



FACTOR-*e* (ENHANCED) STRATEGIES

STRATEGY DESCRIPTION

The Factor-*e* Strategies target enhanced risk-adjusted returns by integrating our research of historical drivers of return and the science of capital markets. Our process incorporates customized investment filters, analysis of variables affecting performance across various phases of the market cycle, statistical tools, and the collective wisdom of our experienced investment committee to deliver value-added portfolios.

INVESTMENT CRITERIA

The Factor-*e* Strategies invest in exchange traded funds (ETFs) and similar instruments to achieve broad and cost-effective exposures to drivers of investment return. These strategies employ the “fi360 fiduciary filter” as a starting point for all diagnostics; some sample elements in this filter would include sharpe, alpha and net expense ratios, and manager tenure in relation to their peer group. The investment committee then identifies and calibrates factors it believes play a meaningful role in the returns of the underlying securities in the context of the market cycle and economic climate.

THE FACTOR-*e* STRATEGIES OFFER THE FOLLOWING PORTFOLIOS:

- **HIGH GROWTH**—will maintain approximately 90% global equity exposure with allocations to high growth sectors and industries.
- **GROWTH**—will maintain 75% to 80% global equity exposure with a growing emphasis on diversification across capital structure.
- **GROWTH & INCOME**—will maintain 50% to 60% global equity exposure with emphasis on dividend and preferred yields and a diversified fixed income allocations.
- **INCOME**—will maintain a diversified portfolio of income producing securities with largely fixed income instruments but still maintain 25% in US equities.
- **PRESERVATION**—will maintain a 70% allocation of short duration and high-grade fixed income securities with no more than 20% allocation to US equities.

RISK CONTROL

- fi360 fiduciary filter
- Ongoing peer group review
- Use of multiple smart beta factors
- Low-cost market exposure

