocates the purchase price to the assets acquired and liabilities assumed based on their estimated fair values on the date of acquisition. The fair values are determined in accordance with the guidance in ASC 820, *Fair Value Measurement*, based on valuations performed by the Company and independent valuation specialists.

### **Contingent Payment Arrangements**

The Company periodically enters into contingent payment arrangements in connection with its business combinations. Liabilities under contingent payment arrangements are recorded in consideration payable for acquisition of business in the Consolidated Balance Sheets. In contingent payment arrangements, the Company agrees to pay additional consideration to the sellers based on future performance, such as future net revenue levels. The Company estimates the fair value of these potential future obligations at the time a business combination is consummated and records a liability in the Consolidated Balance Sheets at estimated fair value.

Contingent payment obligations are remeasured at fair value each reporting date taking into consideration changes in expected payments, and the change in fair value is recorded in the current period as a gain or loss. Gains and losses resulting from changes in the fair value of contingent payment obligations are reflected in change in value of consideration payable for acquisition of business in the Consolidated Statements of Operations. Refer to Note 5, *Fair Value Measurements*, for further information.

### **New Accounting Pronouncements**

#### Accounting Standards Adopted in 2025

- **Income Taxes:** In December 2023, the FASB issued Accounting Standards Update ("ASU") 2023-09, "Income Taxes: Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 revises income tax disclosures primarily related to the rate reconciliation and income taxes paid information as well as the effectiveness of certain other income tax disclosures. The new standard is effective for annual periods beginning after December 15, 2024. The Company adopted ASU 2023-09 and adopted on a prospective basis. Refer to Note 10, *Income Taxes*, for further detail.

#### Recently Issued Accounting Standards

- **Reporting Comprehensive Income:** In November 2024, the FASB issued ASU 2024-03, "Reporting Comprehensive Income" ("ASU 2024-03"). This ASU does not change or remove current expense presentation requirements within the Consolidated Statements of Operations. However, the amendments require disclosure, on an annual and interim basis, of disaggregated

information about certain income statement expense line items within the notes to the consolidated financial statements. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. We are currently evaluating the impact that ASU 2024-03 will have on the Company's consolidated financial statement disclosures.

- **Financial Instruments - Credit Losses:** In July 2025, the FASB issued ASU 2025-05, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets" ("ASU 2025-05"). ASU 2025-05 permits entities to elect a practical expedient to assume current conditions as of the balance sheet date will not change for the remaining life of accounts receivable and contract assets when developing forecasts as part of estimating expected credit losses. The amendments in ASU 2025-05 are effective for fiscal years beginning after December 15, 2025, and interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the impact that ASU 2025-05 will have on the Company's consolidated financial statement disclosures.
- **Internal-Use Software:** In September 2025, the FASB issued ASU 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software" ("ASU 2025-06"). ASU 2025-06 modernizes the guidance on accounting for internal-use software costs by removing references to traditional development project stages and instead requiring capitalization when management commits to funding and it is probable the project will be completed. ASU 2025-06 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027. Early adoption is permitted. We are currently evaluating the impact that ASU 2025-06 will have on the Company's consolidated financial statement disclosures.

### NOTE 3. REVENUE

In accordance with revenue recognition standard requirements, the following table disaggregates our revenue by type and product:

<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
<b>Investment management fees</b>			
Mutual funds (Victory Funds).....	\$ 671,243	\$ 472,979	\$ 440,021
ETFs (VictoryShares).....	45,275	24,405	20,800
Separate accounts and other vehicles.....	296,554	195,975	173,433
Performance-based fees			
Mutual funds (Victory Funds III & IV).....	10,678	7,848	5,460
Separate accounts and other vehicles.....	21,719	3,376	1,162
<b>Total investment management fees</b> .....	<b>1,045,469</b>	<b>704,583</b>	<b>640,876</b>
<b>Fund administration and distribution fees</b>			
Administration fees			
Mutual funds (Victory Funds).....	126,401	108,904	100,174
ETFs (VictoryShares).....	5,053	3,368	2,881
Distribution fees			
Separate accounts and other vehicles.....	3,259	—	—
Mutual funds (Victory Funds).....	74,190	22,522	22,350
Transfer agent fees			
Mutual funds (Victory Funds III) .....	51,759	54,100	54,747
<b>Total fund administration and distribution fees</b> .....	<b>260,662</b>	<b>188,894</b>	<b>180,152</b>
<b>Total revenue</b> .....	<b>\$ 1,306,131</b>	<b>\$ 893,477</b>	<b>\$ 821,028</b>

The following table presents balances of receivables:

<i>(in thousands)</i>	December 31,	
	2025	2024
<b>Customer receivables</b>		
Mutual funds (Victory Funds).....	\$ 91,191	\$ 59,247
ETFs (VictoryShares).....	5,499	3,029
Separate accounts and other vehicles.....	80,193	37,045
<b>Receivables from contracts with customers</b> .....	<b>176,883</b>	<b>99,321</b>
Non-customer receivables.....	4,258	1,346
<b>Total receivables</b> .....	<b>\$ 181,141</b>	<b>\$ 100,667</b>
Investment management fees receivable.....	\$ 150,512	\$ 83,307
Fund administration and distribution fees receivable.....	25,861	16,014
Other receivables.....	4,768	1,346
<b>Total receivables</b> .....	<b>\$ 181,141</b>	<b>\$ 100,667</b>

Other receivables primarily include income and other taxes receivable and were determined to be collectible as of December 31, 2025 and 2024.

### Revenue

The Company's revenue includes fees earned from providing;

- investment management services,
- fund administration services,
- fund transfer agent services, and
- fund distribution services.

Revenue is recognized for each distinct performance obligation identified in customer contracts when the performance obligation has been satisfied by transferring services to a customer either over time or at the point in time when the customer obtains control of the service. Revenue is recognized in the amount of variable or fixed consideration allocated to the satisfied performance obligation that Victory expects to be entitled to in exchange for transferring services to a customer. Variable consideration is included in the transaction price only when it is probable that a significant reversal of such revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Investment management, fund administration and fund distribution fees are generally considered variable consideration as they are typically calculated as a percentage of AUM. Fund transfer agent fees are also considered variable consideration as they are calculated as a percentage of AUM or based on the number of accounts in the fund. In such cases, the amount of fees earned is subject to factors outside of the Company's control including customer or underlying investor contributions and redemptions and financial market volatility. These fees are considered constrained and are excluded from the transaction price until the asset values or number of accounts on which the customer is billed are calculated and the value of consideration is measurable.

The Company has contractual arrangements with third parties to provide certain advisory, administration, transfer agent and distribution services. Management considers whether we are acting as the principal service provider or as an agent to determine whether revenue should be recorded based on the gross amount payable by the customer or net of payments to third-party service providers, respectively. Victory is considered a principal service provider if we control the service that is transferred to the customer. We are considered an agent when we arrange for the service to be provided by another party and do not control the service.

### Investment Management Fees

Investment management fees are received in exchange for investment management services that represent a series of distinct incremental days of investment management service. Control of investment management services is transferred to the customers over time as these customers receive and consume the benefits provided by these services. Investment management fees are calculated as a contractual percentage of AUM and are generally paid in arrears on a monthly or quarterly basis.

AUM represents the financial assets the Company manages for clients on either a discretionary or non-discretionary basis. In general, AUM reflects the valuation methodology that corresponds to the basis used for determining revenue such as net asset value for the Victory Funds and certain other pooled funds and account market value for separate accounts. For the Company's private closed-end alternative investment products, AUM represents limited partner capital commitments during the commitment period of the fund. Following the earlier of the termination of the commitment period and the beginning of any commitment period for a successor fund, AUM generally represents, depending on the fund, the lesser of a) the net asset value of the fund and b) the aggregated adjusted cost basis of each unrealized portfolio investment or the limited partner capital commitments reduced by the amount of capital contributions used to make portfolio investments that have been disposed.

Investment management fees are recognized as revenue using a time-based output method to measure progress. Revenue is recorded at month end or quarter end when the value of consideration is measured. The amount of investment management fee revenue varies from one reporting period to another as levels of AUM change (from inflows, outflows and market movements) and as the number of days in the reporting period change.

The Company may waive certain fees for investment management services provided to the Victory Funds, VictoryShares and other pooled investment vehicles and may subsidize certain share classes of the Victory Funds, VictoryShares and other pooled investment vehicles to ensure that specified operating expenses attributable to such share classes do not exceed a specified percentage. These waivers and reimbursements reduce the transaction price allocated to investment management services and are recognized as a reduction to investment management fees revenue. The amounts due to the Victory Funds, VictoryShares, and other pooled investment vehicles for waivers and expense reimbursements represent consideration payable to customers, which is recorded in accounts payable and accrued expenses in the Consolidated Balance Sheets, and no distinct services are received in exchange for these payments.

Performance-based investment management fees, which include fees under performance fee and fulcrum fee arrangements, are included in the transaction price for providing investment management services. Performance-based investment management fees are calculated as a percentage of investment performance on a client's account versus a specified benchmark or hurdle based on the terms of the contract with the customer. Performance-based investment management fees are variable consideration and are recognized as revenue when and to the extent that it is probable that a significant reversal of the cumulative revenue for the contractual performance period will not occur. Performance-based investment management fees recognized as revenue in the current period may pertain to performance obligations satisfied in prior periods. Fulcrum fee arrangements include a performance fee adjustment that increases or decreases the total investment management fee depending on whether the assets being managed experienced better or worse investment performance than the index specified in the customer's contract. The performance fee adjustment arrangements with certain equity and fixed income Victory Funds III and Victory Funds IV are calculated monthly based on the investment performance of those funds relative to their specified benchmark indexes over the discrete performance period ending with that month.

#### Fund Administration Fees

The Company recognizes fund administration fees as revenue using a time-based output method to measure progress. Fund administration fees are determined based on the contractual rate applied to average daily net assets of the Victory Funds and VictoryShares for which administration services are provided. Revenue is recorded on a monthly basis when the value of consideration is measured using actual average daily net assets and constraints are removed. The Company's fund administration fee revenue is recorded in fund administration and distribution fees in the Consolidated Statements of Operations.

The Company has contractual arrangements with a third party to provide certain sub-administration services. We are the primary obligor under the contracts with the Victory Funds and VictoryShares and have the ability to select the service provider and establish pricing. As a result, fund administration fees and sub-administration expenses are recorded on a gross basis.

### Fund Transfer Agent Fees

The Company recognizes fund transfer agent fees using a time-based output method to measure progress. Fund transfer agent fees are determined based on the contractual rate applied to either the average daily net assets of the Victory Funds III for which transfer agent services are provided or number of accounts in the Victory Funds III. Revenue is recorded on a monthly basis when the value of consideration is measured using actual average daily net assets or actual number of accounts and constraints are removed. The Company's fund transfer agent fee revenue is recorded in fund administration and distribution fees in the Consolidated Statements of Operations.

The Company also receives fees for sub-transfer agency services under contracts with the Victory Funds for member class shares. Sub-transfer agency fees are recognized and recorded in a manner similar to fund transfer agent fees and are recorded in fund administration and distribution fees in the Consolidated Statements of Operations.

The Company has contractual arrangements with a third party to provide certain sub-transfer agent services. As the Company is the primary obligor under the transfer agency contracts with the Victory Funds III and has the ability to select the service provider and establish pricing, fund transfer agent fees and sub-transfer agent expenses are recorded on a gross basis.

### Fund Distribution Fees

The Company receives compensation for sales and sales-related services promised under distribution contracts with the Victory Funds. Revenue is measured in an amount that reflects the consideration to which the Company expects to be entitled in exchange for providing distribution services. Distribution fees are generally calculated as a percentage of average net assets in the Victory Funds. The Company's performance obligation is satisfied at the point in time when control of the services is transferred to customers, which is upon investor subscription or redemption.

Based on the nature of the calculation, the revenue for these services is accounted for as variable consideration. The Company may recognize distribution fee revenue in the current period that pertains to performance obligations satisfied in prior periods as variable consideration is recognized only when uncertainties are resolved. The Company's distribution fee revenue is recorded in fund administration and distribution fees in the Consolidated Statements of Operations.

The Company has contractual arrangements with third parties to provide certain distribution services. The Company is the primary obligor under the contracts with the Victory Funds and has the ability to select the service provider and establish pricing. Substantially all of the Company's revenue is recorded gross of payments made to third parties.

Included in fund distribution fees are transaction and account-level fees paid by VCS brokerage platform customers for trade execution, cash transfer and other services.

### **Costs Incurred to Obtain or Fulfill Customer Contracts**

The Company is required to capitalize certain costs directly related to the acquisition or fulfillment of a contract with a customer. Victory has not identified any sales-based compensation or similar costs that meet the definition of an incremental cost to acquire a contract and as such we have no intangible assets related to contract acquisitions.

Direct costs incurred to fulfill services under the Company's distribution contracts include sales commissions paid to third party dealers for the sale of Class C Shares. The Company may pay upfront sales commissions to dealers and institutions that sell Class C shares of the participating Victory Funds at the time of such sale. Upfront sales commission payments with respect to Class C shares equal 1.00% of the purchase price of the Class C shares sold by the dealer or institution. When the Company makes an upfront payment to a dealer or institution for the sale of Class C shares, the Company capitalizes the cost of such payment, which is recorded in prepaid expenses in the Consolidated Balance Sheets and amortizes the cost over a 12-month period, the estimated period of benefit.

### **Valuation of AUM and Fund Investments**

The fair value of assets under management of the Victory Funds and VictoryShares is primarily determined using quoted market prices or independent third-party pricing services or broker price quotes. In certain circumstances, a quotation or price evaluation is not readily available from a pricing service. In these cases,

pricing is determined by management based on a prescribed valuation process that has been approved by the directors/trustees of the sponsored products. The same prescribed valuation process is used to price securities in separate accounts and the Company's other non-alternative investment vehicles for which a quotation or price evaluation is not readily available from a pricing service.

The fair value of Level III assets held by alternative investment vehicles is determined under the respective valuation policy for each fund. The valuation policies address the fact that substantially all the investments of a fund may not have readily available market information and therefore the fair value for these assets is typically determined using unobservable inputs and models that may include subjective assumptions. AUM reported by the Company for alternative investment vehicles may not necessarily equal the funds' net asset values or the total fair value of the funds' portfolio investments as AUM represents the basis for calculating management fees.

For the periods presented, less than one percent of the Company's total AUM were Level III assets priced without using a quoted market price, broker price quote or pricing service quotation.

#### **NOTE 4. ACQUISITIONS**

##### **Pioneer Investments**

On April 1, 2025, the Company completed the transactions contemplated by the Contribution Agreement with Amundi. The addition of Pioneer Investments as the Company's largest investment franchise meaningfully enhances the Company's scale, expands its global client base and further diversifies its investment capabilities. The fair value of investment management agreements was estimated using a discounted cash flow method and the fair value of the trade names was estimated using a royalty savings method which were prepared with the assistance of an independent valuation firm and approved by management.

In exchange for the contribution of all the shares of the Amundi US to the Company, the Company issued to Amundi (a) 3,293,471 newly issued shares of Common stock, representing 4.9% of the number of issued and outstanding shares of Common stock after giving effect to such issuance, and (b) 19,698,274 newly issued shares of Preferred stock, which, together with the shares of Common stock issued to Amundi represented in the aggregate 26.1% of the Company's fully diluted shares after giving effect to such share issuances. The Preferred stock issued to Amundi includes 14,305,982 shares issued on April 1, 2025 and 5,436,318 shares issued on May 23, 2025 as a true up payment in respect of client consents obtained in the 30 days following the Closing. Closing consideration due to Amundi was subject to a customary post-closing adjustment. On August 1, 2025, in accordance with the terms of the Contribution Agreement, Amundi forfeited its beneficial ownership of 44,026 shares of Preferred stock as a result of a post-closing adjustment to the amount of Preferred stock received by Amundi at the closing of the transaction.

##### Purchase Price Allocation

The Company accounted for the acquisition in accordance with ASC 805, *Business Combinations*. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair values at the date of the transaction. As of the date of the filing, the final purchase price allocation is substantially complete as the Company has completed the detailed valuations and necessary calculations for post-closing adjustments. The finalization of the purchase price allocation will not extend beyond the one-year measurement period provided under ASC 805.

Total purchase price consideration was approximately \$1,326 million and was settled entirely in Company shares. The excess of the purchase price over the fair value of the identified assets acquired and liabilities assumed is recognized as goodwill and was recorded in the accompanying Consolidated Balance Sheets. Goodwill related to the contribution represents cost synergies and enhancements to Victory's existing asset management business and is not deductible for tax purposes. Refer to Note 9, *Goodwill and Other Intangible Assets*, for further detail. The following table summarizes the purchase price allocation of assets acquired and liabilities assumed based on their fair values at the acquisition date:

<i>(in thousands)</i>		<b>April 1, 2025</b>
Cash and cash equivalents.....	\$	53,612
Receivables .....		45,100
Prepaid expenses.....		5,673
Investments, at fair value .....		84,095
Property and equipment, net .....		19,330
Goodwill.....		254,135
Other intangible assets.....		1,278,000
Other assets .....		34,992
Accounts payable and accrued expenses.....		(37,428)
Accrued compensation and benefits .....		(48,427)
Deferred tax liability.....		(291,588)
Other liabilities.....		(71,513)
<b>Total purchase price consideration .....</b>	<b>\$</b>	<b>1,325,981</b>

### Financial Results

Revenue recognized by Pioneer Investments subsequent to the acquisition date of April 1, 2025 for the year ended December 31, 2025 was as follows:

<i>(in millions)</i>		<b>Year Ended December 31, 2025</b>
Revenue.....	\$	415

Net income attributable to Pioneer Investments for the year ended December 31, 2025 is impractical to determine as the Company does not prepare discrete financial information at the franchise level.

The Company's consolidated financial statements for the year ended December 31, 2025 include operating results of the Amundi US acquired company. The following unaudited pro forma figures give effect to the contribution as if it had occurred on January 1, 2024 and combines the financial results of the Company and Amundi U.S. after adjusting primarily for amortization of intangible assets and additional fixed asset depreciation that would have been expensed assuming the fair value adjustments had been applied on January 1, 2024, net of any tax impact. This unaudited information is for illustrative purposes only and should not be relied upon as indicative of historical results that would have been obtained if the acquisition had occurred on that date, nor of the results that may be obtained in the future.

<i>(in millions)</i>		<b>Year Ended December 31,</b>	
		<b>2025</b>	<b>2024</b>
Revenue.....	\$	1,432	\$ 1,383
Net Income.....		322	333

### **Acquisition-related and other costs**

Acquisition-related costs include legal fees, advisory services, mutual fund proxy voting costs and other one-time expenses related to business combinations. The Company expensed \$35.5 million, \$11.3 million and \$0.2 million in acquisition-related costs in the years ended December 31, 2025, 2024 and 2023, respectively. These amounts are included in acquisition-related costs in the Consolidated Statements of Operations and relate primarily to the acquisition of Amundi US.

As of December 31, 2025, the Company also incurred \$1.4 million of costs directly associated with the issuance of equity in connection with the acquisition of Amundi US. These costs include fees paid to attorneys, accountants, printers and other third parties and are recorded in additional paid-in capital in the Consolidated Balance Sheets.

## NOTE 5. FAIR VALUE MEASUREMENTS

The Company determines the fair value of certain financial and nonfinancial assets and liabilities. Fair value is determined based on the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determinations utilize a valuation hierarchy based upon the transparency of inputs used in the valuation of an asset or liability.

Classification within the fair value hierarchy contains three levels:

- Level 1—Valuation inputs are unadjusted quoted market prices for identical assets or liabilities in active markets.
- Level 2—Valuation inputs are quoted prices for identical assets or liabilities in markets that are not active, quoted market prices for similar assets and liabilities in active markets and other observable inputs directly or indirectly related to the asset or liability being measured.
- Level 3—Valuation inputs are unobservable and significant to the fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The following table presents assets and liabilities measured at fair value on a recurring basis:

<i>(in thousands)</i>	As of December 31, 2025			
	Total	Level 1	Level 2	Level 3
<i>Financial assets</i>				
Money market fund.....	\$ 132,713	\$ 132,713	\$ —	\$ —
Investments in proprietary funds.....	636	636	—	—
Deferred compensation plan investments ...	98,758	98,758	—	—
Total financial assets.....	<u>\$ 232,107</u>	<u>\$ 232,107</u>	<u>\$ —</u>	<u>\$ —</u>
<i>Financial liabilities</i>				
Contingent consideration arrangements.....	\$ (87,564)	\$ —	\$ —	\$ (87,564)
Total financial liabilities.....	<u>\$ (87,564)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (87,564)</u>
<i>(in thousands)</i>	As of December 31, 2024			
	Total	Level 1	Level 2	Level 3
<i>Financial assets</i>				
Money market fund.....	\$ 110,475	\$ 110,475	\$ —	\$ —
Investments in proprietary funds.....	605	605	—	—
Deferred compensation plan investments ...	34,608	34,608	—	—
Total financial assets.....	<u>\$ 145,688</u>	<u>\$ 145,688</u>	<u>\$ —</u>	<u>\$ —</u>
<i>Financial liabilities</i>				
Contingent consideration arrangements.....	\$ (139,894)	\$ —	\$ —	\$ (139,894)
Total financial liabilities.....	<u>\$ (139,894)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (139,894)</u>

Level 1 assets consist of money market funds and open-end mutual funds. The fair values for these assets are determined utilizing quoted market prices for identical assets.

There were no transfers between any of the Level 1, 2 and 3 categories in the fair value measurement hierarchy for the years ended December 31, 2025 and 2024. The Company recognizes transfers at the end of the reporting period.

The net carrying value of accounts receivable and accounts payable approximates fair value due to the short-term nature of these assets and liabilities. The fair value of our long-term debt as of December 31, 2025 is considered to be its carrying value as the interest rate on the bank debt is variable and approximates current market rates. As a result, Level 2 inputs are utilized to determine the fair value of our long-term debt.

## Contingent payment arrangements

### WestEnd

Contingent consideration arrangements represent the WestEnd earn-out payment liability which is included in consideration payable for acquisition of business in the Consolidated Balance Sheets. Under the terms of the WestEnd purchase agreement, a maximum of \$320.0 million (\$80.0 million per year) of contingent payments is payable to sellers. Contingent earn-out payments are based on net revenue of the WestEnd business during each of the first four years following the close of the acquisition, subject to certain “catch-up” provisions over a five and one-half year period following the close of the acquisition.

During 2025, the Company paid \$63.7 million in cash to sellers for the second earn-out period. During 2024, the Company paid \$80.0 million in cash to sellers as a catch-up payment for the first earn-out period. The estimated fair value of the contingent consideration payable to the sellers was \$87.6 million and \$139.9 million as of December 31, 2025 and 2024, respectively.

For the years ended December 31, 2025, 2024 and 2023, the change in the liability was an increase of \$11.4 million, \$2.7 million and \$14.5 million, respectively. The impact of decreasing or increasing the valuation of the contingent consideration liability is recorded in change in value of consideration payable for acquisition of business in the Consolidated Statements of Operations.

The estimated fair value for contingent consideration payable to sellers is estimated using the real options method. WestEnd net revenue growth is simulated in a risk-neutral framework to calculate expected probability-weighted earn out payments, which are then discounted from the expected payment dates at the relevant cost of debt. Significant assumptions and inputs include the WestEnd net revenue projected annual growth rate, the market price of risk, which adjusts the projected revenue growth rate to a risk-neutral expected growth rate, revenue volatility and discount rate. The market price of risk and revenue volatility are based on data for comparable companies. As the contingent consideration represents a subordinate, unsecured claim of the Company, the Company assesses a discount rate which incorporates adjustments for credit risk and the subordination of the contingent consideration.

Significant inputs to the valuation of contingent consideration payable to sellers as of December 31, 2025, and 2024 are as follows and are approximate values:

	December 31, 2025	December 31, 2024
Net revenue 5 year average annual growth rate .....	11 %	12 %
Market price of risk adjustment for revenue (continuous) .....	4 %	5 %
Revenue volatility .....	20 %	21 %
Discount rate .....	6 %	7 %
Years remaining in earn out period .....	1.8 years	2.8 years
Undiscounted estimated remaining earn out payments (\$ in millions) .....	\$89 - \$160	\$152 - \$240

The following table presents the balance of the contingent consideration arrangement liabilities at December 31, 2025, 2024 and 2023, respectively:

<i>(in thousands)</i>	Contingent Consideration Liabilities
<b>Balance, December 31, 2023</b> .....	<b>\$ 217,200</b>
WestEnd earn-out payment .....	(80,000)
WestEnd change in fair value measurement .....	2,694
<b>Balance, December 31, 2024</b> .....	<b>139,894</b>
WestEnd earn-out payment .....	(63,733)
WestEnd change in fair value measurement .....	11,403
<b>Balance, December 31, 2025</b> .....	<b>\$ 87,564</b>

### New Energy Capital

Under the terms of the purchase agreement for New Energy Capital Partners ("NEC"), which closed during 2021, the Company will pay up to an additional \$35.0 million in cash based on net revenue growth over a six-year period on the private, closed-end alternative investment funds managed by the NEC franchise ("NEC Funds"). The maximum amount of contingent payments, less any contingent payments previously paid, is due upon the occurrence of certain specified events within a five year period following the Start Date.

The Company determined that substantially all of the contingent payments payable per the NEC purchase agreement represent compensation for post-closing services. The Company records compensation expense over the estimated service period in an amount equal to the total contingent payments currently forecasted to be paid.

As of December 31, 2025 and 2024, the Company determined that the contingent payments are no longer probable of occurring and the liability for NEC contingent payments is zero.

For the year ended December 31, 2024, the net impact to the Consolidated Statements of Operations relating to the NEC contingent payment compensation expense was a decrease of \$13.7 million in personnel compensation and benefits. The Company recorded \$5.6 million in NEC contingent payment compensation expense for the year ended December 31, 2023, which is included in personnel compensation and benefits in the Consolidated Statements of Operations.

### USAA AMCO

Under the terms of the USAA AMCO Acquisition purchase agreement, a maximum of \$150.0 million in contingent payments (\$37.5 million per year) was payable to sellers based on the annual revenue performance of certain assets over the first four years following the closing. In 2023, the Company paid \$36.4 million in cash to sellers for the fourth and final earn out period payment, bringing total cumulative contingent payments to \$148.9 million. For the year ended December 31, 2023, the impact to the Consolidated Statements of Operations relating to this contingent payment arrangement was a loss of \$8.7 million recorded to change in value of consideration payable for acquisition of business.

## **NOTE 6. RELATED-PARTY TRANSACTIONS**

The Company considers certain funds that it manages and sponsors, including the Victory Funds, the VictoryShares, collective trust (the "Victory Collective Funds"), the NEC Funds, to be related parties as a result of its advisory relationship.

The Company receives investment management, administrative, distribution and compliance fees in accordance with contracts that VCM and VCS have with the Victory Funds, VictoryShares, and has invested a portion of its balance sheet cash in the Victory Treasury Money Market Trust and earns interest on the amount invested in this fund.

We also receive investment management fees from the Victory Collective Funds, the NEC Funds and other pooled investment vehicles under VCM's advisory contracts with these funds. In addition, VCTA receives fees for transfer agency services under contracts with the Victory Funds III and sub-transfer agency services under contracts with the Victory Funds for member class shares.

At the Closing of the Amundi Transaction, the requisite shareholder approval was not received for certain open- and closed-end Pioneer funds. To provide continuous and uninterrupted investment advisory services to these funds following the Closing, the funds appointed VCM to act as interim investment adviser pursuant to Interim Investment Advisory Agreements. For the open-end funds, Amundi Distributor US, Inc. continued to serve as each fund's underwriter. For the open-end funds, these arrangements terminated once the funds had obtained the requisite shareholder approval and were reorganized into newly-formed series of Victory Portfolios IV. The closed-end funds subsequently sought and obtained shareholder approval to liquidate. The last such approval occurred in August 2025.

Under the Amended and Restated Distribution and Services Agreements, Victory is entitled to a percentage of fee revenues derived from Victory's products that Amundi distributes outside the United States, and

Amundi is entitled to a percentage of fee revenues derived from Amundi's products that Victory distributes in the United States. The Amended and Restated Distribution and Services Agreements may be terminated under certain limited circumstances. VCM also manages, as an adviser and sub-adviser for Amundi and its affiliates, worldwide.

Additionally, the Company and Amundi also entered into a shareholder agreement (the "Shareholder Agreement"). Pursuant to the terms of the Shareholder Agreement, Amundi will have the right to require Victory to nominate and use reasonable best efforts (subject to applicable law and the exercise of the Victory board's fiduciary duties) to have two individuals designated by Amundi elected to the Victory Board of Directors.

Director fees payable by the Company in cash and contributions made under the Director Deferred Compensation Plan for non-employee members of our Board of Directors are included in general and administrative expense in the Consolidated Statements of Operations.

The table below presents balances and transactions involving related parties included in the Consolidated Balance Sheets and Consolidated Statements of Operations.

- Included in cash and cash equivalents is cash held in the Victory Treasury Money Market Trust.
- Included in receivables (investment management fees) are amounts due from the Victory Funds, the VictoryShares, the Victory Collective Funds, the NEC Funds and other pooled investment vehicles for investment management services.
- Included in receivables (fund administration and distribution fees) are amounts due from the Victory Funds for fund administration services and compliance services, amounts due from the VictoryShares for fund administration services, amounts due from the Victory Funds III for transfer agent services and amounts due from the Victory Funds for sub-transfer agent services.
- Included in prepaid expenses are amounts paid by VCM that will be invoiced to the NEC Funds in subsequent periods.
- Included in revenue (investment management fees) are amounts earned for investment management services provided to the Victory Funds, the VictoryShares, the Victory Collective Funds, the NEC Funds and other pooled investment vehicles.
- Included in revenue (fund administration and distribution fees) are amounts earned for fund administration and compliance services, transfer agent services and sub-transfer agent services.
- Realized and unrealized gains and losses and dividend income on investments in the Victory Funds classified as investments in proprietary funds and deferred compensation plan investments and dividend income on investments in the Victory Treasury Money Market Trust are recorded in interest income and other income (expense) in the Consolidated Statements of Operations.
- Amounts due to the Victory Funds, the VictoryShares and other pooled investment vehicles for waivers of investment management fees and reimbursements of fund operating expenses are included in accounts payable and accrued expenses in the Consolidated Balance Sheets and represent consideration payable to customers.
- All transactions with Amundi Distributor US, Inc., and Amundi and its subsidiaries are included in the balances below.

<i>(in thousands)</i>	As of December 31,	
	2025	2024
<b>Related party assets</b>		
Cash and cash equivalents.....	\$ 132,713	\$ 110,475
Receivables (investment management fees)	111,474	50,520
Receivables (fund administration and distribution fees).....	25,861	16,014
Prepaid expenses.....	6,698	1,702
Investments (investments in proprietary funds, fair value).....	636	605
Investments (deferred compensation plan investments, fair value).....	97,808	34,473
Total .....	<u>\$ 375,190</u>	<u>\$ 213,789</u>

<b>Related party liabilities</b>		
Accounts payable and accrued expenses (fund reimbursements).....	\$ 10,903	\$ 5,889

<i>(in thousands)</i>	Year ended December 31,		
	2025	2024	2023
<b>Related party revenue</b>			
Investment management fees.....	\$ 849,768	\$ 533,178	\$ 488,132
Fund administration and distribution fees.....	260,662	188,894	180,152
Total .....	<u>\$ 1,110,430</u>	<u>\$ 722,072</u>	<u>\$ 668,284</u>

<b>Related party expense</b>			
General and administrative.....	\$ 685	\$ 435	\$ 506
Distribution and other asset-based expenses.....	3,329	308	—
Total .....	<u>\$ 4,014</u>	<u>\$ 743</u>	<u>\$ 506</u>

<b>Related party other income (expense)</b>			
Interest income and other income (expense).....	\$ 14,887	\$ 9,728	\$ 6,531

## NOTE 7. INVESTMENTS

As of December 31, 2025 and 2024, the Company had investments in proprietary funds and deferred compensation plan investments. Investments in proprietary funds consist entirely of seed capital investments in certain Victory Funds. Deferred compensation plan investments are held under deferred compensation plans and consist of investments in Victory Funds. The Company has separate deferred compensation plans acquired in connection with the Amundi US acquisition, and these plans were frozen to further participation at the Closing.

Unrealized and realized gains and losses on investments in proprietary funds and deferred compensation plan investments are recorded in earnings as interest income and other income (expense).

### Investments in Proprietary Funds

The following table presents a summary of the cost and fair value of investments in proprietary funds:

<i>(in thousands)</i>	Cost	Gross Unrealized		Fair Value
		Gains	(Losses)	
As of December 31, 2025 .....	\$ 643	\$ 42	\$ (49)	\$ 636
As of December 31, 2024 .....	621	46	(62)	605

The following table presents proceeds from sales of investments in proprietary funds and realized gains and losses recognized during the years ended December 31, 2025, 2024 and 2023:

<i>(in thousands)</i>	Sale Proceeds	Realized	
		Gains	(Losses)
For the Year Ended December 31, 2025.....	\$ 167	\$ 1	\$ —
For the Year Ended December 31, 2024.....	37	16	—
For the Year Ended December 31, 2023.....	32	4	—

### Deferred Compensation Plan Investments

The following table presents a summary of the cost and fair value of deferred compensation plan investments:

<i>(in thousands)</i>	Cost	Gross Unrealized		Fair Value
		Gains	(Losses)	
As of December 31, 2025.....	\$ 94,320	\$ 4,843	\$ (405)	\$ 98,758
As of December 31, 2024.....	33,224	1,802	(418)	34,608

The following table presents proceeds from sales of deferred compensation plan investments and realized gains and losses recognized during the years ended December 31, 2025, 2024 and 2023:

	Sale Proceeds	Realized	
		Gains	(Losses)
For the year ending December 31, 2025.....	\$ 74,710	\$ 1,565	\$ (714)
For the year ending December 31, 2024.....	10,643	483	(32)
For the year ending December 31, 2023.....	11,147	89	(440)

### NOTE 8. PROPERTY AND EQUIPMENT

The following table presents property and equipment as of December 31, 2025 and 2024:

<i>(in thousands)</i>	December 31,	
	2025	2024
Equipment and implementation costs.....	\$ 46,087	\$ 41,713
Leasehold improvements.....	19,490	4,278
Furniture and fixtures.....	6,001	2,782
Total property and equipment.....	71,578	48,773
Accumulated depreciation and amortization.....	(47,745)	(36,899)
Property and equipment, net.....	<u>\$ 23,833</u>	<u>\$ 11,874</u>

Depreciation and amortization expense for property and equipment was \$11.2 million, \$9.0 million and \$8.8 million for the years ended December 31, 2025, 2024 and 2023, respectively.

### NOTE 9. GOODWILL AND OTHER INTANGIBLE ASSETS

The following table presents changes in the goodwill balance for the periods ended December 31, 2025 and 2024:

<i>(in thousands)</i>	December 31,	
	2025	2024
Balance, beginning of period.....	\$ 981,805	\$ 981,805
Goodwill recorded in Amundi US acquisition.....	254,135	—
<b>Balance, end of period.....</b>	<b><u>\$ 1,235,940</u></b>	<b><u>\$ 981,805</u></b>

There were no impairments to goodwill recognized during the years ended December 31, 2025, 2024 or 2023.

### Identifiable Intangible Assets

The following table presents a summary of indefinite-lived intangible assets by type:

<i>(in thousands)</i>	Fund Advisory, Transfer Agent and Distribution Contracts	Trade Names	Totals
December 31, 2023 balance .....	\$ 1,113,000	\$ 16,800	\$ 1,129,800
Additions or transfers .....	—	—	—
December 31, 2024 balance .....	\$ 1,113,000	\$ 16,800	\$ 1,129,800
Amundi US Acquisition.....	949,000	17,000	966,000
December 31, 2025 balance .....	<u>\$ 2,062,000</u>	<u>\$ 33,800</u>	<u>\$ 2,095,800</u>

During 2023, the Company recognized a \$3.8 million impairment loss on an indefinite-lived trade name asset primarily due to changing the asset's estimated remaining useful life. The asset was transferred to definite lived intangible assets and the remaining book value of the asset was amortized on a straight-line basis over the asset's remaining economic life. The impairment loss was recorded in depreciation and amortization in the Consolidated Statements of Operations. There were no impairments to indefinite-lived intangible assets recognized in 2025 and 2024.

The following table presents a summary of definite-lived intangible assets by type:

<i>(in thousands)</i>	Customer Relationships	Fund Advisory Contracts/Oth er	Trade Names	Intellect ual Property /Other	Totals
Gross book value - December 31, 2024.	\$ 310,286	\$ —	\$ 45,462	\$ 7,547	\$ 363,295
Accumulated amortization .....	(182,925)	—	(42,009)	(7,547)	(232,481)
Net book value - December 31, 2024 .....	<u>\$ 127,361</u>	<u>\$ —</u>	<u>\$ 3,453</u>	<u>\$ —</u>	<u>\$ 130,814</u>
Weighted average useful life (yrs).....	6.5	—	2.3	—	6.2
Gross book value - December 31, 2025.	\$ 387,286	\$ 247,068	\$ 45,462	\$ 7,547	\$ 687,363
Accumulated amortization .....	(215,933)	(37,890)	(44,176)	(7,547)	(305,546)
Net book value - December 31, 2025 .....	<u>\$ 171,353</u>	<u>\$ 209,178</u>	<u>\$ 1,286</u>	<u>\$ —</u>	<u>\$ 381,817</u>
Weighted average useful life (yrs).....	4.6	6.1	0.7	—	5.2

The Company recorded \$77.0 million of definite-lived intangible assets related to customer relationships with weighted average useful lives 4.4 years and \$235 million of definite-lived intangible assets related to fund advisory contracts with weighted average useful lives of 6.9 years as a result of the Amundi US acquisition, which is included as a component of other intangible assets, net in the accompanying Consolidated Balance Sheets. Amortization expense for definite-lived intangible assets for the years ended December 31, 2025, 2024 and 2023 was \$61.6 million, \$21.2 million and \$29.0 million, respectively, and is recorded in

depreciation and amortization in the Consolidated Statements of Operations. There were no impairments to definite-lived intangible assets recognized in 2025, 2024 or 2023.

The following table presents estimated amortization expense for definite-lived intangible assets for each of the five succeeding years and thereafter:

2026 .....	\$ 72,340
2027 .....	71,952
2028 .....	70,007
2029 .....	60,204
2030 .....	50,779
Thereafter .....	56,535
<b>Total</b> .....	<b>\$ 381,817</b>

#### NOTE 10. INCOME TAXES

The following table presents the provision for income taxes for the years ended December 31, 2025, 2024, and 2023:

<i>(in thousands)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Current tax expense (benefit):			
Federal .....	\$ 60,835	\$ 41,502	\$ 32,457
State .....	13,149	10,840	8,554
Foreign .....	21	34	201
Total current tax expense .....	<u>74,005</u>	<u>52,376</u>	<u>41,212</u>
Deferred tax expense (benefit):			
Federal .....	36,320	26,680	17,951
State .....	(2,078)	5,658	3,618
Foreign .....	11	178	(30)
Total deferred tax expense .....	<u>34,253</u>	<u>32,516</u>	<u>21,539</u>
Income tax expense .....	<u>\$ 108,258</u>	<u>\$ 84,892</u>	<u>\$ 62,751</u>

The Company adopted ASU 2023-09 on a prospective basis. As a result, the December 31, 2025 disclosure differs from December 31, 2024, and 2023.

The following table presents a reconciliation between the reported income tax expense and the amount computed by applying the U.S. federal statutory income tax rate of 21.0% to income before income taxes for the year ended December 31, 2025:

	<u>2025</u>	
	<u>Amount</u>	<u>Percent</u>
<b>Federal income tax at U.S. statutory rate</b> .....	92,047	21.0 %
<b>State income tax rate, net of federal tax benefit<sup>(1)</sup></b> .....	8,742	2.0 %
<b>Foreign Tax Effects</b> .....	30	— %
<b>Tax Credits</b>		
Research and development tax credits .....	(239)	(0.1) %
<b>Nontaxable or Nondeductible Items</b>		
Excess tax benefits on share-based compensation .....	(2,930)	(0.7) %
Nondeductible transaction costs .....	5,798	1.3 %
Other .....	4,472	1.1 %
<b>Changes in Unrecognized Tax Benefits</b> .....	(8)	— %
<b>Other Adjustments</b> .....	346	0.1 %
Income tax expense .....	<u>108,258</u>	<u>24.7 %</u>

- (1) The states and local jurisdictions that contribute to the majority (greater than 50 percent) of the tax effect in this category include New York state and city, California, Pennsylvania, and New Jersey.

The following table presents the tax rates for the years ended December 31, 2024, and 2023.

	<u>2024</u>	<u>2023</u>
Federal income tax at U.S. statutory rate.....	21.0 %	21.0 %
State income tax rate, net of federal tax benefit.....	3.3 %	3.3 %
Excess tax benefits on share-based compensation .....	(2.4) %	(2.3) %
Foreign taxes and other.....	0.8 %	0.7 %
Income tax expense.....	<u>22.7 %</u>	<u>22.7 %</u>

The effective tax rate for the years ended December 31, 2025, 2024 and 2023 differs from the United States federal statutory rate primarily because of state and local income taxes and excess tax benefits on share-based compensation.

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for income tax reporting purposes.

In assessing the realization of deferred tax assets, management considers the reversal of deferred tax liabilities as well as projections of future taxable income during the periods in which temporary differences are expected to reverse. Based on the consideration of these facts, the Company believes it is more likely than not that all of its gross deferred tax assets will be realized in the future, and as a result, has not recorded a valuation allowance on these amounts as of December 31, 2025 and 2024.

<i>(in thousands)</i>	<u>2025</u>	<u>2024</u>
<b>Deferred tax assets:</b>		
Definite-lived intangibles.....	\$ —	\$ 22,437
Share-based compensation expense .....	2,567	2,573
Acquisition-related costs.....	3,919	6,142
Deferred compensation.....	16,805	6,330
Restructuring expenses .....	963	1,042
Contingent consideration arrangements .....	189	239
R&E expenditures .....	—	3,331
Other .....	843	89
<b>Total deferred tax assets.....</b>	<b>25,286</b>	<b>42,183</b>
<b>Deferred tax liabilities:</b>		
Definite-lived intangibles.....	44,063	—
Indefinite-lived intangibles .....	424,960	171,905
Goodwill .....	26,598	18,413
Debt issuance costs.....	840	1,226
Depreciation.....	2,986	890
OCI - Swap gain and cumulative translation adjustment.....	3,641	6,221
Prepaid expenses .....	561	308
Unrealized gain on deferred compensation investments.....	664	340
Other .....	765	—
<b>Total deferred tax liabilities .....</b>	<b>505,078</b>	<b>199,303</b>
<b>Deferred tax liability, net.....</b>	<b>\$ (479,792)</b>	<b>\$ (157,120)</b>

As of December 31, 2025 and 2024, the Company had no material net operating loss carryforwards.

As of December 31, 2025, the amount of gross unrecognized tax benefits and interest and penalties totaled \$0.8 million which was included in other liabilities in the Consolidated Balance Sheet. If these balances were recognized in a future period, it would result in a tax benefit and a decrease in effective tax rate. The

aggregate changes in the Company's total gross amount of unrecognized tax benefits are summarized as follows:

<i>(in thousands)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Balance at the beginning of the year</b> .....	\$ -	\$ -	\$ -
Increases related to tax positions in prior years from acquisition.....	729	-	-
Increases related to tax positions in prior years...	44	-	-
Decreases related to expiration of statute of limitations.....	(10)	-	-
<b>Balance at the end of the year</b> .....	<u>\$ 763</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2025, 2024, and 2023, the Company had no material interest and penalties related to the liability for unrecognized tax benefits in its income tax provision.

For the year ended December 31, 2025, income taxes paid (net of refunds received) were as follows:

<i>(in thousands)</i>	<u>2025</u>
Federal .....	\$ 57,200
State.....	15,631
Foreign .....	54
Total income taxes paid (net of refunds received) .....	<u>\$ 72,885</u>

In the normal course of business, the Company is subject to examination by federal and certain state and local tax regulators. As of December 31, 2025, U.S. federal income tax returns for 2022, 2023 and 2024 are open and therefore subject to examination. The Company's 2023 U.S. federal income tax return is currently under audit. State and local income tax returns filed are generally open for examination from 2021 to 2024.

We have analyzed the Company's tax positions for all open years and have concluded that no additional provision for income tax is required in the consolidated financial statements. The Company does not expect the total amount of unrecognized tax benefits to significantly increase in the next twelve months.

The Organization for Economic Co-operation and Development released a framework ("Pillar 2") in 2021 to introduce a global minimum tax of 15% for companies with global revenues and profits above certain thresholds. Certain aspects of Pillar 2 were effective January 1, 2024 and other aspects are effective January 1, 2025. Each country is required to implement Pillar 2 through its own local tax legislation. Although the U.S. has not yet enacted legislation to adopt Pillar 2, many other countries have adopted, or are in the process of adopting, legislation to implement Pillar 2. Pillar 2 did not materially impact the Company's effective tax rate or its Consolidated Balance Sheets, Consolidated Statement of Operations or Consolidated Statement of Cash Flows in 2025. The Company does not currently expect Pillar 2 to have a material impact on its future effective tax rates or consolidated financial statements and continues to monitor Pillar 2 developments.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into U.S law. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. As of December 31, 2025, we have determined that OBBBA does not have a material impact on our consolidated financial statements.

## NOTE 11. DEBT

### 2019 Credit Agreement

Since 2019, the Company is a party to a credit agreement (the "2019 Credit Agreement"), which includes both a revolving credit facility (the "Revolving Facility") with aggregate commitments of \$100.0 million (with a \$10.0 million sub-limit for the issuance of letters of credit) and a term loan with an aggregate principal amount of \$1.1 billion (the "2019 Term Loans"). Since originally entering the 2019 Credit Agreement, the Company has

entered into various amendments to extend maturities, modify interest rates and modify other terms. Key provisions of the 2019 Credit Agreement and the nature of recent amendments are described below.

#### Fifth Amendment

On June 7, 2024, the Company entered into the Fifth Amendment to the 2019 Credit Agreement (the "Fifth Amendment"), extending the maturity date of the \$100.0 million Revolving Facility from July 1, 2024 to March 31, 2026, and decreasing the drawn interest rate margin by 0.50% per annum. The Revolving Facility otherwise remained subject to substantially the same terms as those set forth in the 2019 Credit Agreement. The Company incurred \$1.0 million in upfront fees, arranger fees and other third party costs related to the Fifth Amendment to the 2019 Credit Agreement, which were recorded to revolving credit facility debt issuance cost in other assets.

On July 1, 2024, the Company executed an agency succession agreement, by and among Barclays Bank PLC as the resigning administrative agent and collateral agent under the 2019 Credit Agreement and Royal Bank of Canada, as the successor administrative agent and collateral agent.

#### Sixth Amendment

On September 23, 2025, the Company entered into the Sixth Amendment to the 2019 Credit Agreement (the "Sixth Amendment"), among the Company, the other loan parties party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent, which amended the Credit Agreement dated as of July 1, 2019 (as amended through the Fifth Amendment, the "Existing Credit Agreement"), among the Company, the other loan parties party thereto from time to time, Bank of America, N.A, as administrative agent and collateral agent, and the lenders party thereto from time to time.

The Sixth Amendment extended the maturity date of the Revolving Facility from March 31, 2026 to September 23, 2030 and decreased the drawn interest rate margin by 0.25% per annum. The Revolving Facility otherwise remains subject to substantially similar terms to those set forth in the Existing Credit Agreement.

Pursuant to the Sixth Amendment, the Company also refinanced its existing term loans (the "Existing Term Loans") with replacement term loans (the "Repriced Term Loans") in an aggregate principal amount of \$985.0 million. The Repriced Term Loans will mature on September 23, 2032 and will bear interest at an annual rate equal to, at the option of the Company, either SOFR plus a margin of 2.00% or an alternate base rate plus a margin of 1.00%. The Repriced Term Loans otherwise remain subject to substantially similar terms to those that were applicable to the Existing Term Loans.

The following table presents the components of long-term debt in the Consolidated Balance Sheets as of December 31, 2025 and 2024.

<i>(in thousands)</i>	2025	2024	Interest Rate		Effective Interest Rate	
			2025	2024	2025	2024
<b>Term Loans</b>						
Due July 2026.....	\$ —	\$ 624,693	N/A	6.93%	N/A	7.33%
Due December 2028.....	—	347,496	N/A	6.93%	N/A	7.26%
Due September 2032 .....	<u>982,538</u>	<u>—</u>	5.67%	N/A	5.86%	N/A
<b>Term loan principal outstanding.....</b>	<b>982,538</b>	<b>972,189</b>				
Unamortized debt issuance costs.....	(8,508)	(5,935)				
Unamortized debt discount.....	<u>(4,016)</u>	<u>(2,392)</u>				
<b>Long-term debt.....</b>	<b><u>\$ 970,014</u></b>	<b><u>\$ 963,862</u></b>				

The 2019 Credit Agreement contains customary affirmative and negative covenants, including covenants that affect, among other things, the ability of the first lien leverage ratio, measured as of the last day of each fiscal quarter on which outstanding borrowings under the revolving credit facility exceed 35.0% of the commitments thereunder (excluding certain letters of credit), of no greater than 4.00 to 1.00. As of December 31, 2025 and

2024, there were no outstanding borrowings under the revolving credit facility and the Company was in compliance with its financial performance covenant.

### Debt modification and repayments

Gains and losses on debt modifications that are considered extinguishments are recognized in current earnings. Debt modifications that are not considered extinguishments are accounted for prospectively through yield adjustments, based on the revised terms. Legal fees and other costs incurred with third parties that are directly related to debt modifications are expensed as incurred and generally are included in general and administrative expense in the Consolidated Statements of Operations. Pursuant to ASC 470-50, *Debt - Modifications and Extinguishments*, the Company evaluated the Repriced Term Loans and accounted accordingly for debt extinguishment costs and debt modification costs (for the portion of the transaction that did not meet the accounting criteria for debt extinguishment).

On the Consolidated Statement of Cash Flows, the financing cash outflows and inflows associated with this transaction were determined on a lender-by-lender basis and repayments during the year ended December 31, 2025 totaled \$235.8 million. Additionally, during 2025, the Company repaid \$2.5 million of outstanding term loan balance under the provisions of the Repriced Term Loans. During 2025, the Company incurred costs of \$2.2 million related to the Sixth Amendment, of which \$1.6 million was recorded in general and administrative expense and \$0.6 million was recognized as a loss on debt extinguishment in Consolidated Statement of Operations.

During 2024, a total of \$29.5 million of the outstanding term loans under the 2019 Credit Agreement was repaid or repurchased and retired. The Company recognized a \$0.4 million loss on debt extinguishment in 2024 due to the repayments and repurchases of term loan principal, which consisted of the write-off of \$0.3 million and \$0.1 million of unamortized debt issuance costs and debt discount, respectively.

There were no repayments of outstanding term loans under the 2019 Credit Agreement in 2023.

The Repriced Term Loans amortize at 1% per annum of aggregate principal amount of \$985.0 million (which is payable in quarterly installments) with all remaining amounts paid at maturity.

### Interest expense and other financing costs

The following table presents the components of interest expense and other financing costs on the Consolidated Statements of Operations for the years ended December 31, 2025, 2024 and 2023.

<i>(in thousands)</i>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Interest expense .....	\$ 63,919	\$ 75,784	\$ 75,016
Amortization of debt issuance costs .....	2,417	3,108	3,029
Amortization of debt discount .....	1,217	1,207	1,210
Interest rate swap (income) expense .....	—	—	(15,726)
Amortization of deferred gain on terminated interest rate swap .....	(13,185)	(16,708)	(2,785)
Other .....	419	445	538
<b>Total</b> .....	<b>\$ 54,787</b>	<b>\$ 63,836</b>	<b>\$ 61,282</b>

Debt issuance costs relating to the Repriced Term Loans are capitalized in long-term debt in the Consolidated Balance Sheets and amortized to interest expense and other financing costs in the Consolidated Statements of Operations over its term using the effective interest method. The unamortized debt issuance costs relating to the Revolving Facility are capitalized in other assets in the Consolidated Balance Sheets and amortized to interest expense and other financing costs in the Consolidated Statements of Operations on a straight-line basis over the term of the facility.

## NOTE 12. DERIVATIVES

### Interest Rate Swap

In 2020, the Company entered into an interest rate swap transaction (the “Swap”) to manage interest rate risk associated with a portion of its floating-rate long-term debt. Under the terms of the original Swap agreement,

the Company paid interest at a fixed rate of interest on a quarterly basis and received interest at the three-month LIBOR rate in effect for that quarter.

The Swap was designated as a cash flow hedge. Accordingly, the Swap was measured at fair value with mark-to-market gains or losses deferred and included in AOCI, net of tax, to the extent the hedge was determined to be effective. Gains or losses from the Swap are reclassified to interest expense in the same period during which the hedged transaction affected earnings. Cash flows from the Swap are classified as operating cash flows in the Consolidated Statements of Cash Flows consistent with the classification of cash flows from the hedged transactions.

In 2023, the Company monetized the gain on the Swap and entered into an agreement to terminate the Swap ("Swap Termination Agreement"). The Swap Termination Agreement was effective on October 30, 2023. Under the Swap Termination Agreement, the Swap counterparty agreed to pay the Company \$43.4 million in cash, which was comprised of the \$45.8 million value of the Swap on the termination date inclusive of \$1.4 million of interest receivable less \$2.4 million in swap unwind costs. The Swap unwind costs of \$2.4 million were recorded in general and administrative costs on the Consolidated Statement of Operations for the year ended December 31, 2023.

As a result of the Swap Termination Agreement, the Company recorded a \$44.4 million deferred gain in AOCI, before tax, replacing the \$44.4 million fair value of the Swap in AOCI, before tax. The deferred gain on the Swap monetization was being amortized on a straight-line basis through July 1, 2026. On September 23, 2025, the Company entered into the Sixth Amendment of the Credit Agreement, which extended the maturity of the Repriced Term Loans to September 23, 2032. Refer to Note 11, *Debt*, for further information on the Sixth Amendment to the Credit Agreement. The deferred gain on the termination of the Swap is being amortized on a straight-line basis through September 23, 2032 and is included in interest expense and other financing costs on the Consolidated Statements of Operations. For the years ended December 31, 2025, 2024 and 2023, the Company recorded \$13.2 million, \$16.7 million, and \$18.5 million, respectively, in amortization of deferred gain on Swap monetization. As of December 31, 2025 and 2024, the unamortized deferred gain on Swap monetization was \$11.7 million and \$24.9 million, respectively, before tax.

Due to the termination of the Swap, there was no amount receivable from the Swap counterparty at December 31, 2025 and 2024.

The following tables summarize the classification of the Swap in our consolidated financial statements (in thousands):

<u>Statements of Operations</u>	<u>Description</u>	<u>Year ended December 31,</u>		
		<u>2025</u>	<u>2024</u>	<u>2023</u>
Interest income (expense) and other financing costs .....	Reclassification from AOCI – Swap income/expense	\$ —	\$ —	\$ 15,726
Interest income (expense) and other financing costs .....	Reclassification from AOCI – Amortization of Swap deferred gain	13,185	16,708	2,785
Total .....		\$ 13,185	\$ 16,708	\$ 18,511

<u>Statements of Comprehensive Income</u>	<u>Description</u>	<u>Year ended December 31,</u>		
		<u>2025</u>	<u>2024</u>	<u>2023</u>
Other comprehensive income (loss) .....	Swap income (loss), net of tax	\$ —	\$ —	\$ (1,970)
Other comprehensive income (loss) .....	Amortization of deferred gain on terminated Swap, net of tax	(9,929)	(12,607)	(2,184)
Total .....		\$ (9,929)	\$ (12,607)	\$ (4,154)

### NOTE 13. RESTRUCTURING AND INTEGRATION COSTS

In connection with business combinations, asset purchases and changes in business strategy, the Company incurs costs integrating investment platforms, products and personnel into existing systems, processes and service provider arrangements and restructuring the business to capture operating expense synergies.

The following table presents a rollforward of restructuring and integration liabilities, which as of December 31, 2025, 2024 and 2023 were included in accounts payable and accrued expenses on the Consolidated Balance Sheets.

<i>(in millions)</i>	Year Ended December 31,		
	2025	2024	2023
Liability balance, beginning of period.....	\$ 0.2	\$ 0.4	\$ 0.3
Severance expense.....	19.0	0.4	0.6
Contract termination expense.....	—	—	—
Integration costs.....	10.7	1.0	—
Restructuring and integration costs.....	29.7	1.4	0.6
Settlement of liabilities.....	(24.5)	(1.6)	(0.5)
<b>Liability balance, end of period.....</b>	<b>\$ 5.4</b>	<b>\$ 0.2</b>	<b>\$ 0.4</b>

#### NOTE 14. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents changes in accumulated other comprehensive income (loss) by component for the years ending December 31, 2025, 2024, and 2023.

<i>(in thousands)</i>	Cash Flow Hedges (1)(2)	Cumulative Translation Adjustment	Total
<b>Balance, December 31, 2022</b> .....	<b>35,614</b>	<b>(172)</b>	<b>35,442</b>
Other comprehensive income (loss) before reclassification and tax.....	13,214	54	13,268
Tax impact.....	(2,850)	(14)	(2,864)
Reclassification adjustments, before tax <sup>(3)</sup> .....	(18,511)	—	(18,511)
Tax impact.....	3,993	—	3,993
Net current period other comprehensive income (loss).....	<u>(4,154)</u>	<u>40</u>	<u>(4,114)</u>
<b>Balance, December 31, 2023</b> .....	<b>31,460</b>	<b>(132)</b>	<b>31,328</b>
Other comprehensive income (loss) before reclassification and tax.....	—	(50)	(50)
Tax impact.....	—	12	12
Reclassification adjustments, before tax.....	(16,708)	—	(16,708)
Tax impact.....	4,101	—	4,101
Net current period other comprehensive income (loss).....	<u>(12,607)</u>	<u>(38)</u>	<u>(12,645)</u>
<b>Balance, December 31, 2024</b> .....	<b>\$ 18,853</b>	<b>\$ (170)</b>	<b>\$ 18,683</b>
Other comprehensive income (loss) before reclassification and tax.....	—	352	352
Tax impact.....	—	(86)	(86)
Reclassification adjustments, before tax.....	(13,185)	—	(13,185)
Tax impact.....	3,256	—	3,256
Net current period other comprehensive income (loss).....	<u>(9,929)</u>	<u>266</u>	<u>(9,663)</u>
<b>Balance, December 31, 2025</b> .....	<b>\$ 8,924</b>	<b>\$ 96</b>	<b>\$ 9,020</b>

- (1) Reclassifications out of AOCI(L) related to cash flow hedges are recorded in interest expense and other financing costs
- (2) On October 30, 2023, the Company terminated the Swap. The termination resulted in a \$44.4 million deferred gain recorded in AOCI, before tax, and the elimination of the unrealized gain on cash flow hedge recorded in AOCI prior to the termination. The deferred gain is being amortization a straight-line basis over the remaining term of the hedged debt (through September 23, 2032). Refer to Note 12, *Derivatives*, for further information on the monetization of the interest rate swap gain.

- (3) Reclassification adjustments, before tax, includes \$15,726 of income reclassified out of AOCI prior to the termination of the Swap and \$2,785 of amortization of deferred gain following the termination of the Swap.

## NOTE 15. SHARE-BASED COMPENSATION

### Equity Incentive Plans

The Company's Amended and Restated 2018 Stock Incentive Plan (the "2018 Plan") authorizes the grant of non-qualified stock options, incentive stock options, restricted stock awards, restricted stock units, stock appreciation rights, performance awards and other awards that may be settled in or based upon shares of the Company's Common Stock. The aggregate number of shares of common stock authorized for issuance under the 2018 Plan is 6.2 million shares. As of December 31, 2025, 2.7 million shares of Common Stock remained available for issuance under the 2018 Plan.

The Company also maintains the Victory Capital Holdings, Inc. 2018 Employee Stock Purchase Plan (the "ESPP Plan"). Under the Company's approved offerings under the ESPP Plan, shares of Common Stock are available for purchase at three month calendar intervals at a 5 percent discount from the market price on the purchase date, which is the last day of each calendar quarter during the six month offering period. Amounts purchased by an individual cannot exceed \$25,000 worth of stock in any given calendar year. A total of 0.4 million shares of Common Stock is available for issuance under the ESPP Plan. As of December 31, 2025, 0.3 million shares of Common Stock remained available for issuance under the ESPP Plan.

### Grant Activity

During the years ended December 31, 2025, 2024 and 2023 the Company issued restricted stock awards with the following vesting terms:

<i>(shares in thousands)</i>	Year to Date ended December 31,		
	2025	2024	2023
<b>Vesting Terms</b>			
Fully vested on the grant date.....	16	24	39
Ratably over two years.....	58	76	68
Ratably over three years.....	303	95	259
Ratably over four years.....	300	291	24
Cliff vest after twenty-one months.....	—	47	—
Cliff vest after two years.....	45	3	84
33% over two years and 67% over one year.....	—	—	34
67% over two years and 33% over one year.....	—	—	32
50% over two years and 50% over three years.....	12	—	—
<b>Total Restricted Stock Awards Issued.....</b>	<b>734</b>	<b>536</b>	<b>540</b>

The following tables presents activity during the years ended December 31, 2025, 2024, and 2023 related to stock option awards and restricted stock awards.

<i>(units in thousands)</i>	Shares Subject to Stock Option Awards								
	Year to Date Ended December 31,								
	2025			2024			2023		
	Avg wtd grant-date fair value	Avg wtd exercise price	Units	Avg wtd grant-date fair value	Avg wtd exercise price	Units	Avg wtd grant-date fair value	Avg wtd exercise price	Units
Outstanding at beginning of period.....	\$ 5.08	\$ 9.94	720	\$ 4.68	\$ 8.76	1,802	\$ 4.31	\$ 7.57	2,884
Forfeited.....	—	—	—	3.96	5.99	(6)	6.32	13.84	(1)
Exercised.....	4.80	9.02	(137)	4.42	7.99	(1,076)	3.69	5.58	(1,081)
Outstanding at end of the period	<u>\$ 5.14</u>	<u>\$ 10.15</u>	<u>583</u>	<u>\$ 5.08</u>	<u>\$ 9.94</u>	<u>720</u>	<u>\$ 4.68</u>	<u>\$ 8.76</u>	<u>1,802</u>
Vested.....	\$ 5.27	\$ 10.55	408	\$ 5.15	\$ 10.17	544	\$ 4.66	\$ 8.71	1,626
Unvested.....	4.85	9.23	175	4.85	9.23	176	4.85	9.23	176

Total intrinsic value of stock options exercised in 2025, 2024, and 2023 was \$6.5 million, \$43.4 million, and \$28.5 million respectively.

<i>(units in thousands)</i>	Restricted Stock Awards For Year Ended December 31,					
	2025		2024		2023	
	Avg wtd fair value	Units	Avg wtd fair value	Units	Avg wtd fair value	Units
Unvested at beginning of period.....	\$ 36.67	911	\$ 30.39	853	\$ 25.38	1,153
Granted.....	59.62	734	41.71	536	30.25	540
Vested.....	34.93	(441)	31.00	(462)	22.96	(786)
Forfeited.....	37.95	(62)	34.46	(16)	29.55	(54)
Unvested at end of period.....	<u>\$ 52.00</u>	<u>1,142</u>	<u>\$ 36.67</u>	<u>911</u>	<u>\$ 30.39</u>	<u>853</u>

Share-based compensation expense for equity awards is measured at the grant date, based on the estimated fair value of the award, and recognized over the requisite employee service period. Stock option awards have a ten year contractual life.

The Company uses the Common Stock closing price on the grant date as the grant date fair value of restricted share awards. For stock option awards, the grant date fair value of stock option awards is computed using Black-Scholes option pricing framework.

#### Share-based Compensation Expense

Share-based compensation expense is included within personnel compensation and benefits in the Consolidated Statements of Operations. The following table summarizes share-based compensation expense, related tax benefits, and the total fair value of restricted share awards vested.

<i>(in thousands)</i>	Year to Date ended December 31,		
	2025	2024	2023
Share-based compensation expense.....	\$ 20,442	\$ 15,220	\$ 16,548
Share-based compensation related tax benefits ...	4,702	3,698	4,021
Total fair value of restricted share awards vested.	25,337	19,459	23,123

As of December 31, 2025, the Company expects to recognize total share-based compensation expense of \$42.2 million over a weighted average period of 2.1 years. The aggregate intrinsic value of stock options currently exercisable at December 31, 2025, 2024 and 2023 was \$21.5 million, \$30.1 million and \$41.6 million, respectively.

#### Shares Withheld for net settlement of employee equity awards

Shares of Common Stock are available for issuance under the 2018 Plan as determined by the Compensation Committee of the Company's board of directors. Shares underlying awards that are settled in cash, expire or are canceled, forfeited or otherwise terminated without delivery to a participant will again be available for issuance under the 2018 Plan. In addition, shares withheld or surrendered in connection with the payment of an exercise price of an award or to satisfy tax withholding will again be available for issuance under the 2018 Plan.

The following table presents both share and dollar value information about shares withheld for net settlement of employee equity awards:

<i>(in thousands)</i>	For the years ended December 31,		
	2025	2024	2023
Total number of shares net settled.....	217	742	786
Employee tax obligations satisfied .....	\$ 11,774	\$ 26,408	\$ 18,654
Employee stock option costs satisfied .....	<u>1,218</u>	<u>8,335</u>	<u>5,791</u>
Total withheld related to net settlement of equity awards.....	<u>\$ 12,992</u>	<u>\$ 34,743</u>	<u>\$ 24,445</u>

## NOTE 16. EARNINGS PER SHARE

The following table sets forth the computation of basic earnings per share and diluted earnings per share for the years ended December 31, 2025, 2024 and 2023:

<i>(in thousands, except per share amounts)</i>	Year Ended December 31,		
	2025	2024	2023
<b>Numerator for earnings per common share:</b>			
Net Income .....	\$ 330,062	\$ 288,864	\$ 213,157
Preferred stock dividends .....	(29,138)	—	—
Net income attributable to preferred stockholders .....	(30,773)	—	—
<b>Income attributable to common stockholders for basic earnings per share<sup>(1)</sup></b>	<b>\$ 270,151</b>	<b>\$ 288,864</b>	<b>\$ 213,157</b>
Allocation adjustment to income attributable to preferred stockholders <sup>(2)</sup> .....	358	—	—
<b>Income attributable to common stockholders for diluted earnings per share</b>	<b>\$ 270,509</b>	<b>\$ 288,864</b>	<b>\$ 213,157</b>
<b>Denominator for earnings per common share:</b>			
Basic: Weighted average number of shares outstanding .....	65,439	64,607	66,202
Plus: Incremental shares from assumed conversion of dilutive instruments .....	937	1,321	2,012
Diluted: Weighted average number of shares outstanding .....	66,376	65,928	68,214
<b>Earnings per share</b>			
Basic:	\$ 4.13	\$ 4.47	\$ 3.22
Diluted:	\$ 4.08	\$ 4.38	\$ 3.12

- (1) Under the two-class method, total dividends provided to and undistributed earnings allocated to the preferred stockholders are subtracted from net income in determining income attributable to common stockholders.
- (2) This amount reflects the impact of reversing undistributed earnings allocated to preferred stockholders in the basic earnings per share calculation and reallocating undistributed earnings to preferred stockholders and common stockholders including the impact of dilutive instruments.

Outstanding instruments excluded from the computation of weighted average shares for diluted earnings per share because the effect would be anti-dilutive were de minimis for the years ended December 31, 2025, 2024 and 2023. Holders of non-vested share-based compensation awards do not have rights to receive nonforfeitable dividends on the shares covered by the awards.

## NOTE 17. LEASES

The Company determines if a contract is a lease at inception. We have leases primarily for office facilities and information technology equipment. All of our leases are classified as operating leases.

Supplemental balance sheet information related to the Company's operating leases as of December 31, 2025 and 2024 is as follows:

<i>(in thousands)</i>	December 31,	
	2025	2024
Operating lease ROU assets <sup>(1)</sup> .....	\$ 48,650	\$ 19,839
Current portion of operating lease liabilities <sup>(2)</sup> .....	7,711	2,932
Noncurrent portion of operating lease liabilities <sup>(2)</sup> .....	37,899	17,939
Total operating lease liabilities <sup>(3)</sup> .....	<u>\$ 45,610</u>	<u>\$ 20,871</u>

- (1) ROU assets are recorded in other assets on the Consolidated Balance Sheets.
- (2) Current portion and noncurrent portion of operating lease liabilities are recorded in other liabilities on the Consolidated Balance Sheets.
- (3) The increase in lease liabilities during 2025 primarily relates to our Boston, Massachusetts location.

	2025	2024
Weighted-average remaining lease term.....	6.4 years	8.3 years
Weighted-average discount rate.....	6.1%	6.7%

The components of lease expense and other lease information for the years ended December 31, 2025 and 2024 are as follows:

<i>(in thousands)</i>	Year Ended December 31,	
	2025	2024
Operating lease cost.....	\$ 8,955	\$ 5,052
Short-term lease cost.....	—	—
Variable lease cost.....	4,076	1,671
Gross lease cost.....	13,031	6,723
Sub-lease income.....	(65)	(604)
Net lease cost.....	<u>\$ 12,966</u>	<u>\$ 6,119</u>

#### Other lease information

Cash paid for amounts included in measurement of lease liabilities

Operating cash flows for operating leases.....	\$ 8,363	\$ 5,517
------------------------------------------------	----------	----------

In general, our leases have remaining lease terms of approximately 1 year to 11 years. These leases generally contain renewal options for periods ranging from two to five years. Because the Company is not reasonably certain to exercise these renewal options, the options are not considered in determining the lease term and associated potential option payments are excluded from lease payments. Expenses associated with operating leases are recorded in general and administrative expenses on the Consolidated Statement of Operations. Variable lease costs, such as utilities and common area maintenance charges, are excluded from lease liabilities and expensed as incurred. The variable lease costs are determined based on terms in the lease contracts and primarily relate to usage of the ROU asset and services received from the lessor.

Future undiscounted cash flows related to our operating leases and the reconciliation to operating lease liabilities as of December 31, 2025 are shown in the table below.

<i>(in thousands)</i>	As of December 31, 2025	
2026.....	\$	10,197
2027.....		9,093
2028.....		8,582
2029.....		8,267
2030.....		7,094
Thereafter.....		12,738
Total undiscounted lease payments.....		55,971
Less: imputed interest.....		10,361
Total lease liabilities.....	<u>\$</u>	<u>45,610</u>

## NOTE 18. EMPLOYEE BENEFIT PLANS

The Company maintains a defined contribution 401(k) Plan (the “401(k) Plan”), covering substantially all employees who have met the eligibility requirements. The 401(k) Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 and the Economic Growth and Tax Relief Reconciliation Act of 2001. In 2025, 2024 and 2023 the Company recognized expense of \$8.5 million, \$5.4 million and \$5.0 million in employer matched contributions, respectively.

The Company sponsors a deferred compensation plan primarily for the benefit of a select group of management or highly compensated employees (“Employee DC Plan”) as a means to reward and motivate them. The Company purchases mutual funds as directed by the plan participants to fund its related obligations. Such securities are held in a rabbi trust for the participants, and under the terms of the trust agreement, the assets of the trust are available to satisfy the claims of the Company’s general creditors in the event of bankruptcy.

The Company created a deferred compensation plan for non-employee members of our board of directors (the “Director DC Plan”). Benefits payable under the Director DC Plan are payable from the Company’s general assets. Amounts contributed under the Director DC Plan and earnings on those amounts are subject to the claims of the Company’s general creditors.

Gains and losses from fluctuations in value of deferred compensation plan investments are included in interest income and other income (expense) in the Consolidated Statements of Operations and are offset entirely by the corresponding changes in value of the deferred compensation liability. Changes in the value of the Employee DC Plan and Director DC Plan liabilities are recorded in personnel compensation and benefits and general and administrative expense, respectively, in the Consolidated Statements of Operations. Investments held under both deferred compensation plans are recorded in deferred compensation plan investments in the Consolidated Balance Sheets.

The following table presents the components of deferred compensation plan-related expense related to the Employee DC Plan.

<i>(in thousands)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Employee contributions .....	\$ 1,507	\$ 1,463	\$ 1,529
Employer contributions .....	752	607	683
Change in value of deferred compensation plan liability .....	4,330	2,766	2,754
Total .....	<u>\$ 6,589</u>	<u>\$ 4,836</u>	<u>\$ 4,966</u>

Expense related to the Director DC plan was de minimis for the years ended December 31, 2025, 2024 and 2023.

## NOTE 19. SEGMENT REPORTING

ASU 2023-07, which is based on a management approach to segment reporting, establishes requirements to report segment revenue and significant expenses reported in Net income, the primary measurement used by our CODM in evaluating segment performance.

The Company provides investment management services and products to institutional, intermediary, retirement platforms and individual investors. The presentation of financial results as one reportable segment is consistent with the way discrete financial information is available that is regularly provided to our Chief Executive Officer, the CODM. When making decisions about allocating resources, assessing performance, and understanding how our long-term organic revenue growth is driven by investment decisions our CODM uses Net income and considers the impact on consolidated, entity-wide performance and financial results.

Significant segment expenses are presented in the Consolidated Statements of Operations. Additional disaggregated significant segment expenses that are not separately presented in the Consolidated

Statements of Operations are presented below. Supplemental information related to significant segment expenses included the Consolidated Statements of Operations is as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Salaries, payroll related taxes and employee benefits..	\$ 136,161	\$ 88,599	\$ 90,884
Incentive compensation.....	140,133	102,712	87,081
Sales-based compensation <sup>(1)</sup> .....	38,661	24,338	20,945
Equity awards granted to employees and directors <sup>(2)</sup> ....	20,442	15,220	16,548
Acquisition and transaction-related compensation <sup>(3)</sup> .....	27,594	(13,655)	5,534
<b>Total personnel compensation and benefits expense.....</b>	<b>\$ 362,991</b>	<b>\$ 217,214</b>	<b>\$ 220,992</b>

<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Broker-dealer distribution fees .....	\$ 70,725	\$ 20,222	\$ 20,275
Platform distribution fees.....	121,734	89,233	92,509
Sub-administration .....	21,015	17,010	15,877
Sub-advisory .....	7,471	9,152	10,576
Middle-office.....	11,046	10,872	10,359
<b>Total distribution and other asset-based expenses .....</b>	<b>\$ 231,991</b>	<b>\$ 146,489</b>	<b>\$ 149,596</b>

- (1) Represents sales-based commissions paid to our distribution teams. Sales-based compensation varies based on gross and net client cash flows and revenue earned on sales.
- (2) Share-based compensation typically vests over several years based on service and the achievement of specific business and financial targets. The value of share-based compensation is recognized as compensation expense over the vesting period.
- (3) Acquisition and transaction-related compensation costs for the year ended December 31, 2025 primarily consists of vesting of certain Amundi US deferred compensation awards for former Amundi US employees. For the year ended December 31, 2024 acquisition and transaction-related compensation consisted of a decrease in the NEC contingent payment compensation.

Substantially all of the Company's identifiable assets are located in the United States. In addition, we have historically derived substantially all of our revenue from clients in the United States.

## NOTE 20. NET CAPITAL REQUIREMENTS

VCS is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1 under the Exchange Act) administered by the SEC and FINRA, which requires the maintenance of minimum net capital, as defined, and requires that the ratio of aggregate indebtedness to net capital, cannot exceed 15 to 1. Net capital and the related net capital requirement may fluctuate on a daily basis.

At December 31, 2025, VCS had net capital under the Rule 15c3-1 of \$5.0 million, which was \$4.4 million in excess of its minimum required net capital of \$0.6 million. At December 31, 2024, VCS had net capital under the Rule 15c3-1 of \$1.2 million, which was \$1.1 million in excess of its minimum required net capital of \$0.1 million. The Company's ratio of aggregate indebtedness to net capital as of December 31, 2025 and 2024 was 1.68 to 1 and 1.66 to 1, respectively.

Capital requirements may limit the amount of cash available for dividend from VCS to the parent company. VCS's cash and cash equivalents are generally not available for corporate purposes.

## NOTE 21. COMMITMENTS AND CONTINGENCIES

### Legal Proceedings

From time to time, the Company may be subject to legal proceedings and claims in the ordinary course of business. The Company is not currently a party to any material legal proceedings.

**NOTE 22. SUBSEQUENT EVENTS**

On February 4, 2026, our Board of Directors declared a quarterly cash dividend of \$0.49 per share on Victory common stock. The dividend is payable on March 25, 2026, to stockholders of record on March 10, 2026.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Victory Capital Holdings, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Victory Capital Holdings, Inc. and subsidiaries (the Company) as of December 31, 2024, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We served as the Company's auditor from 2013 to 2025.

Cleveland, Ohio  
February 28, 2025

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Victory Capital Holdings, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Victory Capital Holdings, Inc. and subsidiaries (the “Company”) as of December 31, 2025, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders’ equity, and cash flows, for the year ended December 31, 2025, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 26, 2026, expressed an unqualified opinion on the Company’s internal control over financial reporting.

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Other Matter

The financial statements of the Company as of December 31, 2024 and December 31, 2023, and for the years then ended, were audited by another auditor, who expressed an unqualified opinion on those financial statements in its report dated February 28, 2025.

### Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit

committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### **Valuation of Pioneer Investments Intangible Assets Acquired— Refer to Notes 4 and 9 to the financial statements**

#### *Critical Audit Matter Description*

On April 1, 2025, the Company completed the transactions contemplated by the Contribution Agreement with Amundi Asset Management S.A.S (Amundi) to combine Amundi's U.S. business into the Company (and reintroduced the brand Pioneer Investments). The acquisition was accounted for as a business combination. Accordingly, the Company allocated the purchase price to the assets acquired and liabilities assumed based on their estimated fair values at the date of the transaction close. The Company recorded approximately \$1,278 million of intangible assets primarily related to management contracts and the trade name as of the acquisition date.

Management estimated the fair value of the intangible assets acquired using a multi-period excess earnings method for the investment management and distribution contracts acquired, and a royalty savings method for the trade name acquired. The fair value determination required management to make **significant** estimates and assumptions related to future cash flows and the selection of the discount rates and long-term growth rate for these intangible assets.

The inputs used in estimating the fair value of the intangible assets acquired are in most cases unobservable and **reflect** management's own judgments about the assumptions market participants would use in valuing the intangible assets. Auditing the fair values involved a high degree of judgment and an increased extent of effort, including involving our internal fair value specialists in evaluating management's judgments especially as it relates to management's assumptions of future cash flows, discount rates, and long-term growth rates.

#### *How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the valuation of the acquired intangible assets were completed with the assistance of our fair value specialists and included the following, among others:

- We tested the design and operating effectiveness of the Company's valuation of the intangible assets acquired including controls over management's projections of future cash flows, discount rates, and long-term growth rate.
- We assessed the reasonableness of **significant** business assumptions related to future cash flows, by comparing the projections to historical results and certain peer companies and, on a sample basis, obtained audit evidence to substantiate the assumptions therein.
- We evaluated the reasonableness of the valuation methodologies used by

management to determine whether they were consistent with generally accepted valuation practices.

- We evaluated the reasonableness of the discount rates and long-term growth rate by:
  - Testing the source information underlying the determination of the discount rates and testing the mathematical accuracy of the calculation.
  - Developing a range of independent estimates and comparing those to the discount rates selected by management.
  - Evaluating the appropriateness of management's selection of guideline public companies used in developing the discount rates.
  - Analyzing inflation, economic, and industry growth statistics to determine whether management's long-term growth rate used fell within a reasonable range of the market data.
  
- We evaluated whether the assumptions used were consistent with evidence obtained in other areas of the audit.

/s/ Deloitte & Touche LLP

Boston, Massachusetts  
February 26, 2026

We have served as the Company's auditor since 2025.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Victory Capital Holdings, Inc.

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Victory Capital Holdings, Inc. and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 26, 2026, expressed an unqualified opinion on those financial statements.

### Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Boston, Massachusetts  
February 26, 2026

## **ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.**

None

## **ITEM 9A. CONTROLS AND PROCEDURES.**

### ***Evaluation of Disclosure Controls and Procedures***

Regulations under the Exchange Act require public companies, including us, to maintain “disclosure controls and procedures,” which are defined in Rule 13a-15(e) and Rule 15d-15(e) to mean a company’s controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required or necessary disclosures.

In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost benefit relationship of possible disclosure controls and procedures.

Based on the evaluation of the effectiveness of the disclosure controls and procedures by our management as of December 31, 2025, our chief executive officer and chief financial officer have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

### ***Management’s Report on Internal Control over Financial Reporting***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act. Under the supervision of our management, including our chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2025 using the criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. Based on our evaluation under the COSO framework, our management concluded that our internal control over financial reporting is effective as of December 31, 2025 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Our independent auditor, Deloitte & Touche LLP, an independent registered public accounting firm, has issued an audit report on the effectiveness of our internal control over financial reporting which appears in Item 8 of this Annual Report.

### ***Changes in Internal Control over Financial Reporting***

Regulations under the Exchange Act require public companies, including our company, to evaluate any change in our “internal control over financial reporting” as such term is defined in Rule 13a-15(f) and Rule 15d-15(f) of the Exchange Act. In connection with their evaluation of our disclosure controls and procedures, our chief executive officer and chief financial officer did not identify any change in our internal control over financial reporting during the most recent fiscal quarter that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **ITEM 9B. OTHER INFORMATION.**

During the quarter ended December 31, 2025, none of the Company’s directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement, as such terms are defined under Item 408(a) of Regulation S-K.

### **PART III**

#### **ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.**

Insider Trading Policy. Victory has adopted an Insider Trading Policy (the “Trading Policy”) that applies to all designated executive officers, directors, and employees of Victory. The Trading Policy is designed to promote compliance with insider trading laws, rules and regulations with respect to the purchase, sale and/or other dispositions of Victory’s securities, as well as the applicable rules and regulations of NASDAQ. The Trading Policy addresses the implementation of certain blackout periods in Victory’s securities (including common stock, debt, options and other related derivative securities) for covered persons. A copy of the Trading Blackout Policy is filed as an exhibit to this Annual Report.

The other information required by this Item is set forth in our definitive proxy statement required to be filed pursuant to Regulation 14A for the 2026 annual meeting of shareholders.

#### **ITEM 11. EXECUTIVE COMPENSATION.**

The information required by this Item is set forth in our definitive proxy statement required to be filed pursuant to Regulation 14A for the 2026 annual meeting of shareholders.

#### **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS.**

The information required by this Item is set forth in our definitive proxy statement required to be filed pursuant to Regulation 14A for the 2026 annual meeting of shareholders.

#### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.**

The information required by this Item is set forth in our definitive proxy statement required to be filed pursuant to Regulation 14A for the 2026 annual meeting of shareholders.

#### **ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.**

The information required by this Item is set forth in our definitive proxy statement required to be filed pursuant to Regulation 14A for the 2026 annual meeting of shareholders.

## PART IV

### ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

- (1) Financial Statements: The information required by this Item is contained in Item 8 of Part II of this report.
- (2) Financial Statement Schedules: None
- (3) Exhibits: See Exhibit Index

### ITEM 16. FORM 10-K SUMMARY.

None

### EXHIBIT INDEX

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of the Registrant (Filed as Exhibit 3.1 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
3.2	Amended and Restated Bylaws of the Registrant (Filed as Exhibit 3.2 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
3.3	Second Amended and Restated Certificate of Incorporation of the Registrant (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, File No. 001-38388, dated November 23, 2021, and incorporated herein by reference).
3.4	Certificate of Amendment of Second Amended and Restated Certificate of Incorporation (Filed as Exhibit 3.2 to the Company's Registration Statement on Form S-3, File No. 333-288428, dated June 30, 2025, and incorporated herein by reference).
3.5	Certificate of Designations, Preferences and Rights of Series A Non-Voting Convertible Preferred Stock (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, File No. 001-38388, dated April 3, 2025, and incorporated herein by reference).
4.1	Form of Class A common stock certificate (Filed as Exhibit 4.1 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
4.2	Form of Class B common stock certificate (Filed as Exhibit 4.2 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
4.3	Second Amended and Restated Shareholders' Agreement, dated as of February 12, 2018 (Filed as Exhibit 4.3 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
4.4	Employee Shareholders' Agreement, dated as of February 12, 2018 (Filed as Exhibit 4.4 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
4.5	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (filed as Exhibit 4.5 to the Company's Report on Form 10-K, File No. 001-38388, on March 13, 2020, and incorporated herein by reference).
4.6	Shareholder Agreement, dated as of April 1, 2025, between the Company and Amundi Asset Management S.A.S. (Filed as Exhibit 4.1 to the Company's Report on Form 8-K, File No. 001-38388, dated April 3, 2025, and incorporated herein by reference).

- 10.1 Form of Indemnification Agreement (Filed as Exhibit 10.1 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.2+ Form of Victory Capital Holdings, Inc. 2018 Stock Incentive Plan (Filed as Exhibit 10.2 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.3 Form of Victory Capital Holdings, Inc. 2018 Employee Stock Purchase Plan (Filed as Exhibit 10.3 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.4+ Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.4 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.5+ Amendment No. 1 to the Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.5 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.6+ Amendment No. 2 to the Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.6 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.7+ Amendment No. 3 to the Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.7 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.8+ Amendment No. 4 to the Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.8 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.9+ Victory Capital Management Inc. Severance Pay Plan and Summary Plan Description (Filed as Exhibit 10.9 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.10+ Victory Capital Holdings, Inc. Bonus Plan (Filed as Exhibit 10.10 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.11+ Victory Capital Management Inc. Deferred Compensation Plan (Filed as Exhibit 10.11 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.12+ First Amendment to the Victory Capital Management Inc. Deferred Compensation Plan (Filed as Exhibit 10.12 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.13+ First Addendum to the Victory Capital Management Inc. Deferred Compensation Plan (Filed as Exhibit 10.13 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.14+ Second Amendment to the Victory Capital Management Inc. Deferred Compensation Plan (Filed as Exhibit 10.14 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.15+ Form of Stock Option Grant Notice under the Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.15 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.16+ Form of Restricted Shares Grant Notice under the Victory Capital Holdings, Inc. Equity Incentive Plan (Filed as Exhibit 10.16 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).

- 10.17+ Form of Stock Option Grant Notice under the Victory Capital Holdings, Inc. 2018 Equity Incentive Plan (Filed as Exhibit 10.17 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.18+ Form of Restricted Shares Grant Notice under the Victory Capital Holdings, Inc. 2018 Equity Incentive Plan (Filed as Exhibit 10.18 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.19 Credit Agreement, dated as of February 12, 2018, among Victory Capital Holdings, Inc., as borrower, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent and collateral agent (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, dated February 15, 2018, and incorporated herein by reference).
- 10.20 Amendment No. 1 to Credit Agreement, dated as of May 3, 2018 among, inter alios, the Company, the other loan parties party thereto, the lenders party thereto and Royal Bank of Canada, in its capacities as administrative agent and collateral agent for the secured parties (in such capacities, the "Administrative Agent"), which amends the Credit Agreement, dated as of February 12, 2018 among the Company, the lenders from time to time party thereto and the Administrative Agent (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, dated May 8, 2018, and incorporated herein by reference).
- 10.21+ Employment Agreement by and between Victory Capital Holdings, Inc. and David C. Brown, dated as of March 20, 2017 (Filed as Exhibit 10.26 to the Company's Report on Form S-1/A, File No. 333-222509, dated February 6, 2018, and incorporated herein by reference).
- 10.23 Amended and Restated Commitment Letter, dated as of September 24, 2018, by and among Royal Bank of Canada, Barclays Bank PLC and Victory Capital Holdings, Inc. (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, dated September 27, 2018, and incorporated herein by reference).
- 10.24 Stock Purchase Agreement, dated November 6, 2018, by and among the Company, USAA Investment Corporation and, for certain limited purposes, USAA Capital Corporation (Filed as Exhibit 2.1 to the Company's Report on Form 8-K, File No. 001-38388, dated November 6, 2018, and incorporated herein by reference).
- 10.25 Commitment Letter, dated as of November 6, 2018, by and among Barclays Bank PLC, Royal Bank of Canada, and Victory Capital Holdings, Inc. (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, dated November 6, 2018, and incorporated herein by reference).
- 10.27 Amendment No. 1 to the Stock Purchase Agreement with USAA Investment Corporation and USAA Capital Corporation, dated as of June 28, 2019 (filed as Exhibit 2.2 to the Company's Report on Form 8-K, File No. 001-38388, on July 1, 2019, and incorporated herein by reference).
- 10.28 2019 Credit Agreement among the Company, the lenders from time to time party thereto and Barclays Bank PLC, dated as of July 1, 2019 (filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, on July 1, 2019, and incorporated herein by reference).
- 10.29+ Third Amendment to the Victory Capital Management Inc. Deferred Compensation Plan, dated as of July 29, 2019 (filed as Exhibit 10.3 to the Company's Report on Form 10-Q, File No. 001-38388, on August 13, 2019, and incorporated herein by reference).
- 10.30+ Amendment and Restatement of the Victory Capital Management Inc. Deferred Compensation Plan, dated as of November 13, 2019 (filed as Exhibit 10.3 to the Company's Report on Form 10-Q, File No. 001-38388, on November 13, 2019, and incorporated herein by reference).
- 10.31+ Amendment and Restatement of the Victory Capital Management Inc. Deferred Compensation Plan, dated as of March 11, 2020 (filed as Exhibit 10.31 to the Company's

- Report on Form 10-K, File No. 001-38388, on March 13, 2020, and incorporated herein by reference).
- 10.32+ Victory Capital Management Inc. Director Deferred Compensation Plan dated as of December 12, 2019 (filed as Exhibit 10.31 to the Company's Report on Form 10-K, File No. 001-38388, on March 13, 2020, and incorporated herein by reference).
- 10.33 Second Amendment to the 2019 Credit Agreement dated as of February 18, 2021 (filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, on February 18, 2021, and incorporated herein by reference).
- 10.34 Victory Capital Management Inc. Director Deferred Compensation Plan dated as of December 12, 2019 (filed as Exhibit 10.31 to the Company's Report on Form 10-K, File No. 001-38388, on March 13, 2020, and incorporated herein by reference).
- 10.35 Underwriting Agreement dated as of November 17, 2021 (Filed as Exhibit 1.1 to the Company's Report on Form 8-K, File No. 001-38388, dated November 22, 2021, and incorporated herein by reference).
- 10.36 Unit Purchase Agreement, dated as of November 4, 2021, by and among the company, WestEnd Advisors, LLC, and the other parties listed thereto (filed as Exhibit 2.1 on Form 10-Q, File No. 001-38388, on November 8, 2021, and incorporated herein by reference).
- 10.37 Third Amendment to the 2019 Credit Agreement dated as of December 31, 2021 (filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, on January 5, 2022, and incorporated herein by reference).
- 10.38 Fourth Amendment to the 2019 Credit Agreement dated as of September 23, 2022 (filed as Exhibit 10.38 to the Company's Report on Form 10-K, File No. 001-38388, on March 6, 2023, and incorporated herein by reference).
- 10.39 Fifth Amendment to the 2019 Credit Agreement dated as of June 7, 2024 (filed as Exhibit 10.1 to the Company's Report on Form 10-K, File No. 001-38388, on June 13, 2024, and incorporated herein by reference).
- 10.40+ Amendment to the Victory Capital Management Inc. Deferred Compensation Plan, dated as of November 19, 2024 (filed as Exhibit 10.40 to the Company's Report on Form 10-K, File No. 001-38388, on February 28, 2025, and incorporated herein by reference).
- 10.41+ Second Amendment to the Victory Capital Management Inc. Deferred Compensation Plan, dated as of November 20, 2025 (filed herewith).
- 10.42 Contribution Agreement dated July 8, 2024, by and among Victory Capital Holdings, Inc., Amundi Asset Management S.A.S. and Amundi S.A. (filed as Exhibit 2.1 to the Company's Report on Form 10-Q, File No. 001-38388, on August 8, 2025, and incorporated herein by reference).
- 10.43 Sixth Amendment to the 2019 Credit Agreement dated as of September 23, 2025 (filed as Exhibit 10.1 to the Company's Report on Form 8-K, File No. 001-38388, on September 26, 2025, and incorporated herein by reference).
- 19.1 Victory Capital Holdings, Inc. Insider Trading Policy, Effective July 12, 2023 (filed as Exhibit 19.1 to the Company's Report on Form 10-K, File No. 001-38388, on February 28, 2025, and incorporated herein by reference).
- 21.1\* List of Subsidiaries
- 23.1\* Consent of Deloitte & Touche LLP
- 23.2\* Consent of Ernst & Young LLP
- 31.1\* Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley
- 31.2\* Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley

- 32.1\*\* Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2\*\* Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 97 Victory Capital Holdings, Inc. Compensation Clawback Policy, Effective October 26, 2023 (filed as Exhibit 97 to the Company's Report on Form 10-K, File No. 001-38388, on February 29, 2024, and incorporated herein by reference).
- 101\* The following information formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Audited Consolidated Balance Sheets as of December 31, 2025 and 2024, (ii) Audited Consolidated Statements of Operations for the years ended December 31, 2025, 2024 and 2023, (iii) Audited Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023, (iv) Audited Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023, (v) Audited Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2025, 2024 and 2023 and (vi) Notes to the Audited Consolidated Financial Statements.
- 104\* Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Filed herewith

\*\* Furnished herewith

+ This exhibit is a management contract or compensatory plan or arrangement.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on this 26th day of February, 2026.

### VICTORY CAPITAL HOLDINGS, INC.

By: /s/ DAVID C. BROWN  
Name: David C. Brown  
Title: *Chief Executive Officer and Chairman*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ DAVID C. BROWN</u> David C. Brown	Chief Executive Officer and Chairman (Principal Executive Officer)	February 26, 2026
<u>/s/ MICHAEL D. POLICARPO</u> Michael D. Policarpo	President, Chief Financial Officer and Chief Administrative Officer (Principal Financial Officer and Principal Accounting Officer)	February 26, 2026
<u>/s/ ROBERT DELANEY</u> Robert Delaney	Director	February 26, 2026
<u>/s/ LAWRENCE DAVANZO</u> Lawrence Davanzo	Director	February 26, 2026
<u>/s/ RICHARD M. DEMARTINI</u> Richard M. DeMartini	Director	February 26, 2026
<u>/s/ DOMINIQUE CARREL-BILLIARD</u> Dominique Carrel-Billiard	Director	February 26, 2026
<u>/s/ CELINE BOYER-CHAMMARD</u> Celine Boyer-Chammard	Director	February 26, 2026
<u>/s/ KARIN HIRTLE-GARVEY</u> Karin Hirtler-Garvey	Director	February 26, 2026
<u>/s/ MARY JACKSON</u> Mary Jackson	Director	February 26, 2026
<u>/s/ ALAN H. RAPPAPORT</u> Alan H. Rappaport	Director	February 26, 2026

[THIS PAGE INTENTIONALLY LEFT BLANK]



#### BOARD OF DIRECTORS

**David C. Brown**  
Chairman and Chief Executive Officer

**Céline Boyer-Chammard**  
Director

**Dominique Carrel-Billiard**  
Director

**Lawrence Davanzo**  
Director

**Robert V. Delaney Jr.**  
Director

**Richard M. DeMartini**  
Director

**Karin Hirtler-Garvey**  
Director

**Mary M. Jackson**  
Director

**Alan H. Rappaport**  
Director

#### NAMED EXECUTIVE OFFICERS

**David C. Brown**  
Chairman and Chief Executive Officer

**Michael D. Policarpo**  
President, Chief Financial Officer, and  
Chief Administrative Officer

**Nina Gupta**  
Chief Legal Officer and Head of Human  
Resource Administration

**Mannik Dhillon**  
President, Investment Franchises &  
Solutions Head of Product & Strategy

**Tom Sipp**  
Executive Vice President

#### CORPORATE OFFICE

**Victory Capital**  
15935 La Cantera Parkway  
San Antonio, TX 78256

#### INDEPENDENT AUDITORS

**Deloitte & Touche LLP**  
115 Federal Street  
Boston, MA 02110

#### TRANSFER AGENT

**Equiniti Trust Company, LLC ("EQ")**  
HelpAST@equiniti.com  
800.937.5449 or 718-921-8124

#### INVESTOR INQUIRIES

**Matthew Dennis, CFA**  
Chief of Staff  
Director, Investor Relations  
Phone: 216.898.2412  
Email: ir@vcm.com

## ANNUAL MEETING OF STOCKHOLDERS

**May 6, 2026 // 8:00 a.m. ET**

[www.virtualshareholdermeeting.com/VCTR2026](http://www.virtualshareholdermeeting.com/VCTR2026)

# Core Values

## **BUILD TRUST**

We go to great lengths to fulfill our commitments, and we work hard to do the right thing for our clients.

## **RESPECT AUTONOMY**

We value independent decision-making and respect the autonomy of each of our Investment Franchises and Solutions Platform.

## **INVEST PERSONALLY**

We are invested in our clients' success. We demonstrate that commitment by investing our time, energy, and our own assets in our strategies and our Company (VCTR).

## **CREATE ALIGNMENT**

We work together toward a common objective—helping our clients to achieve their goals. Our employees had more than \$350 million invested in our own products as of December 31, 2025.



15935 La Cantera Parkway  
San Antonio, TX 78256 [www.vcm.com](http://www.vcm.com)

©2026 Victory Capital Management Inc.