



S-Network FolioBeyond Optimized Fixed Income Index

November 2020

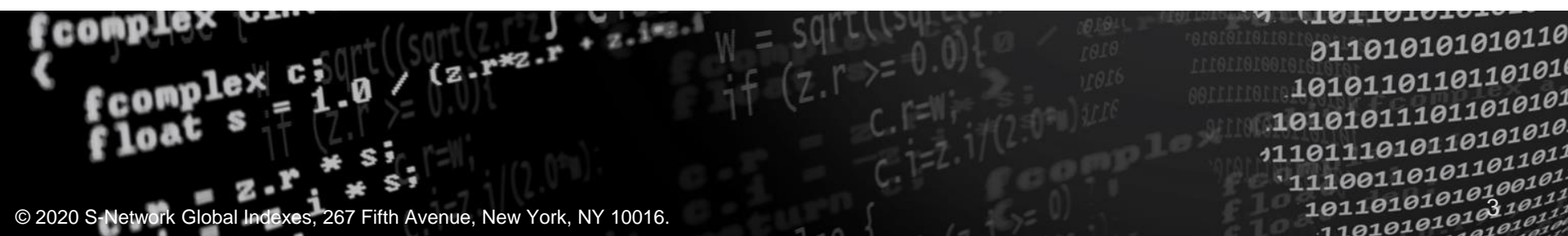
S  **NET FolioBeyond**
OPTIMIZED FIXED INCOME
I N D E X E S

Fixed Income Opportunity

- ❑ The fixed income markets experience changes in relative value across sectors by product, credit and duration.
- ❑ Capturing these relative value changes over time is the goal of all total return fixed income managers.
- ❑ Underlying bond markets have become less liquid, but there is a broad enough offering of fixed income ETFs to capture virtually all major sectors of the liquid markets.
- ❑ Therefore, utilizing an algorithmic approach to optimize for return subject to volatility constraints is now a realistic and achievable objective.
- ❑ Additionally, this same technology can be applied to sub-sectors of the fixed income markets to optimize for higher returns subject to specific duration and credit constraints.

Index Rationale

- ❑ The S-Network FolioBeyond Optimized Fixed Income Index (SNFBFI) is comprised of best-of-breed fixed income Exchange Traded Funds (“ETFs”) representing 23 discrete subsectors, with exposures defined based on market sector, credit and duration.
- ❑ The Index is based on the FolioBeyond’s proprietary fixed income algorithm and technology which captures the key drivers of performance and risk in the fixed income markets.
- ❑ **Investment Case**
 - The continual growth of sector ETFs in the fixed income markets during the past ten years has made effective implementation of dynamic and algorithmic asset allocation strategies a viable and, we believe, optimal alternative to traditional fixed income total return strategies.
 - FolioBeyond’s algorithmic asset allocation process seeks to maximize returns subject to a volatility target effectively equal to the that of the Bloomberg Barclays US Aggregate Bond Index.



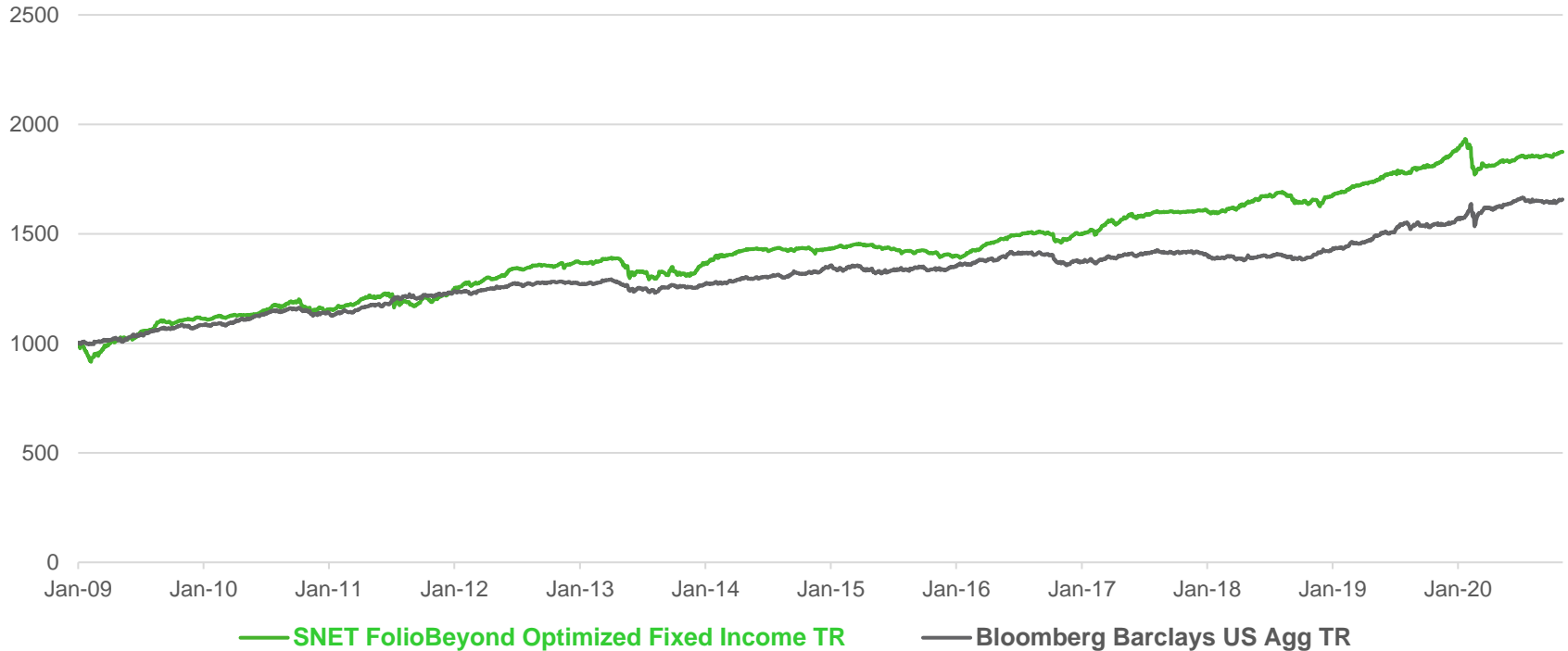
Index Methodology

- ❑ FolioBeyond has developed a state-of the art, advanced algorithmic process for optimizing portfolio allocations across a diverse set of risk/return profiles in the fixed income markets.
- ❑ Rigorous due diligence selects the optimal pool of ETFs to obtain desired sector exposures.
- ❑ Momentum effects are incorporated along with the scaling of risk exposures to reflect current implied volatility levels.
- ❑ An advanced optimization framework is utilized with properly adjusted return projections and customized constraints to capture the key risk attributes of fixed income products.
- ❑ An efficient frontier is targeted to maximize returns subject to volatility targets, covariance effects, sector constraints, implied volatility scaling, momentum and stress tests.
- ❑ Weighted based on optimization model results
- ❑ Rebalancing occurs when the volatility constraint deviates by at least 15% from target.



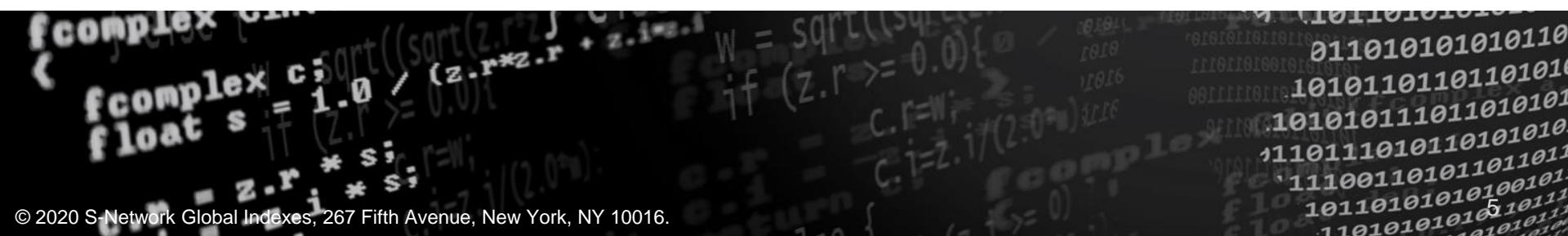
Historical Performance

S-Network FolioBeyond Optimized Fixed Income TR Index vs. Bloomberg Barclays US Aggregate Bond TR Index
(1/31/2009–11/30/2020)

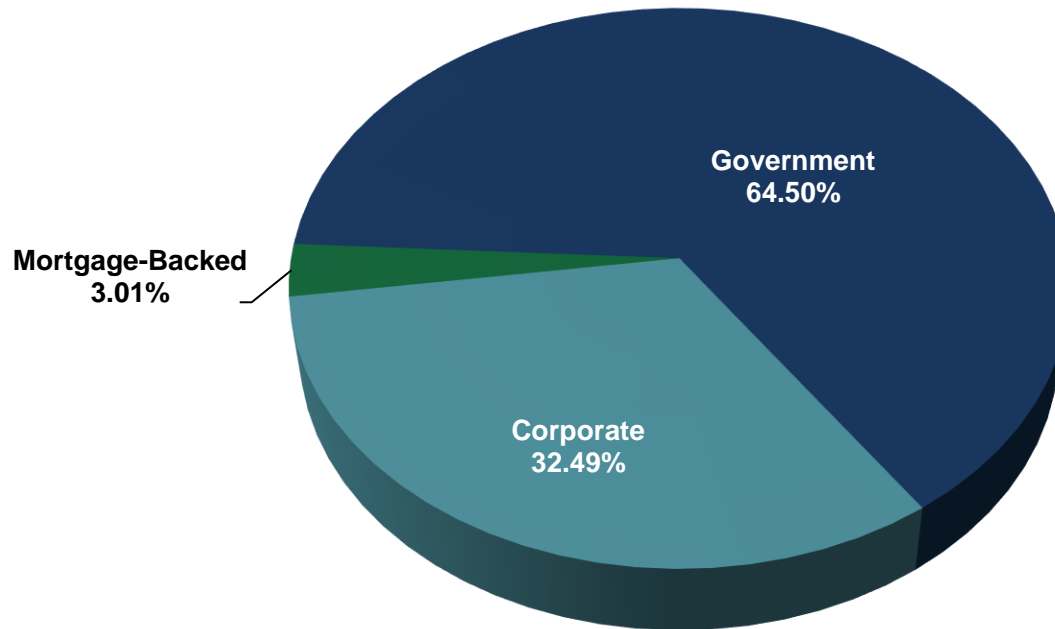


To ensure fair comparisons, the starting index values are normalized to 1,000 as of January 31, 2009.

Source: Bloomberg as of 11/30/2020



S-**NET** FolioBeyond Optimized Fixed Income Index



Source: S-**NET** as of 11/30/2020



S-Network FolioBeyond Optimized Fixed Income Index Universe

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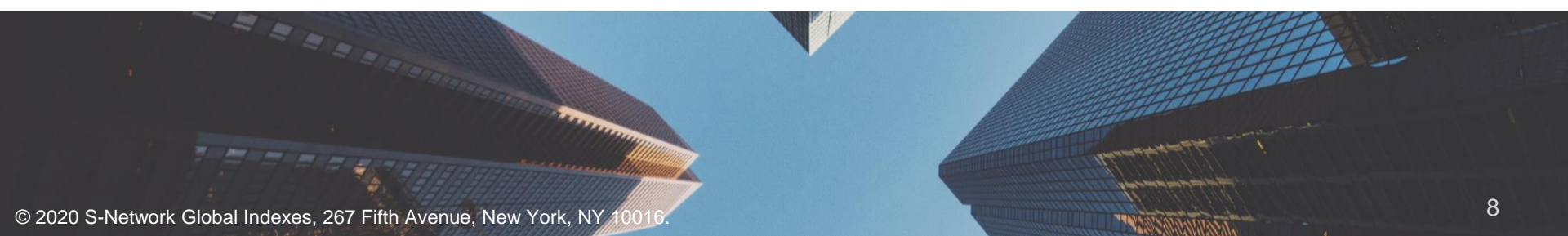
Fund	Ticker	Sector
ISHARES SHORT-TERM CORPORATE BOND ETF	IGSB US	Corporate
ISHARES INTERMEDIATE-TERM CORPORATE BOND ETF	IGIB US	Corporate
ISHARES IBOXX INVESTMENT GRADE CORPORATE BOND ETF	LQD US	Corporate
ISHARES LONG-TERM CORPORATE	IGLB US	Corporate
SPDR BBG BARC ST HIGH YIELD BOND ETF	SJNK US	Corporate
ISHARES IBOXX HIGH YLD CORPORATE BOND ETF	HYG US	Corporate
INVESCO SENIOR LOAN ETF	BKLN US	Corporate
ISHARES JP MORGAN USD EMERGING MARKETS BOND ETF	EMB US	Emerging Market
ISHARES SHORT TREASURY BOND ETF	SHV US	Government
ISHARES 1-3 YEAR TREASURY BOND ETF	SHY US	Government
ISHARES SHORT TREASURY BOND ETF	IEI US	Government
ISHARES 10-20 YEAR TREASURY BOND ETF	TLH US	Government
ISHARES 20+ YEAR TREASURY BOND ETF	TLT US	Government
ISHARES AGENCY BOND ETF	AGZ US	Government
SPDR BBG BARC SHORT TERM INTERNATIONAL TREASURY BOND ETF	BWZ US	Government
ISHARES 0-5 YEAR TIPS BOND ETF	STIP US	Inflation Protected
ISHARES TIPS BOND ETF	TIP US	Inflation Protected
SPDR BBG BARC MBS BOND ETF	SPMB US	Mortgage-Backed
ISHARES CMBS ETF	CMBS US	Mortgage-Backed
ISHARES MORTGAGE REAL ESTATE ETF	REM US	Mortgage REIT
SPDR NUVEEN BBG BARC ST MUNICIPAL BOND ETF	SHM US	Municipals
VANECK AMT-FREE INTERMEDIATE MUNICIPAL INDEX ETF	ITM US	Municipals
VANECK HIGH-YIELD MUNICIPAL INDEX ETF	HYD US	Municipals

Source: FolioBeyond as of 11/30/2020

Constituents (as of 11/30/2020)

S-Network FolioBeyond Optimized Fixed Income Index			
Company	Ticker	Sub-Industry	Weight
SPDR Bbg Barclays Short Term High Yield Bond ETF	SJNK US	Corporate	30.00%
iShares Agency Bond ETF	AGZ US	Government	30.00%
iShares Barclays Short Treasury Bond Fund	SHV US	Government	25.34%
iShares Barclays 10 20 Year Treasury Bond Fund	TLH US	Government	5.16%
iShares CMBS ETF	CMBS US	Mortgage-Backed	3.01%
iShares Barclays 3 7 Year Treasury Bond Fund	IEI US	Government	2.67%
Invesco Senior Loan ETF	BKLN US	Corporate	2.49%
iShares Lehman 20 Year	TLT US	Government	1.33%

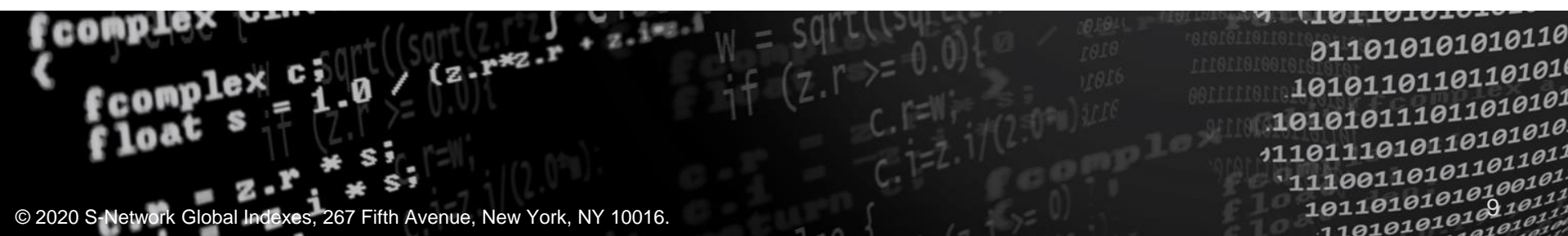
Source: S-Network as of 11/30/2020



Calendar Year Returns

	S-Network FolioBeyond Optimized Fixed Income TR Index	Bloomberg Barclays US Aggregate Bond TR Index
12/31/2010	4.77%	6.54%
12/31/2011	5.38%	7.84%
12/31/2012	11.06%	4.22%
12/31/2013	-2.69%	-2.02%
12/31/2014	7.81%	5.97%
12/31/2015	-1.41%	0.55%
12/31/2016	5.85%	2.65%
12/31/2017	7.82%	3.54%
12/31/2018	2.17%	0.01%
12/21/2019	12.68%	8.72%
YTD (11/30/2020)	1.45%	7.36%

Source: Bloomberg as of 11/30/2020



Market Capitalization Profile: Index Universe

S-Network FolioBeyond Optimized Fixed Income Index Universe	
Number of Constituents	23
Total Market Capitalization	261.06 Billion USD
Largest Market Capitalization	58.69 Billion USD
Smallest Market Capitalization	247.71 Million USD
Average Market Capitalization	11.35 Billion USD
Median Market Capitalization	4.26 Billion USD

Source: Refinitiv as of 11/30/2020

Statistical Profile I

Total Return Appreciation

	S-Network FolioBeyond Optimized Fixed Income TR Index	Bloomberg Barclays US Aggregate Bond TR Index
Since Inception*	87.44%	65.74%
10 Year	61.25%	43.99%
5 Year	32.71%	23.66%
3 Year	17.10%	17.27%
1 Year	2.87%	7.28%

Compound Annual Growth Rate

	S-Network FolioBeyond Optimized Fixed Income TR Index	Bloomberg Barclays US Aggregate Bond TR Index
Since Inception*	5.45%	4.36%
10 Year	4.89%	3.71%
5 Year	5.82%	4.34%
3 Year	5.40%	5.45%
1 Year	2.87%	7.28%

*Inception date: January 30, 2009

Source: Bloomberg as of 11/30/2020



Statistical Profile II

Annualized Standard Deviation

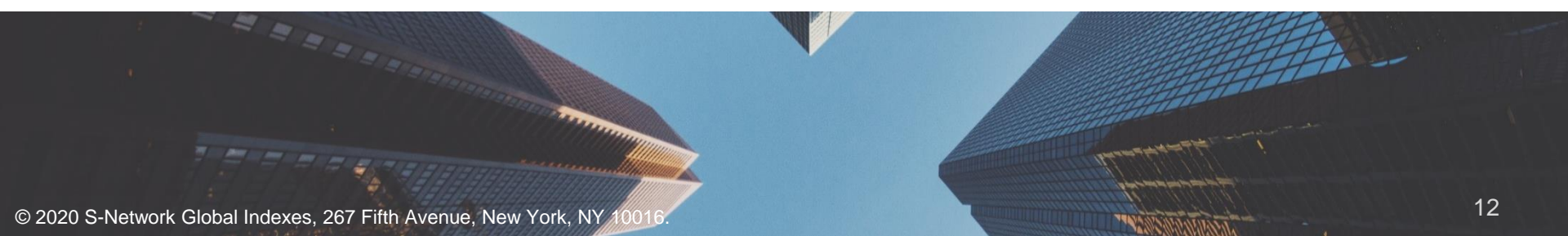
	S-Network FolioBeyond Optimized Fixed Income TR Index	Bloomberg Barclays US Aggregate Bond TR Index
Since Inception*	4.75%	2.95%
10 Year	4.12%	2.97%
5 Year	4.02%	3.17%
3 Year	4.44%	3.40%
1 Year	6.19%	3.45%

Sharpe Ratio

	S-Network FolioBeyond Optimized Fixed Income TR Index	Bloomberg Barclays US Aggregate Bond TR Index
Since Inception*	1.0342	1.2950
10 Year	1.0392	1.0467
5 Year	1.1598	1.0019
3 Year	0.8704	1.1512
1 Year	0.3797	1.9615

*Inception date: January 30, 2009

Source: Bloomberg as of 11/30/2020



Statistical Profile III

Tracking Error (vs. Bloomberg Barclays US Aggregate Bond TR Index)

	S- Network FolioBeyond Optimized Fixed Income TR Index
Since Inception*	4.29%
10 Year	3.72%
5 Year	3.78%
3 Year	4.43%
1 Year	5.12%

Correlation (vs. Bloomberg Barclays US Aggregate Bond TR Index)

	S- Network FolioBeyond Optimized Fixed Income TR Index
Since Inception*	0.4603
10 Year	0.4894
5 Year	0.4690
3 Year	0.3846
1 Year	0.5613

*Inception date: January 30, 2009

Source: Bloomberg as of 11/30/2020



Statistical Profile IV

Beta (vs. Bloomberg Barclays US Aggregate Bond TR Index)

	S-Network FolioBeyond Optimized Fixed Income TR Index
Since Inception*	0.7408
10 Year	0.6806
5 Year	0.5943
3 Year	0.5024
1 Year	1.0071

R-Squared (vs. Bloomberg Barclays US Aggregate Bond TR Index)

	S-Network FolioBeyond Optimized Fixed Income TR Index
Since Inception*	0.2119
10 Year	0.2396
5 Year	0.2200
3 Year	0.1479
1 Year	0.3151

*Inception date: January 30, 2009

Source: Bloomberg as of 11/30/2020



S-Network Company History

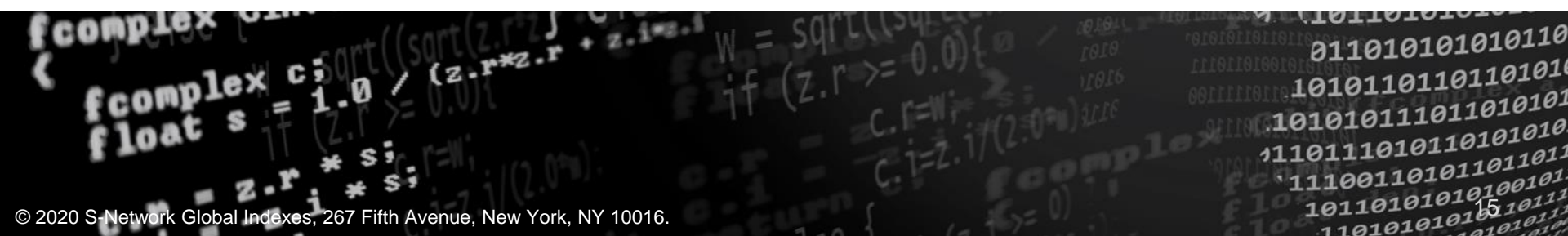
S-Network Global Indexes, Inc. is a publisher and developer of proprietary and custom indexes. S-Network began publishing indexes in 2006 and currently publishes over 300 indexes, which serve as the underlying portfolios for financial products with approximately USD 7 billion in assets under management. S-Network indexes, which are supported by a state-of-the-art technology platform, are known for their transparency and efficiency.

S-Network is a leader in socially responsible investment, publishing best-practice benchmark indexes in collaboration with Thomson Reuters. S-Network published the first global alternative energy and water indexes, which today serve as the recognized benchmarks for those sectors worldwide. In addition to publishing socially responsible indexes, S-Network produces proprietary environmental, social and governance ratings on nearly 5,000 public companies worldwide.

S-Network publishes a comprehensive suite of benchmark indexes covering US, European, Pacific Basin and emerging markets companies and mirroring the performance characteristics of the most popular indexes. The benchmark series offers detailed historical data, including daily constituent level data, from December 31, 1999 to the present. S-Network benchmarks serve as starting universes for smart beta indexes, as institutional-quality performance benchmarks, and as bases for Separately Managed Accounts.

S-Network is a prominent provider of smart beta indexes that incorporate standard market statistics as well as unique and highly specialized proprietary data sets derived from non-traditional sources. Smart beta indexes developed by S-Network embrace powerful single-factor models as well as complex multi-factor models that incorporate over 200 discrete factors. All indexes developed by S-Network address and resolve issues such as liquidity, investability and index turnover characteristics.

For more information please visit snetworkglobalindexes.com/



FolioBeyond Company History

- Founded in December 2017, FolioBeyond offers institutional quality quantitative asset allocation models that address the needs of a broad array of end users.
- FolioBeyond delivers transparent, cost-effective core equity and fixed income products.
- Based on a deep repository of academic research and market experience, FolioBeyond's proprietary models capture advanced investment strategies, sophisticated risk management tools and can be customized for use by both high net worth and institutional investors.
- Automation and technology will drive the growth of the asset management platforms of the future. FolioBeyond has the team and skills to harness those drivers to build for scale.
- The founders and team of FolioBeyond comprise a diverse and tenured skill set across capital markets, asset management, technology, marketing and distribution.