RAFI™ Multi-Factor Index Series, Developed ex-US

As of 9/30/2018

The RAFI™ Multi-Factor index series offers diversified factor exposures through allocations to value, low volatility, quality, momentum, and size. The Dynamic Multi-Factor strategy takes time-varying exposures to the same five factors. The index uses recent and historical metrics to tilt toward factor portfolios which are particularly attractive on a forward looking basis.

Performance Table

Index	QTD	1-Yr	3-Yr	5-Yr	10-Yr	ITD*	10-Yr Volatility	10-Yr TE**
RAFI Dynamic Multi-Factor Developed ex US Index	1.2%	3.8%	11.3%	6.9%	8.4%	12.3%	15.9%	2.9%
RAFI Multi-Factor Developed ex US Index	1.3%	3.8%	11.3%	6.8%	8.4%	12.2%	16.1%	2.4%
RAFI Value Factor Developed ex US Index	1.7%	5.2%	13.4%	7.0%	8.7%	12.1%	18.7%	4.8%
RAFI Low Volatility Factor Developed ex US Index	2.0%	6.2%	10.2%	7.9%	8.2%	12.6%	13.3%	6.6%
RAFI Quality Factor Developed ex US Index	1.4%	2.4%	10.4%	6.2%	7.9%	11.3%	15.8%	3.2%
RA Momentum Factor Developed ex US Index	1.4%	2.8%	10.2%	5.6%	7.1%	11.6%	15.9%	3.7%
MSCI World ex USA - Gross Return	1.4%	3.2%	9.9%	4.8%	5.7%	11.5%	17.4%	N/A
RAFI Size Factor Developed ex US Index	-0.3%	2.8%	12.2%	7.7%	10.4%	13.3%	17.7%	2.2%
MSCI World ex USA Small Cap - Gross Return	-0.8%	3.8%	12.7%	7.5%	9.4%	14.0%	18.3%	N/A

Based on data from FactSet. All returns are total returns reported in USD. All returns greater than one year are annualized. Please see important disclosure information at end.

*Inception to Date (ITD) returns and Tracking Error are calculated using the first full month of returns following index inception. Index returns prior to inception date are simulated. Inception date is 1/31/2017.

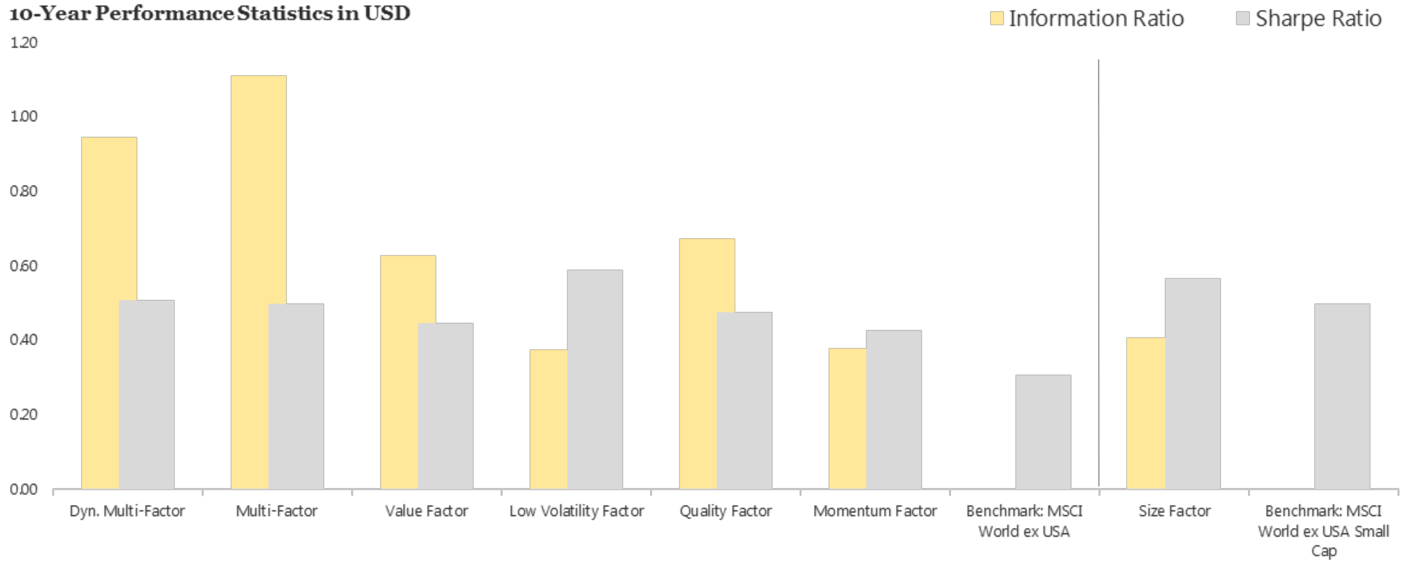
**Tracking error calculated against each section's appropriate benchmark using the first full month of returns following index inception. Index returns prior to inception date are simulated.

Characteristics Table

Index	Number of Holdings	P/E	P/S	P/B	Dividend Yield	Market Cap ($Billions)	One-Way Turnover	Capacity $B
RAFI Dynamic Multi-Factor Developed ex US Index	2,174	14.32	0.85	1.58	3.04	37.34	53%	14.38
RAFI Multi-Factor Developed ex US Index	2,176	14.27	0.87	1.61	3.04	35.78	42%	18.91
RAFI Value Factor Developed ex US Index	406	11.51	0.47	1.00	3.39	32.46	26%	12.11
RAFI Low Volatility Factor Developed ex US Index	539	15.19	1.02	1.72	3.29	37.16	22%	26.54
RAFI Quality Factor Developed ex US Index	498	14.30	1.09	2.12	3.20	45.96	22%	26.26
RA Momentum Factor Developed ex US Index	505	14.99	1.15	1.89	2.71	53.74	97%	2.82
RAFI Size Factor Developed ex US Index	1,211	15.83	0.97	1.80	2.63	4.40	55%	3.26

Note: Portfolio characteristics derived from FactSet. Data prior to launch is simulated. One-way turnover data is based on simulated history through 2016. Capacity and transaction cost estimates are as of 12/31/2017. Please see disclosures for important information regarding simulated data.

10-Year Performance Statistics in USD



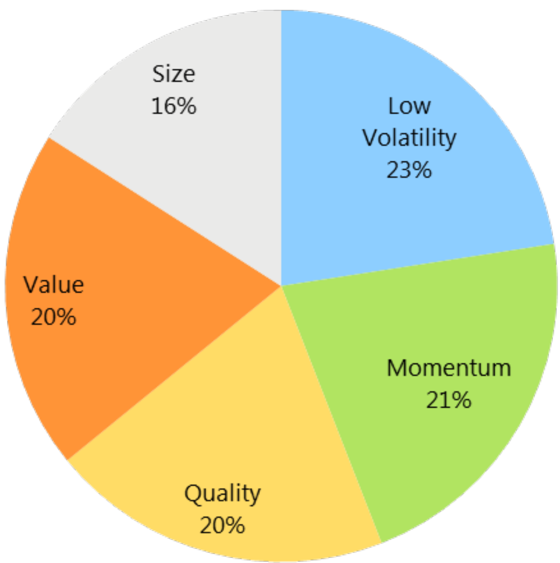
Past performance, including simulated performance, is no guarantee of future performance and actual index results may differ.

Factor Exposure 6/1992–6/2018

Index	Alpha (Annual)	Beta (Mkt-Rf)	Size (SMB)	Value (HML)	Profitability (RMW)	Investment (CMA)	Momentum (WML)	Low Beta (BAB)
RAFI Dynamic Multi-Factor Developed ex US Index	0.55%	0.97	0.12	0.16	0.11	0.04	0.09	0.05
RAFI Multi-Factor Developed ex US Index	0.64%	0.97	0.12	0.18	0.12	0.02	0.06	0.06
RAFI Value Factor Developed ex US Index	1.40%	0.98	0.16	0.45	0.25	0.15	0.00	-0.08
RAFI Low Volatility Factor Developed ex US Index	1.20%	0.96	0.04	0.09	0.00	0.06	-0.06	0.35
RAFI Quality Factor Developed ex US Index	0.85%	0.96	0.02	0.12	0.24	0.05	0.01	0.08
RA Momentum Factor Developed ex US Index	-0.29%	0.95	-0.09	0.09	-0.03	-0.05	0.25	-0.03
RAFI Size Factor Developed ex US Index	0.94%	1.01	0.62	0.17	0.13	-0.03	0.07	0.02

Note: Factor returns simulated by Research Affiliates

RAFI Dynamic Multi-Factor Developed ex US Index Factor Allocation



Top 10 Holdings Decomposition

	RAFI Dynamic Multi-Factor Developed ex US Index	Weights (%)	Value Factor	Low Vol. Factor	Quality Factor	Mom. Factor	Size Factor
1	BP	1.48	2.81	-	-	2.45	-
2	Royal Dutch Shell	1.43	2.66	-	-	2.50	-
3	BHP Billiton	0.82	-	-	2.19	1.67	-
4	Ericsson	0.82	1.79	0.36	1.31	0.35	-
5	Nestle	0.80	-	1.98	2.08	-	-
6	Total	0.80	1.19	-	-	2.10	-
7	Zurich Insurance Grp.	0.74	-	1.62	1.36	0.61	-
8	Glencore plc	0.73	1.60	-	-	0.85	-
9	ENI	0.68	2.29	-	-	0.61	-
10	Swiss Re AG	0.68	0.42	1.35	1.14	0.37	-

	RAFI Multi-Factor Developed ex US Index	Weights (%)	Value Factor	Low Vol. Factor	Quality Factor	Mom. Factor	Size Factor
1	BP	1.09	2.81	-	-	2.45	-
2	Royal Dutch Shell	1.07	2.66	-	-	2.50	-
3	GlaxoSmithKline	0.94	-	2.30	2.20	-	-
4	Nestle	0.85	-	1.98	2.08	-	-
5	BHP Billiton	0.80	-	-	2.19	1.67	-
6	Ericsson	0.78	1.79	0.36	1.31	0.35	-
7	Zurich Insurance Grp.	0.75	-	1.62	1.36	0.61	-
8	Total	0.68	1.19	-	-	2.10	-
9	Swiss Re AG	0.68	0.42	1.35	1.14	0.37	-
10	Diageo	0.67	-	0.78	1.02	1.40	-

Top 10 Holdings Comparison

	RAFI Value Factor Developed ex US Index		RAFI Low Volatility Factor Developed ex US Index		RAFI Quality Factor Developed ex US Index		RA Momentum Factor Developed ex US Index		RAFI Size Factor Developed ex US Index	
1	BP	2.81	Medtronic plc	2.36	Unilever	2.26	Royal Dutch Shell	2.50	Lonza Group AG	0.90
2	Royal Dutch Shell	2.66	GlaxoSmithKline	2.30	GlaxoSmithKline	2.20	BP	2.45	Chocoladefabriken Lindt & S	0.53
3	ENI	2.29	Nestle	1.98	BHP Billiton	2.19	Novartis	2.29	Ashtead Group plc	0.50
4	Statoil	2.01	Zurich Insurance Grp.	1.62	Nestle	2.08	Total	2.10	Wirecard AG	0.50
5	Volkswagen AG Pref	2.01	JXTG Holdings. Inc.	1.41	Roche Holding	2.05	BHP Billiton	1.67	Ferrari NV	0.49
6	Repsol	1.92	Iberdrola SA	1.40	KDDI Corporation	1.40	Diageo	1.40	Petroleum Geo-Services ASA	0.44
7	Vodafone	1.88	Muenchener RG	1.39	Zurich Insurance Grp.	1.36	Toyota	1.30	Partners Group	0.44
8	Orange SA	1.86	SAP	1.37	BASF	1.34	Allianz	1.25	Vifor Pharma AG	0.44
9	ENGIE	1.83	Swiss Re AG	1.35	Ericsson	1.31	Rio Tinto	1.21	London Stock Exchange Grou	0.43
10	Ericsson	1.79	National Grid plc	1.27	ABB Ltd.	1.29	LVMH	1.19	Croda International Plc	0.43

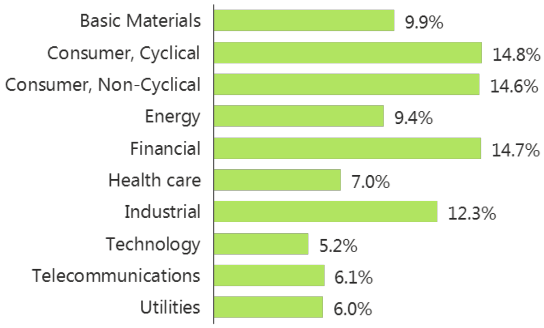
Names highlighted in blue appear in the top ten of both the Dynamic Multi-Factor and the Multi-Factor Index.

RAFI Indices™

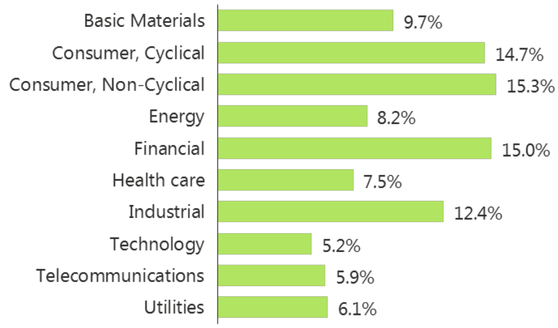
Please see important disclosure information at end.

Sector Weights

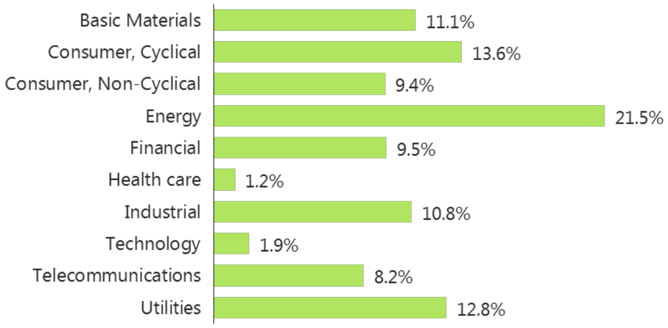
RAFI Dynamic Multi-Factor Developed ex US Index



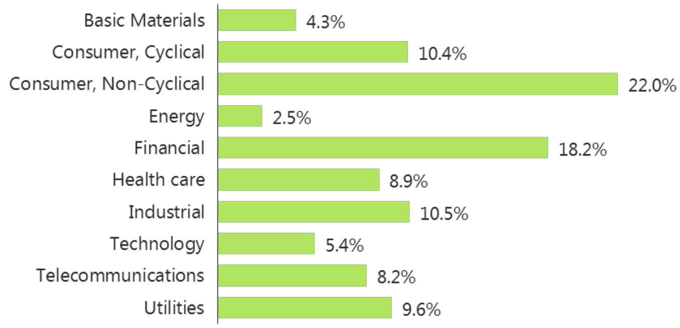
RAFI Multi-Factor Developed ex US Index



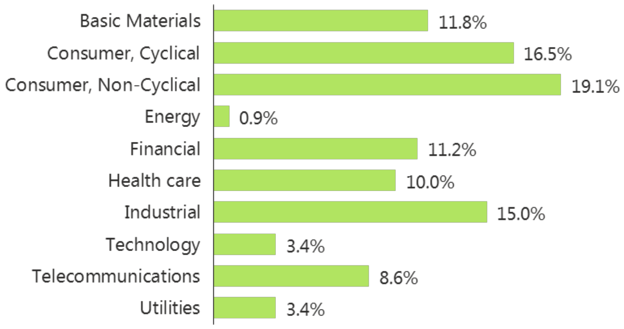
RAFI Value Factor Developed ex US Index



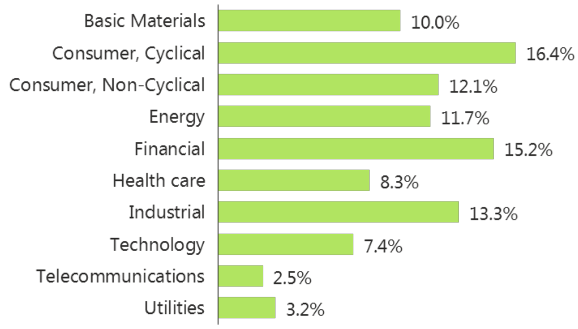
RAFI Low Volatility Factor Developed ex US Index



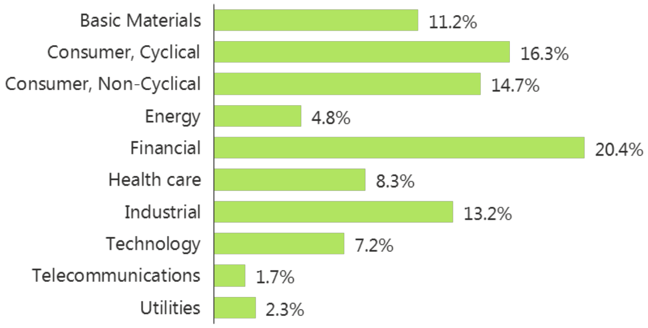
RAFI Quality Factor Developed ex US Index



RA Momentum Factor Developed ex US Index



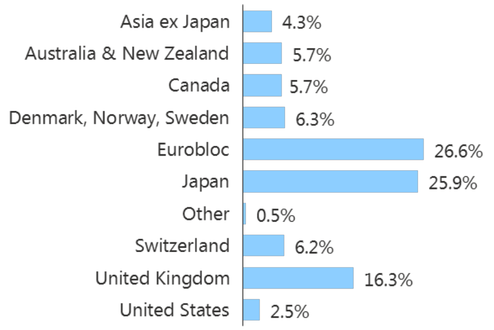
RAFI Size Factor Developed ex US Index



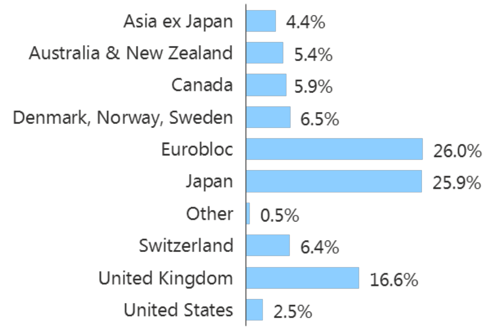
Note: Factor returns simulated by Research Affiliates.

Region Weights

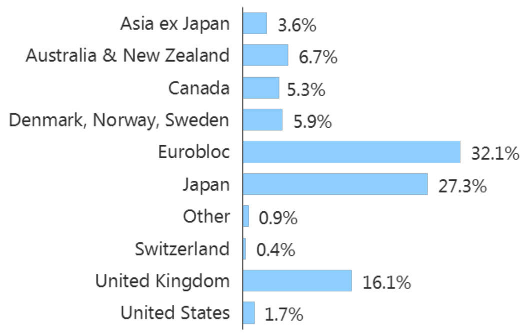
RAFI Dynamic Multi-Factor Developed ex US Index



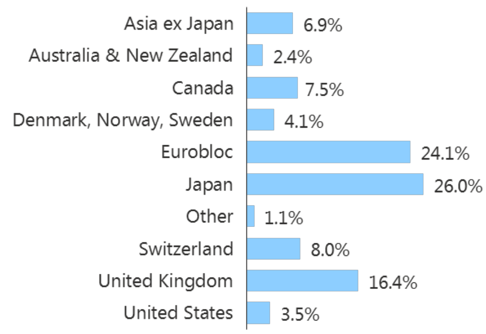
RAFI Multi-Factor Developed ex US Index



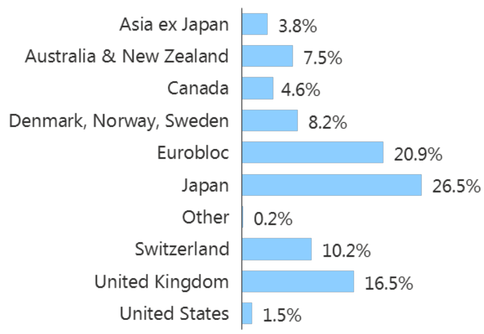
RAFI Value Factor Developed ex US Index



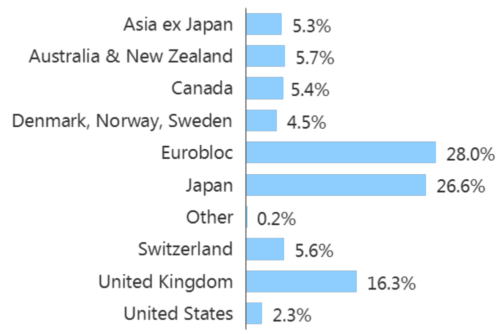
RAFI Low Volatility Factor Developed ex US Index



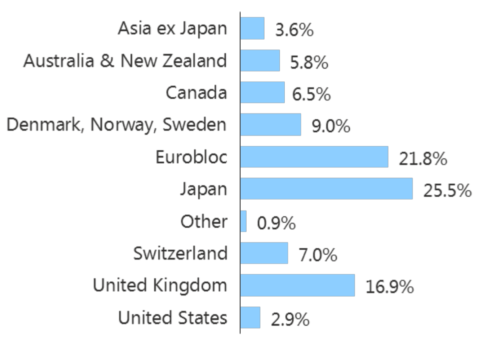
RAFI Quality Factor Developed ex US Index



RA Momentum Factor Developed ex US Index



RAFI Size Factor Developed ex US Index



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