



**Integrity Small Cap Value Equity Strategy  
Second Quarter 2022 Performance Summary**

**Commentary Highlights:**

- Security selection in consumer discretionary, financials, consumer staples, materials, and utilities led to underperformance.
- Stock selection in energy and communication services aided performance.
- From a style perspective, a higher beta than the benchmark was a headwind.
- CONSOL Energy Inc (CEIX), not owning AMC Entertainment Holdings (AMC), and Antero Resources Corp (AR) were the three largest contributors.
- PacWest Bancorp (PACW), Triumph Group, Inc (TGI), and Hudson Pacific Properties, Inc (HPP) were the three largest detractors.

**Top 5 Holdings – Representative Account**

3/31/2022			6/30/2022		
Ticker	Name	Weight	Ticker	Name	Weight
AR	Antero Resources Corp	1.67	SSB	SouthState Corporation	1.41
OVV	Ovintiv Inc	1.63	BKH	Black Hills Corporation	1.30
CHK	Chesapeake Energy Corp	1.41	UCBI	United Community Banks, Inc.	1.20
PDCE	PDC Energy, Inc	1.31	OGS	ONE Gas, Inc.	1.19
WLL	Whiting Petroleum Corp	1.27	FCN	FTI Consulting, Inc.	1.14

**Comments**

SouthState Corporation (SSB), Black Hills Corp (BKH), United Community Banks, Inc (UCBI), and One Gas, Inc (OGS) were sizeable positions that are now in the top five holdings. We did add to FTI Consulting, Inc (FCN) which also outperformed to join the top five. We reduced energy exposure to take gains and to re-align with the much lower benchmark weight due to the Russell rebalance. This led to the sale of Antero Resources Corp (AR), Chesapeake Energy Corp (CHK), Ovintiv Inc (OVV), and PDC Energy, Inc (PDCE) which were above market cap guidelines. We trimmed Whiting Petroleum Corp (WLL) and it fell out of the top five.

**Sector Weights  
Representative Account**

	3/31/22	O/U	6/30/22	O/U
Communication Services	2.56	-1.05	2.29	-1.00
Consumer Discretionary	9.86	2.78	9.61	-0.01
Consumer Staples	2.73	-0.31	3.45	0.60
Energy	10.43	0.85	4.86	-0.13
Financials	23.51	-1.83	26.27	-2.09
Health Care	3.79	-5.08	6.71	-4.30
Industrials	20.65	5.35	18.74	6.00
Information Technology	5.86	0.42	6.46	0.40
Materials	4.56	0.09	3.98	0.10
Real Estate	10.21	-1.68	10.35	-1.51
Utilities	4.67	-0.71	5.09	-0.25

**Comments**

The annual Russell Index reconstitution near quarter end led to some repositioning of sector weights. We increased exposure to health care, financials, consumer staples, and technology while decreasing exposure in energy, industrials, and materials.



We added three new positions within healthcare. Encompass Health Corp (EHC) and Perrigo Co Plc (PRGO) are two familiar names that we have currently own our other strategies and we took advantage of a market pullback to add them both to the portfolio. Catalysts for the purchase of NuVasive, Inc (NUVA) include a new management team, valuation at a steep discount to medical device peers, and industry volumes that are recovering from the COVID slowdown. Management is turning around share losses through the introduction of new products.

Overall activity in financials led to an increased weight. This was primarily achieved by buying banks in order to keep the same relative weight after the annual Russell rebalance. We added higher quality names and reduced our cyclical tilt within our bank holdings. Early in the quarter, we added Pacific Premier Bancorp (PPBI), a high quality bank trading at a discount to peers and sold Veritex Holdings (VBTX). A full valuation and uncertainty over the ability of management to manage through their first credit cycle led to the sale of Veritex Holdings (VBTX). Near the end of the quarter we added Prosperity Bancshares, Inc (PB) and sold PacWest Bancorp (PACW) to reduce beta within our bank holdings. Prosperity Bancshares, Inc (PB) has a track record of outperforming during down cycles due to strict underwriting standards. Bank of Hawaii Corp (BOH) and Northwest Bancshares, Inc (NWBI) were also added. Bank of Hawaii Corp (BOH) has a strong balance sheet and has proven to weather down cycles better than their mainland peers. Northwest Bancshares, Inc (NWBI) performs well in times of stress due to conservative underwriting standards and high capital levels. Within insurance companies, we purchased Hanover Insurance Group (THG) and sold CNO Financial Group, Inc (CNO). Hanover Insurance Group (THG) has a strong consumer franchise that will benefit from higher gas prices limiting miles driven and frequency of accidents. We exited CNO Financial Group, Inc (CNO) after management indicated that there would be less earnings from alternative investments and reduced share buybacks eliminating a catalyst.

The purchase of MGP Ingredients, Inc (MGPI) led to a larger weight in consumer staples. The company has a strong market share as a supplier of liquids to branded liquor players. The market is currently in a net deficit for brown liquors which is MGP Ingredients, Inc (MGPI)'s bailiwick and helps margins.

Progress Software Corp (PRGS) and Sanmina Corp (SANM) are new additions within technology. Progress Software Corp (PRGS) trades at an attractive valuation with a management team focused on profitable organic and inorganic growth. Sanmina Corp (SANM) trades at a discount, has a solid balance sheet, and should benefit from supply chain normalization. We parted ways with two holdings. We sold Vishay Intertechnology, Inc (VSH) to reduce semi-conductor exposure. We moved on from Diebold Nixdorf Inc (DBD) as their turnaround was much further away than expected. The company posted a significant earnings miss and guided down due to elevated costs, supply chain challenges, and foreign exchange headwinds.

We reduced energy exposure to take gains and to re-align with the much lower benchmark weight due to the Russell rebalance. This led to the sale of Antero Resources Corp (AR), Chesapeake Energy Corp (CHK), Orintiv Inc (OVV), and PDC Energy, Inc (PDCE) which were above market cap guidelines. We added two new positions. Civitas Resources Inc (CIVI) is the largest pure play energy producer within the DJ Basin in Colorado with a high-quality asset base and strong free cash flow generation. A favorable macro environment for refiners driven by strong crack spreads, domestic demand for refinery capacity, and limited product supply prompted the purchase of CVR Energy, Inc (CVI).

Activity in industrials centered around reducing our cyclical tilt, adding higher quality names, and aligning with a lower benchmark weight to reflect the Russell rebalance. Early in the quarter, we sold both ArcBest Corp (ARCB) and Ryder System Inc (R) in order to reduce exposure to transports as volumes appear to have peaked. We sold ManPowerGroup, Inc (MAN) as we believe that staffing names are entering late-cycle as we near full employment. Zurn Water Solutions (ZWS) and Terex Corp (TEX) were liquidated to reduce cyclicity. Triumph Group, Inc (TGI) was sold as the turnaround was taking longer and was more costly than expected. We sold Beacon Roofing Supply (BECN) under the belief that rising mortgage rates and declining affordability will slow existing home sales that will ultimately hurt re-roofing demand. MillerKnoll, Inc (MLKN) was jettisoned over concerns that economic uncertainty would reduce demand for both commercial and residential furniture. We exited nVent Electric plc (NVT) to take profits. We deployed proceeds into names with better catalysts that are generally less cyclical and higher quality. New names in the portfolio include ABM Industries (ABM), Curtis-Wright Corp (CW), and Nordson Corp (NDSN). We also added Fluor Corp (FLR) as we view the company as well positioned to benefit from changing global energy and supply chain needs.

Activity in materials resulted in a lower weight as we eliminated three positions. Arconic, Inc (ARNC) was eliminated on concerns about their revenue exposure to Russia and believe the recovery in automotive will be more challenged than anticipated. We sold Summit Materials, Inc (SUM) due to rapidly rising diesel prices and the company's inability to quickly raise prices to offset the inflation. A strong US dollar and weakening steel demand that will likely push scrap prices lower and hurt export volumes led to the sale of Schnitzer Steel Industries (SCHN). There were also a few new additions. O-I



Glass, Inc (OI) trades at an attractive valuation and should see stronger free cash flow following the settlement of its asbestos liability. Allegheny Technologies Inc (ATI) is positioned to benefit from increased sales to Airbus and Boeing this year as travel and the economy recovers from COVID. Commercial Metals Company (CMC) has a strong balance sheet and is well positioned to benefit from public construction demand in rebar in bridge and road construction as the infrastructure bill requires US made steel in its projects.

Our consumer discretionary weight modestly decreased. Century Communities, Inc (CCS) was sold early in the quarter to reduce housing exposure on concerns of peaking fundamentals. We exited Dana Inc (DAN) as the company was having trouble executing due to supply chain issues and provided limited visibility on their resolution. We added two new names near the end of the quarter. Signet Jewelers Limited (SIG), the world's largest retailer of diamond jewelry, trades at an attractive valuation, should benefit from operational improvements, and is returning capital to shareholders. A new management team that is improving the balance sheet and providing new growth catalysts through leveraging existing games into slots, digital, and social gaming led to the purchase of Light and Wonder, Inc (LNW).

**Top Contributors/Detractors (Quarter ended 6/30/2022) – Representative Account  
Contribution to Return Relative to Benchmark**

Best			Worst		
Ticker	Name	Total Effect	Ticker	Name	Total Effect
CEIX	CONSOL Energy Inc	+0.36	PACW	PacWest Bancorp	-0.26
AMC *	AMC Entertainment Holdings	+0.32	TGI	Triumph Group, Inc	-0.24
AR	Antero Resources Corp	+0.25	HPP	Hudson Pacific Properties, Inc	-0.23
FCN	FTI Consulting, Inc	+0.24	DBD	Diebold Nixdorf Inc	-0.20
CAR *	Avis Budget Group, Inc	+0.28	VSCO	Victoria’s Secret & Co	-0.20

\*Did not own

**Comments**

PacWest Bancorp (PACW) is perceived to be a bank that takes higher risk and thus performed poorly in this risk off environment. Triumph Group, Inc (TGI) gave its full year guidance which surprised to the downside on cash flow. This increased balance sheet concerns amid high leverage and we exited the position. Slower return to office trends and concerns that a weakening economy will hurt office employment negatively impacted Hudson Pacific Properties, Inc. (HPP). Diebold Nixdorf Inc (DBD) posted a significant earnings miss and guided down due to elevated costs, supply chain challenges, and foreign exchange headwinds. We sold the position. Retail names such as Victoria’s Secret & Co (VSCO) underperformed on concerns about a potential recession as well as the impact of high inventory levels on future earnings.

**Attribution – Representative Account  
Q2 2022**

Security selection in consumer discretionary, financials, consumer staples, materials, and utilities led to underperformance. Stock selection in energy and communication services aided performance. Sector weights were a slight positive as our underweights to health care and communication services helped. From a style perspective, a higher beta than the benchmark was a headwind.

Hotels, restaurants, and leisure names were the largest source of underperformance within consumer discretionary. Brinker International, Inc (EAT) and Dave & Buster’s Entertainment, Inc (PLAY) lagged on investor concerns about a potential recession and the impact of higher inflation and interest rates on consumer demand. Retailers such as Victoria’s Secret & Co (VSCO) and Abercrombie & Fitch Co Class A (ANF) underperformed on concerns about a potential recession as well as the impact of high inventory levels on future earnings. Visteon Corp (VC) was a highlight as above market growth compared to peers along with better navigation of semiconductor chip supply chain issues led to stronger guidance.

Stock selection in banks hurt performance in financials. PacWest Bancorp (PACW) and Synovus Financial Corp (SNV)



are both perceived to be banks that take higher risk and thus performed poorly in this risk off environment. Stock selection within insurance companies aided performance. RLI Corp (RLI), a defensive insurer, was up 5.6% as it demonstrated strong pricing power ahead of loss costs. Strong topline growth along with redundant reserve position, bolstered shares of Kinsale Capital Group, Inc (KNSL).

Performance in consumer staples lagged as our average holding underperformed the benchmark (-20% versus -8%). Andersons, Inc (ANDE) was our largest detractor.

In materials, selection in chemicals and metals & mining hurt performance. Advansix, Inc (ASIX) and Methanex Corp (MEOH) were notable chemical detractors. Despite upside first quarter results, Advansix, Inc (ASIX) sold off along with the other fertilizer names following price peaks in March after the Russian invasion of Ukraine. Shares of Methanex Corp (MEOH) were pressured by fears of weakening global demand for its commodity chemical, methanol. O-I Glass Inc (OI) was a positive contributor as the company gave stronger than expected quarterly guidance and successfully offloaded its long-term asbestos liability freeing up future cash flow.

Within utilities, our average gas utility holding underperformed the benchmark (-7% versus -2%). Not owning Southwest Gas Holdings, Inc (SWX), up 12%, cost us 10 basis points.

Stock selection in energy helped performance, with CONSOL Energy Inc (CEIX) and Antero Resources Corp (AR) notable contributors. Both companies benefitted from strong energy price environments driven by geopolitical tensions and possible sanctions on Russian. Cactus, Inc Class A (WHD) limited performance as the company succumbed to some profit taking after strong first quarter performance.

Positive contribution from communication services was largely due to not owning AMC Entertainment Holdings, Inc Class A (AMC). It was down 45% in the quarter.

Selection in industrials slightly detracted. Triumph Group, Inc (TGI) gave its full year guidance which surprised to the downside on cash flow. This increased balance sheet concerns amid high leverage and we exited the position. Maxar Technologies, Inc. (MAXR) underperformed as it announced a delay to its important Legion satellite constellation launch and subsequent earnings growth associated with it. There were a few positives. Investors rotated to FTI Consulting, Inc (FCN) as it specializes in bankruptcy and restructuring services. Not owning Avis Budget Group, Inc (CAR), down 44%, provided 19 basis points of outperformance. BWX Technologies, Inc. (BWXT) benefitted from strong Navy budget growth and winning a key award from the U.S. government for building a nuclear microreactor prototype.

Performance in real estate was neutral. Hudson Pacific Properties, Inc. (HPP) was a notable detractor as slower return to office trends and concerns that a weakening economy will hurt office employment negatively impacted the company.

Haemonetics Corp (HAE) and Select Medical Holdings Corp (SEM) were highlights in health care. Quarterly results for Haemonetics Corp (HAE) came in ahead of estimates, with gross and operating margins showing solid improvements driven by mix and operational efficiency. Select Medical Holdings Corp (SEM) outperformed as the company reiterated its long term revenue outlook of 4-6% and is confident it can compete for critically complex patients. Conversely, labor challenges continued to be a headwind for companies such as Tenet Healthcare Corp (THC) and Brookdale Senior Living Inc (BKD).

Technology was a minor positive. Not owning Marathon Digital Holdings, Inc (MARA), down 81%, was the largest contributor. Of the names we own, Belden Inc (BDC) was our top performer. The company outperformed due to solid execution, a diversified supply chain, and end-market strength. Diebold Nixdorf Inc (DBD) and Infinera Corp (INFN) hurt performance. Diebold Nixdorf Inc (DBD) posted a significant earnings miss and guided down due to elevated costs, supply chain challenges, and foreign exchange headwinds. We sold the position. Infinera Corp (INFN)'s earnings results missed expectations as supply constraints continued to impact operations.

## Outlook

And you run, and you run to catch up with the sun but it's sinking  
 Racing around to come up behind you again  
 The sun is the same in a relative way but you're older  
 Shorter of breath and one day closer to death – Time - Pink Floyd

Failing to create inflation with fourteen years of zero to negative real interest rates, the Federal Reserve is now racing to reverse that policy. We are convinced that increasing rates will have an impact on the economy. We are not convinced it will have the same impact on inflation. Markets have become more pessimistic, starting to price in a recession. The first half performance for the S&P 500 was one of the worst on record. The second quarter performance for the Russell 2000 Value was the worst ever.

Where does this leave us from a portfolio perspective? In the last month or so we began incrementally adding companies with better balance sheets, more stable business models and higher returns on invested capital. When I was in Little League, my coach gave our team the Ten Commandments of Baseball. One of them was “Throwing behind the runner is like closing the barn door after the horse has been stolen.” Are we throwing behind the runner? Given the many uncertainties in the market, we think it makes sense to continue to move to the more stable, less cyclical side of the benchmark. We realize that a lot of bad news is already priced in. However, we don’t necessarily see a “rebound” opportunity in the deeper cyclical names in our benchmarks. Moreover, the Russell indices had their annual rebalance. The Russell Value benchmarks have become less cyclical and more “growth-like.” Below is a table showing the before and after sector weights for our respective benchmarks. We made changes in the portfolio to maintain similar over/underweights in sectors.

There is a significant style difference post rebalance. For example, we calculated that the new Russell 2000 Value would’ve underperformed the old by approximately 800 basis points year-to-date. Our portfolio has become less cyclical. However, we are underexposed to growth relative to the rebalanced benchmark. Potentially, these recently added, “growthy” benchmark names could snap-back which would be negative for our relative performance. We believe most of the increased growth exposure in the benchmark came from the inclusion of biotechnology stocks as well as unprofitable technology companies. We will explore our growth underweight on a company-by-company basis, looking for opportunities to buy stocks that meet our Right Company, Right Price, Right Time framework. Unprofitable, cash-burning technology and biotechnology companies are unlikely to meet those criteria.

	<b>Russell Microcap Value</b>	<b>Russell Microcap Value</b>	<b>Diff</b>	<b>Russell 2000 Value</b>	<b>Russell 2000 Value</b>	<b>Diff</b>	<b>Russell 2500 Value</b>	<b>Russell 2500 Value</b>	<b>Diff</b>	<b>Russell Mid Cap Value</b>	<b>Russell Mid Cap Value</b>	<b>Diff</b>
	<b>New</b>	<b>Old</b>		<b>New</b>	<b>Old</b>		<b>New</b>	<b>Old</b>		<b>New</b>	<b>Old</b>	
Communication Services	3.33	3.33	0.00	3.36	3.06	0.30	3.30	2.56	0.74	3.64	3.67	-0.03
Consumer Discretionary	11.43	7.60	3.83	10.01	6.92	3.09	10.97	8.71	2.25	9.85	9.40	0.45
Consumer Staples	1.84	2.19	-0.34	3.14	3.45	-0.31	3.12	3.59	-0.47	4.12	4.97	-0.85
Energy	4.45	10.45	-6.00	4.92	9.80	-4.88	4.04	7.56	-3.51	4.83	7.61	-2.78
Financials	30.75	34.68	-3.93	27.89	26.12	1.77	21.54	20.46	1.08	17.95	16.32	1.63
Health Care	21.64	15.38	6.26	11.12	8.90	2.22	9.23	8.16	1.08	7.45	7.72	-0.27
Industrials	10.09	11.12	-1.02	12.61	14.89	-2.28	16.37	16.89	-0.52	14.32	13.97	0.35
Information Technology	6.74	5.37	1.37	6.20	5.24	0.96	9.01	8.14	0.87	9.65	9.08	0.56
Materials	3.83	4.59	-0.76	3.90	4.38	-0.49	5.82	7.36	-1.54	7.54	7.83	-0.29
Real Estate	5.42	4.59	0.83	11.77	11.32	0.45	12.38	12.10	0.27	12.01	11.25	0.76
Utilities	0.48	0.71	-0.23	5.08	5.91	-0.83	4.21	4.46	-0.26	8.65	8.18	0.47

Source: Factset, Russell, Integrity Asset Management



**INTEGRITY SMALL CAP VALUE EQUITY STRATEGY – REPRESENTATIVE ACCOUNT**

**TOP 10 ACTIVE OVERWEIGHTS**

Ticker	Company Name	Active Weight
FCN	FTI Consulting, Inc.	1.14
VC	Visteon Corporation	1.03
SNV	Synovus Financial Corp.	1.02
PB	Prosperity Bancshares, Inc.(R)	0.95
FHI	Federated Hermes, Inc. CI B	0.95
BDC	Belden Inc.	0.94
BWXT	BWX Technologies, Inc.	0.94
CW	Curtiss-Wright Corporation	0.93
UCBI	United Community Banks, Inc.	0.91
EME	EMCOR Group, Inc.	0.91

**TOP 10 ACTIVE UNDERWEIGHTS**

Ticker	Company Name	Active Weight
ADC	Agree Realty Corporation	-0.47
SWX	Southwest Gas Holdings, Inc.	-0.46
SIGI	Selective Insurance Group, Inc.	-0.46
TGNA	TEGNA, Inc.	-0.41
UBSI	United Bankshares, Inc.	-0.41
IRT	Independence Realty Trust, Inc.	-0.41
GBCI	Glacier Bancorp, Inc.	-0.41
ROLL	RBC Bearings Incorporated	-0.40
VLY	Valley National Bancorp	-0.40
HP	Helmerich & Payne, Inc.	-0.39

**INTEGRITY SMALL CAP VALUE EQUITY STRATEGY – REPRESENTATIVE ACCOUNT**

**NEW POSITIONS**

Ticker	Company Name
ABM	ABM Industries Incorporated
ATI	ATI Inc
BOH	Bank of Hawaii Corp
CIVI	Civitas Resources, Inc.
CMC	Commercial Metals Company
CVI	CVR Energy, Inc.
CW	Curtiss-Wright Corporation
EHC	Encompass Health Corporation
ESE	ESCO Technologies Inc.
FLR	Fluor Corporation
FSS	Federal Signal Corporation
HLIO	Helios Technologies, Inc.
LNW	Light & Wonder, Inc.
MGPI	MGP Ingredients, Inc.
NUVA	NuVasive, Inc.
NWBI	Northwest Bancshares, Inc.
OI	O-I Glass Inc
PB	Prosperity Bancshares, Inc.(R)
PPBI	Pacific Premier Bancorp, Inc.
PRGO	Perrigo Co. Plc
PRGS	Progress Software Corporation
SANM	Sanmina Corporation
SIG	Signet Jewelers Limited
THG	Hanover Insurance Group, Inc.

**CLOSED POSITIONS**

Ticker	Company Name
AR	Antero Resources Corporation
ARCB	ArcBest Corporation
ARNC	Arconic Corp.
BECN	Beacon Roofing Supply, Inc.
CCS	Century Communities, Inc.
CHK	Chesapeake Energy Corporation
CNO	CNO Financial Group, Inc.
DAN	Dana Incorporated
DBD	Diebold Nixdorf Incorporated
MAN	ManpowerGroup Inc.
MLKN	MillerKnoll, Inc.
NVT	nVent Electric plc
OVV	Ovintiv Inc
PACW	PacWest Bancorp
PDCE	PDC Energy, Inc.
PIPR	Piper Sandler Companies
R	Ryder System, Inc.
SCHN	Schnitzer Steel Industries, Inc. Class A
SUM	Summit Materials, Inc. Class A
TEX	Terex Corporation
TGI	Triumph Group, Inc.
VBTX	Veritex Holdings, Inc.
VSH	Vishay Intertechnology, Inc.
ZWS	Zurn Water Solutions Corporation



### Composite Performance (%)

As of June 30, 2022

	Quarter	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception (06/30/03)
Integrity Small Cap Value Equity (Gross)	-15.51	-15.14	-10.73	7.89	6.22	10.72	11.04
Integrity Small Cap Value Equity (Net)	-15.73	-15.57	-11.62	6.82	5.16	9.62	9.94
Russell 2000 <sup>®</sup> Value Index	-15.28	-17.31	-16.28	6.18	4.89	9.05	8.41

**Past performance cannot guarantee future results.** Investing involves risk, including the possible loss of principal and fluctuation of value. Returns greater than one year are annualized. Returns are expressed in U.S. dollars. Composite returns are net of transaction costs and gross of non-reclaimable withholding taxes, if any, and reflect the reinvestment of dividends and other earnings. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of fees returns are calculated by deducting 1/12 of the highest tier of the standard fee schedule in effect for the period noted (the model fee). The composite model fee for each period is either the highest tier of the current fee schedule or a higher value, whichever is required to ensure the model composite net-of-fee return is lower than or equity to the composite net-of-fee return calculated using actual fees.

A GIPS<sup>®</sup> Report is provided at the end of this document.



Integrity Small Cap Value Equity strategy focuses on small-cap companies that are currently trading below our estimate of intrinsic value and are characterized by improving investor sentiment.

Index returns are provided to represent the investment environment during the periods shown. Index returns include the reinvestment of dividends and capital gains but do not include transaction costs, management fees or other costs. One cannot invest directly in an index.

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

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

Contributors and Detractors Source: FactSet. The top contributors and detractors are presented to illustrate examples of the portfolio's investments and may not be representative of the portfolio's current or future investments. The percent displayed is contribution to return. Holdings are as of quarter end and may change at any time.

Integrity Asset Management is a Victory Capital Franchise.

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VICTORY COMPOSITE PERFORMANCE

INTEGRITY SMALL CAP VALUE EQUITY STRATEGY

Year Ending	Gross Return	Net Return	Benchmark	3yr Annualized Standard Deviation (%) Composite	3yr Annualized Standard Deviation (%) Benchmark	Number of Portfolios	Internal Dispersion	Composite Assets (mm)	Total Franchise Assets (mm)	Total Firm Assets (mm)
12/31/2021	34.93%	33.59%	28.27%	28.60%	25.00%	27	0.18%	\$3,359	\$5,308	\$163,030
12/31/2020	2.49%	1.48%	4.63%	29.32%	26.12%	28	0.28%	\$2,939	\$4,331	\$144,348
12/31/2019	24.29%	23.05%	22.39%	16.58%	15.68%	32	0.14%	\$3,897	\$5,326	\$147,934
12/31/2018	-17.52%	-18.34%	-12.86%	16.68%	15.76%	35	0.16%	\$3,325	\$4,659	\$51,500
12/31/2017	13.60%	12.47%	7.84%	14.46%	13.97%	39	0.06%	\$4,404	\$6,283	\$60,297
12/31/2016	25.77%	24.51%	31.74%	16.03%	15.50%	40	0.14%	\$3,855	\$6,031	\$42,934
12/31/2015	-5.55%	-6.49%	-7.47%	13.60%	13.46%	44	0.09%	\$3,001	\$5,182	\$30,889
12/31/2014	8.74%	7.67%	4.22%	12.52%	12.79%	44	0.28%	\$2,727	\$5,164	\$33,679
12/31/2013	42.79%	41.42%	34.52%	16.28%	15.82%	47	0.27%	\$2,620	\$4,816	N/A
12/31/2012	15.11%	13.98%	18.05%	20.51%	19.89%	49	0.21%	\$1,819	\$3,283	N/A

Victory Capital Management acquired composite from Munder Capital Management on 10/31/14. Firm assets prior to 2014 are shown as "N/A" above as the composite was not part of the firm.

- Victory Capital Management Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Victory Capital Management has been independently verified for the period from January 1, 2001 through December 31, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Integrity Small Cap Value Equity Composite has had a performance examination for the periods January 1, 2014 through December 31, 2020. The verification and performance examination reports are available upon request.
- Victory Capital Management Inc. (Victory Capital) is a diversified global investment advisor registered under the Investment Advisers Act of 1940 and comprised of multiple investment franchises: INCORE Capital Management, Integrity Asset Management, Munder Capital Management, NewBridge Asset Management, RS Investments, Sophus Capital, Sycamore Capital, Trivalent Investments, USAA Investments, a Victory Capital Investment Franchise; the VictoryShares & Solutions Platform, THB Asset Management and New Energy Capital Partners. Munder Capital Management and Integrity Asset Management became part of the Victory Capital GIPS firm effective November 1, 2014; RS Investments and Sophus Capital effective January 1, 2017; USAA Investments effective July 1, 2019; THB Asset Management, effective March 1, 2021 and New Energy Capital Partners effective November 1, 2021.
- The Integrity Small Cap Value Equity Composite includes all fee-paying, discretionary portfolios that are managed according to the Integrity Small Cap Value Equity Composite. The strategy focuses on small-cap companies that are currently trading below our estimate of intrinsic value and are characterized by improving investor sentiment. The composite creation date is July 2003 and the composite inception date is July 2003.
- The benchmark of the composite is the Russell 2000® Value Index. The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price/book ratios and lower forecasted growth values. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. The benchmark returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns have been taken from a published source and do not include any transaction fees, management fees, or other costs.
- The internal dispersion of annual returns is measured by the standard deviation of asset-weighted gross returns of accounts included in the composite for the full year. If less than six portfolios are included in the composite for the full year, no dispersion measure is presented, as it is not considered meaningful (N/M). The three-year annualized ex-post standard deviation measures the variability of the composite's gross returns and the benchmark returns over the preceding 36-month period. It is not required to be presented for annual periods prior to 2011 or when a full three years of composite performance is not yet available.
- Composite and benchmark returns are presented net of non-reclaimable withholding taxes. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting 1/12 of the highest tier of the standard fee schedule in effect for the period noted (the model fee). The composite model fee for each period is either the highest tier of the current fee schedule or a higher value, whichever is required to ensure the model composite net-of-fee return is lower than or equal to the composite net-of-fee return calculated using actual fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The firm's fees are available on request and may be found on Part 2A of its Form ADV. The complete fee schedule for this product is:

Market Value	Annual Fee
First \$15,000,000	1.00% (Min. Annual Fee: \$100,000)
Next \$35,000,000	0.90%
Next \$50,000,000	0.80%
Thereafter	0.75%
- Valuations and returns are stated in U.S. dollars. Past performance should not be considered indicative of future performance. Composite returns reflect the reinvestment of dividends and other earnings. A list of broad distribution pooled funds, composite and limited distribution pooled fund descriptions and policies of valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Registration with the SEC does not imply a certain level of skill or training.
- The composite is managed by Integrity Asset Management, a Victory Capital investment franchise. Performance prior to October 2014 occurred while the team was affiliated with a prior firm. The investment management team has managed the composite strategy since inception and the investment process has not changed. The historical performance has been linked to performance earned at Victory Capital Management.
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