



Employee Equity

October 2019

Confidential

We will:

- explain key features of Victory's equity award programs.
- introduce the two AST systems that manage the equity award programs (Employee Central) and manage employee owned equity (Shareholder Central).
- provide a base for you to explore the application.

- VCTR and Equity Awards
- AST Introduction
- Intro to ESPP
- Intro to Restricted Stock Awards
- Intro to Stock Options
- Summary of AST Capabilities
- Resources for Assistance
- Questions
- AST Demo



- VCTR has 2 share classes

Class A

- ESPP offered under an employee stock purchase plan and owned by public
- Each Class A share is entitled to 1 vote per share

Class B

- Employees who invested in VCTR shares prior to IPO, Private Equity Owners, and Board Members
- Equity awards (Stock Options & Restricted Share Awards)
- Class B shares are *not* transferable to your broker
- Class B shares are convertible to Class A shares on a 1:1 basis
- Each Class B share is entitled to 10 votes per share

- Equity Awards

- Employee Stock Purchase Plan (“ESPP”)
 - Purchase Class A VCTR shares at a 5% discount
- Restricted Stock Awards (subject to vesting) (“RSA’s”)
 - Class B Shares awarded to employees with certain vesting restrictions and risk of forfeiture upon termination
- Non-Qualified Stock Options (“Options”)
 - Option to purchase Class B Shares upon vesting at the designated strike price (price on the grant date)

- American Stock Transfer and Trust Company, LLC (“AST”) represents approximately 40% of all marketplace equity tracking. Victory subscribes to two of their tracking services which you will login to via astfinancial.com/login depending on your needs (separate logins and passwords for both)
- Employee Central (“EPS”)
 - Restricted stock and option awards administration
 - Employee Stock Purchase Plan (“ESPP”)
- Shareholder Central (“TA”)
 - Owned equity – Vested Restricted Stock, Exercised Stock Options, and Pre-IPO purchases

AST provides an interactive solution for you to manage your VCTR equity holdings. You have the ability to view, analyze and transact on your various equity holdings / awards.

- Employee Stock Purchase Plan (ESPP)
 - Purchase VCTR Class A shares at a 5% discount of FMV
 - Minimum contribution of \$250.00 during each 6 month Offering Period
 - Maximum contribution of 5% of Annual Base Pay up to \$12,500 during each 6 month Offering Period
- All Full-Time U.S. Employees are eligible to participate
- Sign up through the Employee Central “EPS” at astfinancial.com/login

Welcome To Stock Purchase Program

- 2 Offering Periods a year
- Purchase VCTR stock 4 times a year (twice during each offering period) at a 5% discount of FMV at close of market on the date specified. (Purchase date may be earlier should the original date fall on a non-trading day)
- During a specified period (Change Window) you may change your election ONE time
 - You may not withdraw during this time but can change your election to zero

Offering Period	Open Enrollment Period *	Purchase Dates	Change Window *
January 1 through June 30, 2020	November 15 through December 15, 2019	<ul style="list-style-type: none"> • March 31, 2020 • June 30, 2020 	February 15 through March 15, 2020
July 1 through December 31, 2020	May 15 through June 15, 2020	<ul style="list-style-type: none"> • September 30, 2020 • December 31, 2020 	August 15 through September 15, 2020
January 1 through June 30, 2021	November 15 through December 15, 2020	<ul style="list-style-type: none"> • March 31, 2021 • June 30, 2021 	February 15 through March 15, 2021
July 1 through December 31, 2021	May 15 through June 15, 2021	<ul style="list-style-type: none"> • September 30, 2021 • December 31, 2021 	August 15 through September 15, 2021

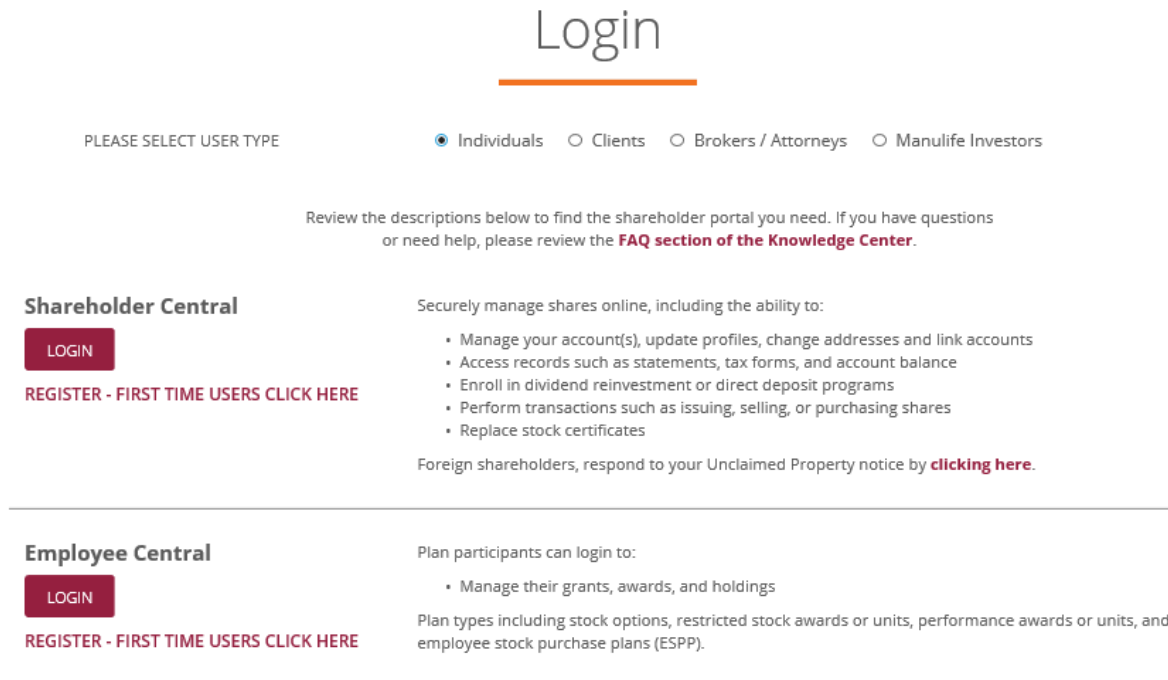
* Open enrollment periods and change windows are subject to change depending on Company imposed blackouts. All dates will be communicated by HR

- You can locate your Class A shares purchased under the ESPP program on Employee Central
- 60 Day minimum holding period after shares are purchased
- After the holding period expires, you can transfer your Class A shares to your broker or sell through AST.
 - **Best Practice Recommendation** – Consider transferring your shares to your broker as soon as the holding period expires. It's very likely the commissions your broker charges will be less than AST fees, but the transfer process takes a few days.
- Transfers to your broker do not require compliance approval, but any selling activity in the market does require compliance approval. Submit requests through MCO.
- Taxes are due at the time of sale on the difference between the purchase price and the sale price
 - 100 shares purchased at \$10.00 / share (\$1,000.00)
 - 100 shares sold at \$15.00 / share (\$1,500.00)
 - Taxes due on 100 shares at \$5.00 (\$500.00)

- Class B Shares that are subject to certain restrictions (usually vesting criteria) and a risk of forfeiture upon termination
- RSA's are subject to vesting
- Unvested RSA's are forfeited upon termination of employment
- Dividends are earned on unvested RSA's and payable when the RSA vests

Where are my RSA's?

- RSA's unvested can be found on AST's Employee Central
- RSA's once vested can be found on AST's Shareholder Central
- Each portal requires a different user name and password and cannot be accessed simultaneously



The screenshot shows the 'Login' page of the Victory Capital portal. At the top, the word 'Login' is centered with an orange underline. Below it, a prompt says 'PLEASE SELECT USER TYPE' followed by four radio button options: 'Individuals' (selected), 'Clients', 'Brokers / Attorneys', and 'Manulife Investors'. A paragraph of text instructs users to review descriptions below to find the shareholder portal they need and to refer to the FAQ section of the Knowledge Center for help. The page is divided into two main sections: 'Shareholder Central' and 'Employee Central'. Each section has a 'LOGIN' button and a 'REGISTER - FIRST TIME USERS CLICK HERE' link. The 'Shareholder Central' section lists capabilities like managing accounts, accessing records, and performing transactions, and includes a link for unclaimed property notices. The 'Employee Central' section lists capabilities like managing grants and awards, and mentions various plan types including ESPP.

Login

PLEASE SELECT USER TYPE

Individuals Clients Brokers / Attorneys Manulife Investors

Review the descriptions below to find the shareholder portal you need. If you have questions or need help, please review the [FAQ section of the Knowledge Center](#).

Shareholder Central

[LOGIN](#)

[REGISTER - FIRST TIME USERS CLICK HERE](#)

Securely manage shares online, including the ability to:

- Manage your account(s), update profiles, change addresses and link accounts
- Access records such as statements, tax forms, and account balance
- Enroll in dividend reinvestment or direct deposit programs
- Perform transactions such as issuing, selling, or purchasing shares
- Replace stock certificates

Foreign shareholders, respond to your Unclaimed Property notice by [clicking here](#).

Employee Central

[LOGIN](#)

[REGISTER - FIRST TIME USERS CLICK HERE](#)

Plan participants can login to:

- Manage their grants, awards, and holdings

Plan types including stock options, restricted stock awards or units, performance awards or units, and employee stock purchase plans (ESPP).

- Human Resources will provide communication related to upcoming vesting of RSA's
- RSA's are subject to tax implications upon vesting
- Log on to AST's Managed Shares through Employee Central to choose a tax withholding option (Can and should be done in advance)
 - “Withhold to Cover” – Shares to cover taxes are withheld and returned to the company, remaining NET shares are issued to you and are viewable in Shareholder Central
 - “Cash” – Payment is made to AST to cover taxes, all shares are issued to you and viewable in Shareholder Central. If payment is not received by AST within 10 days of the vesting event the “Cash” option will revert to “Withhold to Cover”
- Taxes are processed through Victory Payroll
- No pre-clearance is required from compliance to pay taxes on RSA's

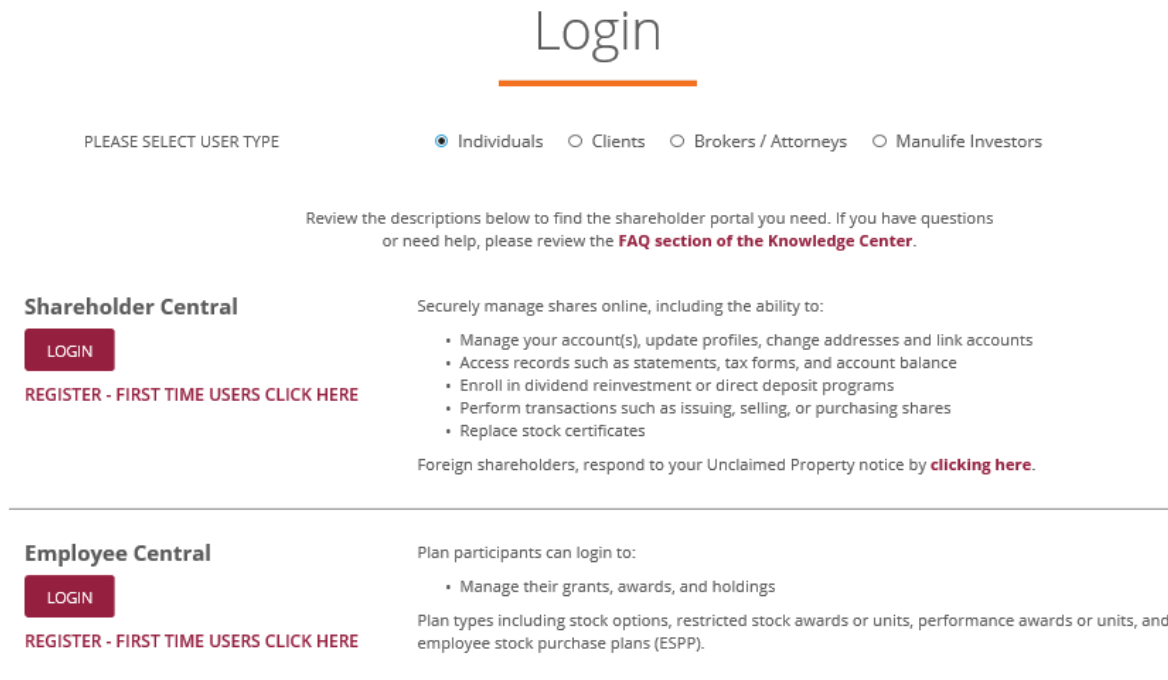
- Obtain pre-clearance from Compliance through MCO
- Owned (vested RSA's) Class B Shares are located in Shareholder Central
- You can transfer shares to your approved Broker; requires instructions to convert to Class A and coordination with your third party broker. **Plan ahead!**
- Subject to DRS Sale program costs, you may sell your shares through AST. (program details can be obtained from *Under the Wing* or from HR)
- Blackout windows on trading may apply to the Company or certain individuals from time to time
- Questions on a transaction or requirements under the Victory Code of Ethics, please contact the Victory Compliance Department at coe_compliance@vcm.com.

ALL TRANSACTIONS IN THE MARKET ARE SUBJECT TO PRE-CLEARANCE

- Options to purchase a specific number of shares of Class B stock under set terms at a set strike price (grant price).
- You do not own Class B stock until you exercise your Option to buy
- Options are subject to vesting criteria
- Unvested Options are forfeited upon termination of employment
- Vested Options may be exercised for up to 90 Days post termination (unless termination is for “cause”)

Where are my Options?

- Invested options can be found on AST's Employee Central
- Exercised options in Class B stock can be found on AST's Shareholder Central
- Each portal requires a different user name and password and cannot be accessed simultaneously



The screenshot shows the 'Login' page of the VictoryCapital portal. At the top, the word 'Login' is centered with an orange underline. Below it, there is a section titled 'PLEASE SELECT USER TYPE' with four radio button options: 'Individuals' (selected), 'Clients', 'Brokers / Attorneys', and 'Manulife Investors'. A paragraph of text follows, instructing users to review descriptions to find the right portal and to check the FAQ section of the Knowledge Center for help. The page is divided into two main sections: 'Shareholder Central' and 'Employee Central'. Each section has a 'LOGIN' button, a 'REGISTER - FIRST TIME USERS CLICK HERE' link, and a list of capabilities. The 'Shareholder Central' section lists capabilities like managing accounts, accessing records, enrolling in dividend programs, performing transactions, and replacing stock certificates. The 'Employee Central' section lists capabilities like managing grants, awards, and holdings. Both sections also include a link for foreign shareholders to respond to an Unclaimed Property notice.

Login

PLEASE SELECT USER TYPE

Individuals Clients Brokers / Attorneys Manulife Investors

Review the descriptions below to find the shareholder portal you need. If you have questions or need help, please review the [FAQ section of the Knowledge Center](#).

Shareholder Central

[LOGIN](#)

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- Manage your account(s), update profiles, change addresses and link accounts
- Access records such as statements, tax forms, and account balance
- Enroll in dividend reinvestment or direct deposit programs
- Perform transactions such as issuing, selling, or purchasing shares
- Replace stock certificates

Foreign shareholders, respond to your Unclaimed Property notice by [clicking here](#).

Employee Central

[LOGIN](#)

[REGISTER - FIRST TIME USERS CLICK HERE](#)

Plan participants can login to:

- Manage their grants, awards, and holdings

Plan types including stock options, restricted stock awards or units, performance awards or units, and employee stock purchase plans (ESPP).

- Human Resources will provide communication related to upcoming vesting of Options
- You do not own any shares until you exercise your Options
- Exercising Options does not require pre-clearance from Compliance
- Log on to AST's Managed Shares through Employee Central to exercise your Options
 - “Withhold to Cover” – Shares to cover the purchase price and taxes are withheld and returned to the company, remaining NET shares are issued to you and are viewable in Shareholder Central
 - “Cash” – Payment is made to AST to cover the purchase price and taxes, all shares are issued to you and viewable in Shareholder Central. If payment is not received by AST within 10 days of you Exercising the “Cash” option will revert to “Withhold to Cover”
- Taxes are processed through Victory Payroll
- Dividends are only payable on shares owned and not on option awards

- Obtain pre-clearance from Compliance through MCO
- Owned (exercised) Class B Shares are located in Shareholder Central
- You can transfer shares to your approved Broker; requires instructions to convert to Class A and coordination with your third party broker. **Plan ahead!**
- Subject to DRS Sale program costs, you may sell your shares through AST. (program details can be obtained from *Under the Wing* or from HR)
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- Questions on a transaction or requirements under the Victory Code of Ethics, please contact the Victory Compliance Department at coe_compliance@vcm.com.

ALL TRANSACTIONS IN THE MARKET ARE SUBJECT TO PRE-CLEARANCE

It is important to understand the capabilities of the two different portals

View Holdings / Awards

Located on Employee Central (“EPS”) - view unexercised stock options, unvested restricted stock awards, and purchased Class A Shares owned through the ESPP

- Details of awards
- Grant date
- Grant price
- Vesting criteria
- Exercise price
- Award expiration date

Located on Shareholder Central (“TA”) - view purchased shares, vested restricted stock, and Class B Shares owned through exercise of options

- Number of shares
- Market value
- Certain details of transactions relating to your holdings
- Cost basis information upon request from AST

It is important to understand the capabilities of the two different portals

Other Actions

- **Located on Employee Central (“EPS”)**
 - Track Vesting of Awards
 - Status of vesting
 - Details of vested and unvested shares
 - Model tax obligations and net proceeds for potential transactions on your awards
 - Exercise / Transact Awards
 - RSAs – select your tax obligation method (withhold to cover or cash)
 - Options – exercise your right to buy and select your tax obligation method

Located on Shareholder Central (“TA”)

- Sell Shares
- Convert Shares
- Transfer Shares to your personal broker
- Review Plan Administration Documents
- Access certain tax forms (1099)

- AST System Resource Guides available on www.astfinancial.com
- Victory Equity Awards Program Resource Guide including FAQs, DRS Sale Program and AST System Resource Guides available on Under the Wing through the Human Resources Tab
- AST Contact Information
 - Shareholder Central – TA Portal – help@astfinancial.com or 800-937-5449
 - Employee Central – EPS Portal – 866-665-2258
- Victory Human Resources for plan / award specific questions
 - Zoe Carter – zcarter@vcm.com or 216-898-2428
- Victory Compliance for pre-clearance or Code of Ethics Questions
 - coe_compliance@vcm.com

Questions

AST Demo – Employee Central (EPS)

AST Login Landing Page

- <https://www.astfinancial.com/login>

Login

PLEASE SELECT USER TYPE

- Individuals Clients Brokers / Attorneys Manulife Investors

Review the descriptions below to find the shareholder portal you need. If you have questions or need help, please review the [FAQ section of the Knowledge Center](#).

Manage ownership of your shares. You can hold shares, sell through DRS, or transfer to your broker.

Shareholder Central

LOGIN

REGISTER - FIRST TIME USERS CLICK HERE

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- Replace stock certificates

Manage restricted stock awards, stock option grants, and ESPP participation.

Employee Central

LOGIN

REGISTER - FIRST TIME USERS CLICK HERE

Plan participants can login to:

- Manage their grants, awards, and holdings

Plan types including stock options, restricted stock awards or units, performance awards or units, and employee stock purchase plans (ESPP).

Invest Online

LOGIN

New and existing shareholders can login to:

- Invest directly in over 162 Direct Stock Purchase Plans, without a broker, and with competitive transaction and commission rates
- Login to view materials, explore investment options, and purchase or sell shares

Users interested in American Depository Shares administered by Deutsche Bank Trust Company Americas, [click here](#) for a list of companies that participate.

Proxy Voting

VOTE

- View proxy materials, request paper copies, and vote your online proxy

In order to vote, **you must reference the 11-digit control number** provided with your proxy notification.

- If you are using Employee Central for the first time, then you will need to register. Within Employee Central on the login landing page click on “REGISTER – FIRST TIME USERS CLICK HERE”

Employee Central


LOGIN

REGISTER - FIRST TIME USERS CLICK HERE

Plan participants can login to:

- Manage their grants, awards, and holdings

Plan types including stock options, restricted stock awards or units, performance awards or units, and employee stock purchase plans (ESPP).



You will need two pieces of information to complete registration: Your Participant ID and Victory’s Ticker (VCTR)

How do I obtain my Participant ID? A new account letter containing your Participant ID was mailed to your home in July. If you cannot locate the letter, reach out to humanresources@vcm.com.

DID YOU KNOW? As long as you have your Participant ID, you can register with Employee Central at any time.

Registering for Employee Central

- Input your Participant ID and VCTR and click submit. Follow all subsequent prompts.

Registration

Please enter your Participant ID, Registration Code/Existing PIN and Ticker Symbol.

Participant Id*

 ⓘ

Ticker Symbol*

 ⓘ

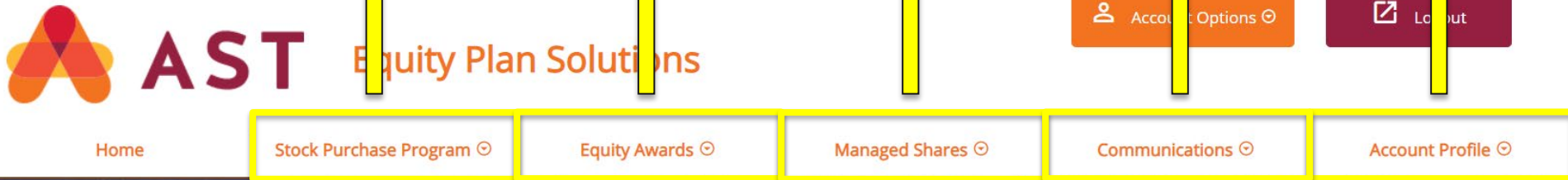
[ⓘ User Guide](#)

* Indicates Fields are Mandatory



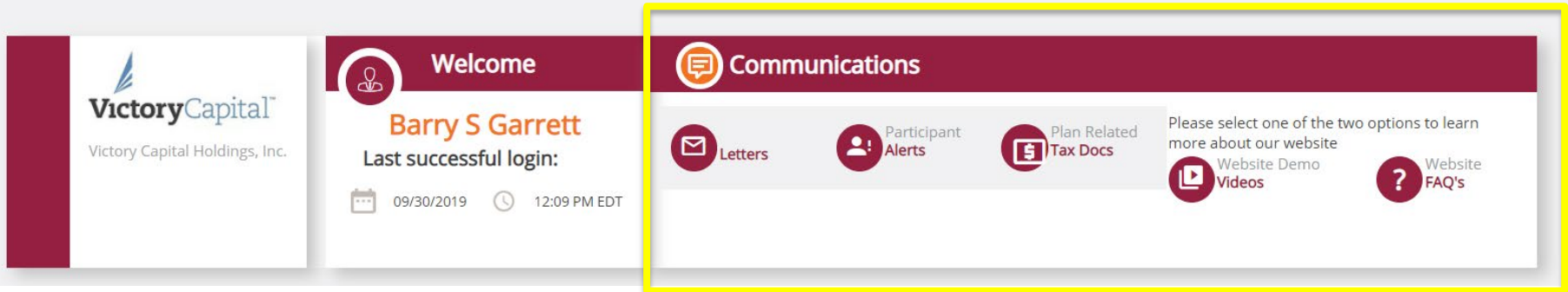
The AST website should navigate you cleanly through the registration process. However, the User Guide is a helpful resource if you run into any registration issues, or contact HR.

Navigating Employee Central



Welcome to Employee Central

Home

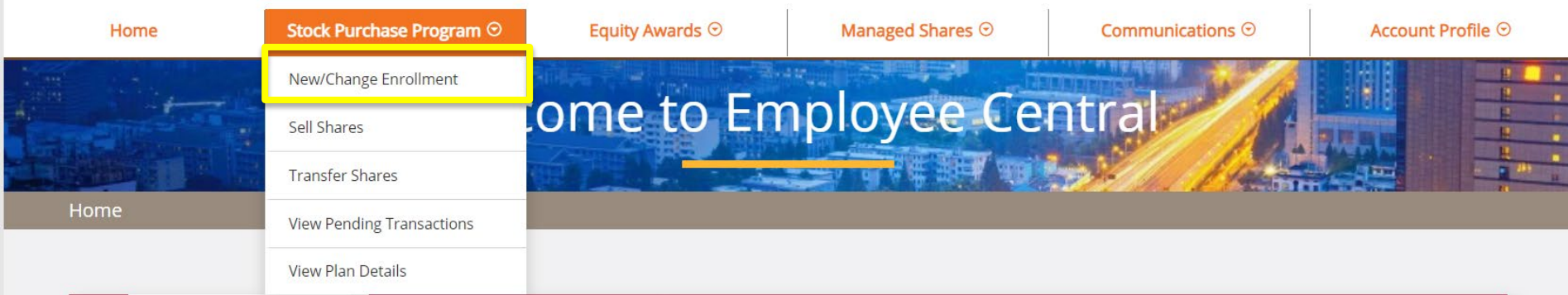


Employee Central dashboard layout:

- VictoryCapital** logo and company name: Victory Capital Holdings, Inc.
- Welcome** section for **Barry S Garrett**, Last successful login: 09/30/2019 12:09 PM EDT.
- Communications** section (highlighted in yellow) containing:
 - Letters
 - Participant Alerts
 - Plan Related Tax Docs
 - Website Demo Videos
 - Website FAQ's

Enrolling in the ESPP

- Can only enroll during an open enrollment period which will be announced by Human Resources
- Log into AST -> Stock Purchase Program -> New/Change Enrollment



Enrolling in the ESPP

- Enter your desired payroll deduction for the offering period -> Click Continue

New/Change Enrollment

Thursday, Oct 10, 2019

Please enter the percentage or dollar amount you wish to have deducted from your after-tax pay as contributions to the purchase plan. Your plan documents dictate the type of contributions allowed.

Plans For Contributions

Plan	Enrollment Period	Offering Period	Status	Current	Change To	Percent	Amount
IRA	Open	-	Enrolled	\$50.00	<input type="text" value="\$50.00"/>	<input type="radio"/>	<input checked="" type="radio"/>

Currency:

Purchase Details

2014

Maximum enrollment amount limit 0.00

Enrolling in the ESPP

- AST will prompt you to enter your password. After you enter, click “Submit”.

Please go over your changes below and press Submit to continue. Enter your Pin if needed.

Plans For Contributions

Plan	Enrollment Period	Offering Period	Status	Current	Change To
IRA	Open	-	Enrolled	\$50.00	\$20.00

Currency : USD-USD

Purchase Details

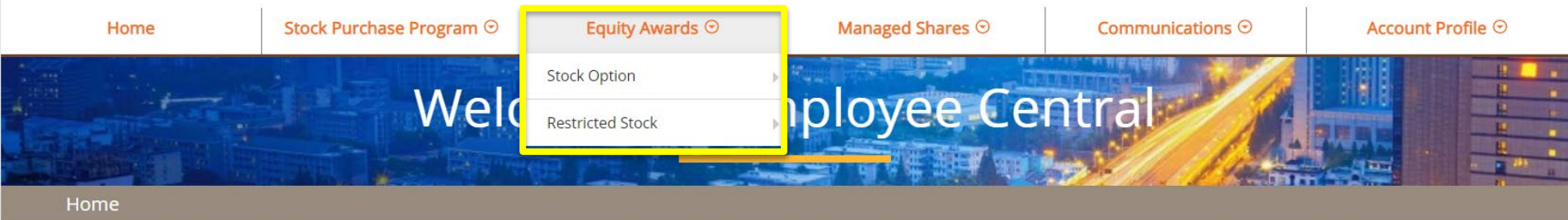
2014	
Maximum enrollment amount limit	0.00
Maximum Purchase Amount in USD	\$20.00

Please Enter your Password

[Back](#) [Submit](#)

Exercising Options and Tax Payments for RSAs

- Use the Equity Awards section of Employee Central to manage any stock options or restricted stock you have been granted.



[You can view a demo video of exercising options by clicking here.](#)

AST Demo – Shareholder Central (TA)

Registering for Shareholder Central

- If you are using Shareholder Central for the first time, then you will need to register. Within Shareholder Central on the login landing page click on “REGISTER – FIRST TIME USERS CLICK HERE”

Shareholder Central

LOGIN

REGISTER - FIRST TIME USERS CLICK HERE



Securely manage shares online, including the ability to:

- Manage your account(s), update profiles, change addresses and link accounts
- Access records such as statements, tax forms, and account balance
- Enroll in dividend reinvestment or direct deposit programs
- Perform transactions such as issuing, selling, or purchasing shares
- Replace stock certificates

Foreign shareholders, respond to your Unclaimed Property notice by [clicking here](#).

You will need two pieces of information to complete registration: Your account number and SSN.

How do I obtain my account number?

A statement is automatically mailed to your address of record that contains your account number. You can also call AST Shareholder Services line at (800) 937-5449 to obtain your number.

Registering for Shareholder Central

- Input your Account Number and SSN. The company name should auto-populate. Follow all subsequent prompts.

The AST website should navigate you cleanly through the registration process. However, the User Guide is a helpful resource if you run into any registration issues.



User Guide - U.S. Shareholder

User Guide - New Non-U.S. Shareholder

User Guide - Returning Non-U.S. Shareholder

Shareholder Registration - Step 1

- * If you are a New non-U.S. shareholder, please [click here](#).
- * If you are a Returning non-U.S. shareholder, please [click here](#) for instructions on registration.

Please enter your account number, social security number, and company name below.

Account Number:

Social Security Number (SSN)/Tax ID:

(Please do not enter dashes)

Company Name:

Do you want to register:

ONLY THIS ACCOUNT

ALL ACCOUNTS & HOLDINGS EXCLUDING JOINT ACCOUNT LINKED TO THIS SSN

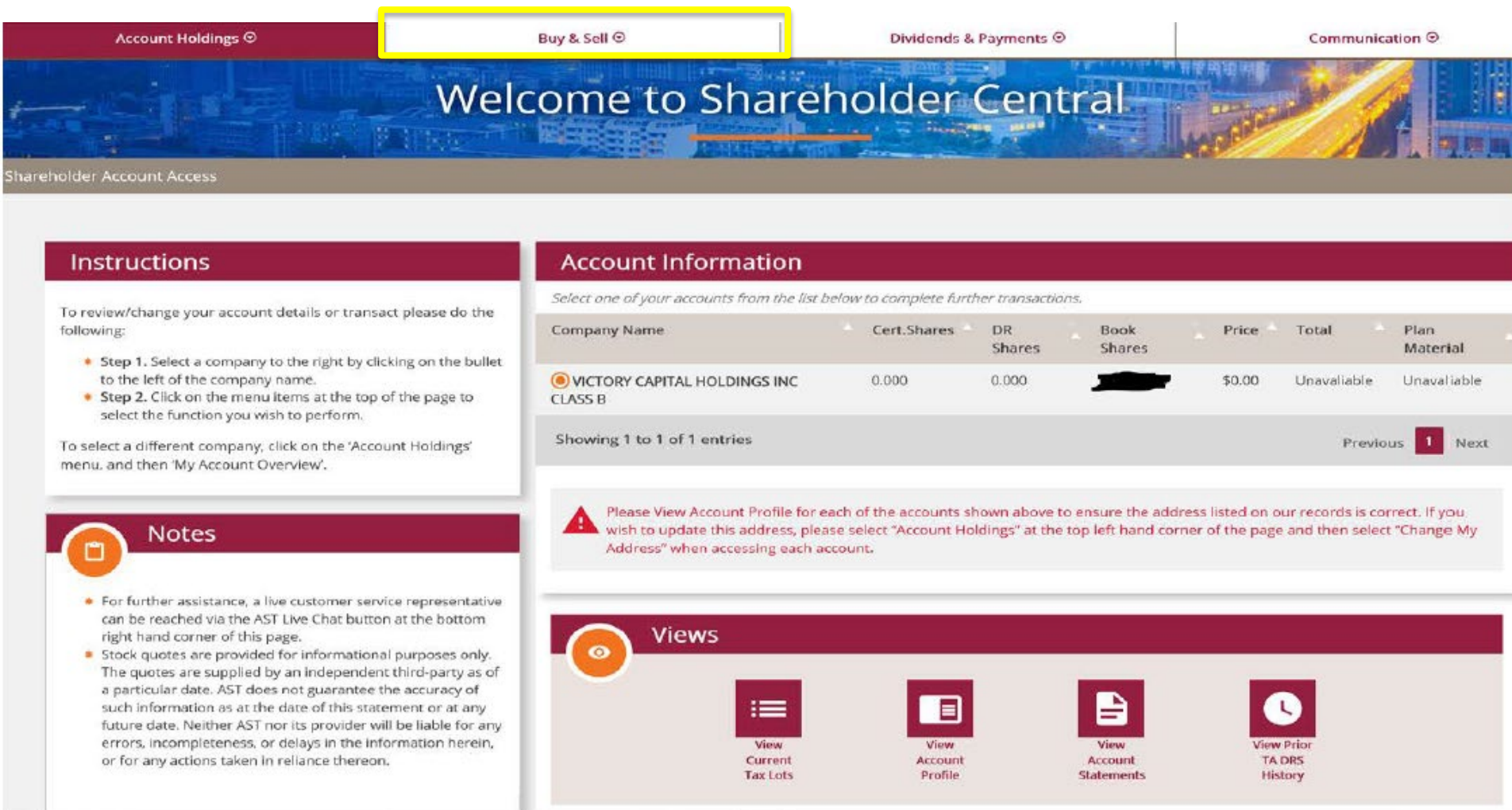
ALL ACCOUNTS & HOLDINGS LINKED TO THIS SSN

Submit 

Navigating Shareholder Central

- You can view your account holdings, execute transactions or transfers, and manage dividend payments.

Transfer or sell shares (fees and commissions apply when selling direct through AST.)



The screenshot shows the Shareholder Central interface. At the top, there are navigation tabs: "Account Holdings", "Buy & Sell" (highlighted with a yellow box), "Dividends & Payments", and "Communication". Below the tabs is a banner with the text "Welcome to Shareholder Central".

The main content area is divided into several sections:

- Instructions:** Provides steps for reviewing account details and transacting. Step 1: Select a company to the right by clicking on the bullet to the left of the company name. Step 2: Click on the menu items at the top of the page to select the function you wish to perform. A note mentions selecting a different company via the 'Account Holdings' menu.
- Account Information:** Displays a table of account holdings. A message above the table asks the user to select an account for further transactions. The table has columns for Company Name, Cert. Shares, DR Shares, Book Shares, Price, Total, and Plan Material. One entry is shown for VICTORY CAPITAL HOLDINGS INC CLASS B.
- Notes:** Contains a live customer service representative contact note and a disclaimer regarding stock quotes.
- Views:** Offers quick access to various account-related views: View Current Tax Lots, View Account Profile, View Account Statements, and View Prior TA DRS History.

Company Name	Cert. Shares	DR Shares	Book Shares	Price	Total	Plan Material
VICTORY CAPITAL HOLDINGS INC CLASS B	0.000	0.000	[REDACTED]	\$0.00	Unavailable	Unavailable

What you can do ahead of time

- You can register with Employee Central at any time. Prior to ESPP open enrollment, locate your Participant ID and register following the instructions provided here.
- Once registered, complete a W-9 form in Employee Central, located on either the Stock Purchase Program tab or either of the Equity Awards tabs, under View Plan Details. “W8Ben/W9 Certification”
- Once, registered add your broker information. Having that in the AST system will facilitate smoother transfer of shares to your brokerage account
- Once you’ve registered with Employee Central, their communications page has web demo videos related to ESPP enrollment and options exercise. They also publish an [Website FAQ](#). This presentation will also be saved on *Under the Wing*.
- You can only register with Shareholder Central once you own shares. Your first statement will contain your account number or you can call AST Shareholder Services at (800) 937-5449 to obtain your account number.

Questions