

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 US Index	6.3%	18.1%	15.4%	13.0%	13.1%	16.3%	14.0%	2.7%
RAFI Multi-Factor US Index	6.5%	17.7%	15.5%	12.9%	12.9%	16.0%	14.0%	2.4%
Russell 3000 - Total Return	7.1%	17.6%	17.1%	13.5%	12.0%	17.8%	14.9%	N/A
RAFI Value Factor US Index	5.3%	20.3%	14.6%	11.8%	14.2%	14.1%	16.8%	5.9%
RAFI Low Volatility Factor US Index	8.7%	11.6%	12.3%	12.4%	11.8%	11.7%	11.6%	6.9%
RAFI Quality Factor US Index	7.7%	19.8%	17.1%	13.6%	13.9%	18.2%	13.3%	3.3%
RA Momentum Factor US Index	7.3%	21.1%	18.8%	15.4%	12.8%	21.4%	13.9%	3.2%
Russell 1000 - Total Return	7.4%	17.8%	17.1%	13.7%	12.1%	18.0%	14.6%	N/A
RAFI Size Factor US Index	4.0%	16.3%	14.4%	11.8%	12.1%	14.1%	17.4%	4.2%
Russell 2000 - Total Return	3.6%	15.2%	17.1%	11.1%	11.1%	15.6%	19.4%	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.

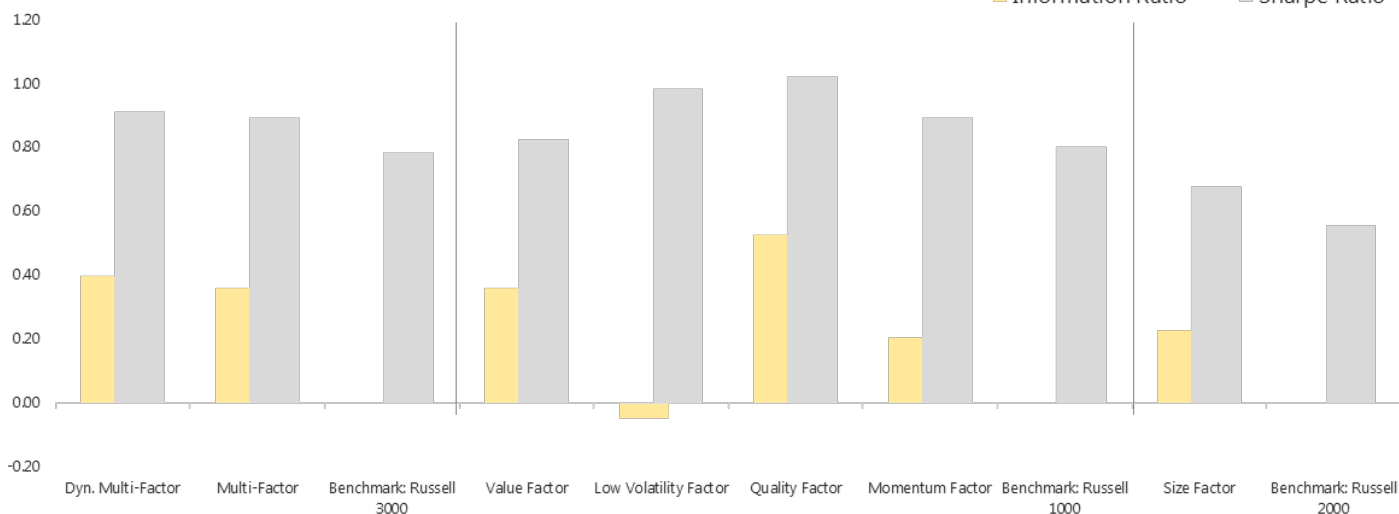
**Tracking error calculated against each section's appropriate benchmark using the first full month of returns following index inception. Index returns prior to inception date are simulated.

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 US Index	871	18.56	1.21	2.94	2.07	124.28	51%	23.11
RAFI Multi-Factor US Index	871	18.68	1.25	3.02	2.15	118.05	38%	39.43
RAFI Value Factor US Index	137	13.34	0.64	1.79	2.50	74.16	18%	28.41
RAFI Low Volatility Factor US Index	140	19.10	1.28	3.40	2.70	115.90	15%	48.08
RAFI Quality Factor US Index	151	19.21	1.91	5.96	2.40	160.89	19%	49.21
RA Momentum Factor US Index	176	22.92	2.40	4.42	1.38	221.15	90%	3.73
RAFI Size Factor US Index	517	20.11	1.28	2.52	1.82	10.08	53%	6.41

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



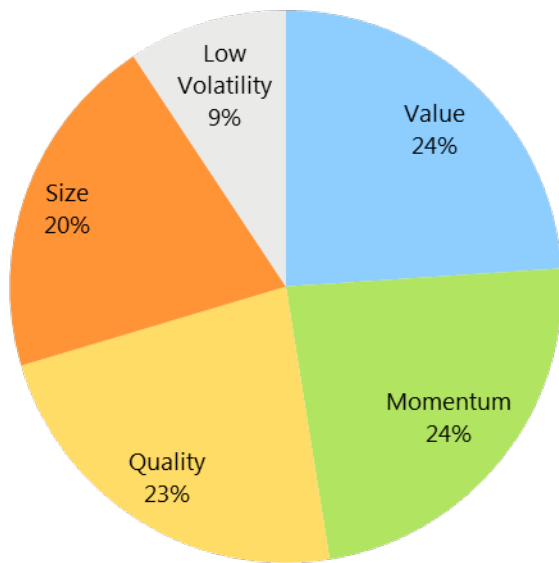
Factor Exposure

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 US Index	0.39%	1.01	0.17	0.10	0.08	0.19	0.05	0.13
RAFI Multi-Factor US Index	0.18%	1.01	0.17	0.11	0.10	0.17	0.02	0.14
RAFI Value Factor US Index	0.20%	1.09	0.23	0.29	0.12	0.41	-0.09	0.16
RAFI Low Volatility Factor US Index	-0.27%	0.98	0.14	0.12	0.07	0.21	-0.11	0.42
RAFI Quality Factor US Index	0.55%	0.99	0.01	-0.05	0.22	0.33	-0.06	0.14
RA Momentum Factor US Index	0.91%	0.99	-0.07	0.02	0.06	-0.03	0.22	-0.03
RAFI Size Factor US Index	0.02%	1.03	0.65	0.18	0.08	-0.01	0.08	0.08

Note: Factor returns simulated by Research Affiliates.

RAFI Dynamic Multi-Factor US Index Factor Allocation



Top 10 Holdings Decomposition

RAFI Dynamic Multi-Factor US Index	Weights (%)	Value Factor	Low Vol. Factor	Quality Factor	Mom. Factor	Size Factor
1 Wal-Mart	2.11	4.94	5.25	-	1.31	-
2 Chevron	1.91	4.75	-	-	2.28	-
3 Verizon	1.81	-	2.36	4.80	2.15	-
4 IBM	1.74	2.22	4.73	4.58	-	-
5 Amazon	1.53	-	-	-	5.75	-
6 CVS Caremark	1.47	4.27	3.87	-	-	-
7 Microsoft	1.44	-	-	-	5.42	-
8 ConocoPhillips	1.42	5.14	-	-	0.88	-
9 Home Depot	1.38	-	-	3.47	2.33	-
10 Exxon Mobil	1.32	4.82	-	-	-	-

RAFI Multi-Factor US Index	Weights (%)	Value Factor	Low Vol. Factor	Quality Factor	Mom. Factor	Size Factor
1 Wal-Mart	2.32	4.94	5.25	-	1.31	-
2 Verizon	1.92	-	2.36	4.80	2.15	-
3 IBM	1.74	2.22	4.73	4.58	-	-
4 CVS Caremark	1.65	4.27	3.87	-	-	-
5 Johnson & Johnson	1.56	-	5.05	2.54	-	-
6 Chevron	1.43	4.75	-	-	2.28	-
7 Target	1.27	2.80	2.53	2.54	0.46	-
8 ConocoPhillips	1.22	5.14	-	-	0.88	-
9 Apple	1.20	-	-	5.84	-	-
10 Home Depot	1.19	-	-	3.47	2.33	-

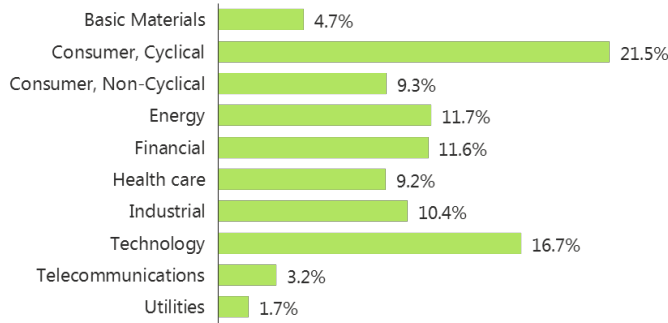
Top 10 Holdings Comparison

RAFI Value Factor US Index		RAFI Low Volatility Factor US Index		RAFI Quality Factor US Index		RA Momentum Factor US Index		RAFI Size Factor US Index	
1 ConocoPhillips	5.14	AT&T	5.28	Apple	5.84	Amazon	5.75	Netflix, Inc.	1.45
2 Wal-Mart	4.94	Wal-Mart	5.25	Verizon	4.80	Microsoft	5.42	Zoetis, Inc. Class A	1.00
3 Exxon Mobil	4.82	Johnson & Johnson	5.05	IBM	4.58	Berkshire Hathaway	4.05	American Eagle Outfitters, In	1.00
4 Chevron	4.75	IBM	4.73	Home Depot	3.47	Facebook, Inc. Class A	3.78	ResMed Inc.	0.88
5 CVS Caremark	4.27	Procter & Gamble	4.53	Coca-Cola	2.81	Visa	2.60	AutoZone, Inc.	0.88
6 Valero	3.83	CVS Caremark	3.87	Target	2.54	UnitedHealth	2.46	Illumina, Inc.	0.88
7 AIG	3.36	Express Scripts Holding Com	2.95	Johnson & Johnson	2.54	Home Depot	2.33	Brinker International, Inc.	0.78
8 Phillips 66	3.31	Coca-Cola	2.81	PepsiCo	2.48	Chevron	2.28	Whiting Petroleum Corporati	0.65
9 Express Scripts Holding Com	2.98	Target	2.53	Boeing	2.44	Cisco Systems	2.23	Copart, Inc.	0.65
10 Target	2.80	PepsiCo	2.51	Lowe's	2.36	Verizon	2.15	Jack Henry & Associates, Inc.	0.63

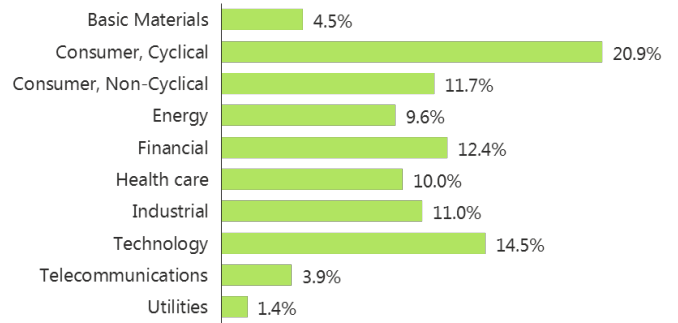
Names highlighted in blue appear in the top ten of both the Dynamic Multi-Factor and the Multi-Factor Index.

Sector Weights

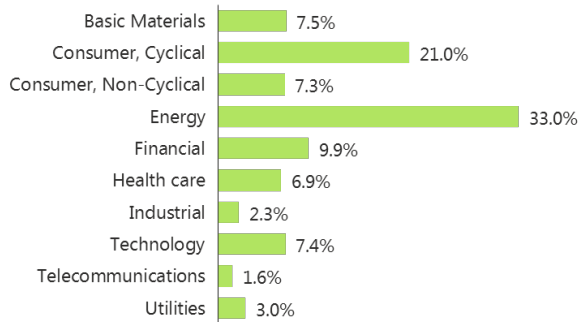
RAFI Dynamic Multi-Factor US Index



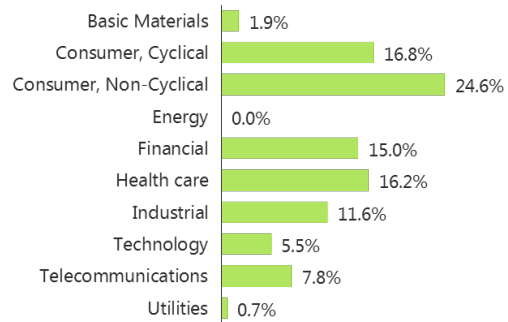
RAFI Multi-Factor US Index



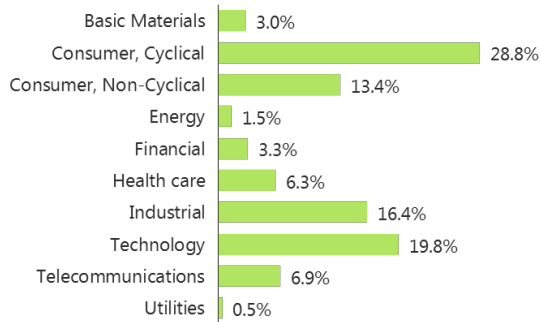
RAFI Value Factor US Index



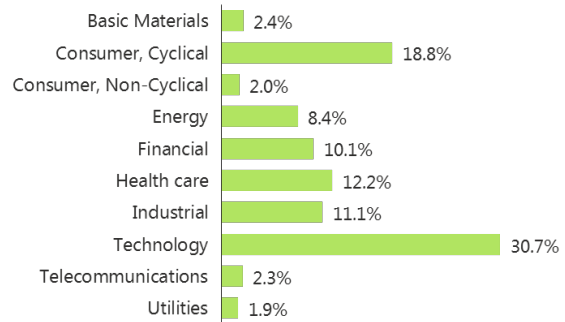
RAFI Low Volatility Factor US Index



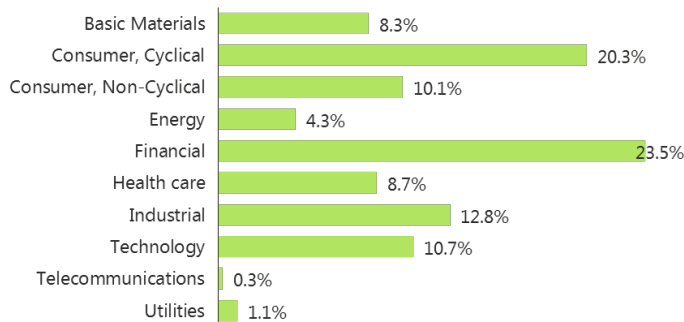
RAFI Quality Factor US Index



RAFI Momentum Factor US Index



RAFI Size Factor US Index



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