

QVAL | US Quantitative Value ETF

Why consider QVAL? | QVAL targets US stocks with the **highest earnings relative to the stock's equity and debt**. Generally, portfolio companies feature strong earnings growth, low debt, and positive cash flow. The portfolio is **equal-weighted and rebalanced monthly** to maintain consistent exposure to what we believe to be the cheapest, highest quality US value stocks on the expectation that stocks with these characteristics will outperform over time.

	50 Biggest US Value ETFs ¹	QVAL	Potential Advantage
Avg. # of holdings	414.1	50.0	FOCUSED
Turnover Ratio ²	32.0%	101.0%	ACTIVE
S&P 500 Overlap ³	23.6%	2.6%	UNIQUE
P/E Ratio (weighted avg.) ⁴	23.04	11.60	VALUE

Source: FactSet, YCharts, Alpha Architect. Data as of 1/9/2025 for 12/31/2024

QVAL Top 10 Holdings by Market Cap. | QVAL's equal-weighted strategy tends to **invest at a higher weighting than a market-cap weighted strategy**; rebalancing frequently may increase the probability that we buy a stock trading below its intrinsic value and may benefit from positive mean reversion.

Ticker	Name	Sector	P/E Ratio	Mkt. Cap. (\$ bil)	QVAL Weighting	S&P 500 ⁵ Weighting
MO	Altria Group Inc	Non-Cycl.	8.97	\$90,062	1.97%	0.18%
ELV	Elevance Health Inc	Healthcare	13.54	\$86,173	1.90%	0.17%
HCA	HCA Healthcare Inc	Healthcare	13.32	\$75,153	1.94%	0.11%
TGT	Target Corp	Non-Cycl.	14.39	\$62,221	2.23%	0.12%
FCX	Freeport-McMoRan Inc	Materials	27.44	\$54,187	1.84%	0.11%
KR	The Kroger Co	Non-Cycl.	16.26	\$44,473	2.22%	0.08%
HES	Hess Corp	Energy	15.92	\$42,024	1.96%	0.07%
DAL	Delta Air Lines Inc	Industrials	8.19	\$38,072	1.96%	0.08%
LEN	Lennar Corp	Cons. Cycl.	9.47	\$36,727	1.65%	0.07%
UAL	United Airlines	Industrials	11.53	\$31,464	2.07%	0.06%

Source: FactSet, YCharts, Alpha Architect. Holdings as of 11/8/2024. **Investing involves risk, including the loss of principal. Past performance does not guarantee future results.** ¹**50 Biggest US Value ETFs** represented by the 50 biggest ETFs based on assets under management in the US Large (top 70% stocks by market cap), Mid-Cap (middle 20%), and Small (bottom 10%) Value categories. Value defined as equities with low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow). Categories determined by YCharts. [See note on category average methodology.](#) ²**Turnover ratio** measures the frequency at which assets in a portfolio are bought and sold over a specific period. ³**Active share** measures the percentage of a portfolio's holdings that differ from its benchmark index. Calculated relative to the S&P 500 Index (represented by the SPDR S&P 500 ETF). ⁴**Weighted Avg. P/E Ratio** measures the average price-to-earnings ratio of stocks in a portfolio, weighted by the market value of each holding. ⁵**S&P 500 Index** measures the performance of 500 large companies listed on stock exchanges in the United States. Indices are unmanaged. You cannot invest directly in an index or category average.

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Standardized Returns | as of 12/31/2024

	Inception	NAV	Annualized				Expense Ratios		
			1 Year	3 Year	5 Year	10 Year		Since Incept	
QVAL	10/21/2014	NAV	12.12%	8.31%	9.89%	7.33%	7.85%	Gross	0.29%
		MKT	12.20%	8.32%	9.96%	7.32%	7.87%	Net	0.29%
S&P 500 Index		MKT	25.02%	8.94%	14.53%	13.10%	10.61%		

Source: FactSet, YCharts

Rolling 1-Year Excess Returns⁶ | QVAL & 50 Biggest US Value ETFs relative to S&P 500 Index



Source: FactSet, Alpha Architect, YCharts. Monthly returns. 11/1/2014 – 12/31/2024. **Investing involves risk, including the loss of principal. Past performance does not guarantee future results. The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call (215) 882-9983 or visit www.alphaarchitect.com/funds.** Returns are annualized total returns, except for those periods of less than one year, which are cumulative. **Market price returns (MKT)** are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times. A fund's NAV is the sum of all assets less any liabilities, divided by the number of shares outstanding. ⁶**Rolling excess returns** measure the difference in performance between an investment and a benchmark over successive, overlapping periods. **Gross expense ratio** measures the total annual operating expenses of a mutual fund or an exchange-traded fund (ETF) expressed as a percentage of the fund's average net assets. **Net expense ratio** represents the cost of owning a fund. It expresses the percent of assets deducted each fiscal year to cover various fund expenses, including 12b-1 fees, management and administrative charges, operational expenditures, and all other costs tied to managing and operating a fund, less any fee waivers or other rebates.

IMPORTANT RISK INFORMATION: Investors should carefully consider the investment objectives, risk, charges, and expenses of the funds. This and other important information is in the indicated fund's prospectus, which can be obtained by calling (215) 882-9983 or by visiting www.AlphaArchitect.com/funds. The prospectus should be read carefully before investing.



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Category Average Methodology. As of 4/30/2024, the calculation method used to determine the category average's returns changed to account for potentially different inception dates. Previously, a straight average of constituent funds' total return net asset value (NAV) was used to determine the category's average total return NAV; the percent change of the category average NAV was then used to calculate returns. As of 4/30/2024, total returns for the category are now found using a straight average of the total NAV return (percent change) for a given frequency (daily, weekly, monthly, etc.). There may be instances where the straight average of the constituent funds' NAV returns may be higher or lower than the straight average of the total NAV return. As of 4/30/2024, all category average returns are calculated using the straight average of the constituent funds' total NAV return for a given frequency.

Investment Risk. When you sell your Shares of the Fund, they could be worth less than what you paid for them. Therefore, you may lose money by investing in the Fund.

Value investing risk. Value investing is subject to the risk that intrinsic values of investments may not be recognized by the broad market or that their prices may decline. Investments utilizing quantitative methods may perform differently than the market as a result of characteristics and data used and changes in trends. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are magnified in emerging markets.

Quantitative Security Selection Risk. Data for some companies may be less available and/or less current than data for companies in other markets. The Adviser uses a quantitative model, and its processes could be adversely affected if erroneous or outdated data is utilized. In addition, securities selected using the quantitative model could perform differently from the financial markets as a whole as a result of the characteristics used in the analysis, the weight placed on each characteristic and changes in the characteristic's historical trends. **Equity**

Investing Risk. An investment in the Fund involves risks similar to those of investing in any fund holding equity securities, such as market fluctuations, changes in interest rates and perceived trends in stock prices. The values of equity securities could decline generally or could underperform other investments. In addition, securities may decline in value due to factors affecting a specific issuer, market or securities markets generally. **Investment Risk.** When you sell your Shares of the Fund, they could be worth less than what you paid for them. Therefore, you may lose money by investing in the Fund.

Large-Capitalization Companies Risk. Large-capitalization companies may trail the returns of the overall stock market. Large-capitalization stocks tend to go through cycles of doing better - or worse - than the stock market in general. These periods have, in the past, lasted for as long as several years. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

Small- and Mid-Capitalization Company Risk. Investing in securities of small- and mid-capitalization companies involves greater risk than customarily is associated with investing in larger, more established companies. These companies' securities may be more volatile and less liquid than those of more established companies. Often small- and mid-capitalization companies and the industries in which they focus are still evolving and, as a result, they may be more sensitive to changing market conditions.

Management Risk. The Fund is actively managed and may not meet its investment objective based on the Adviser's success or failure to implement investment strategies for the Fund.

The Funds are distributed by Quasar Distributors, LLC. The Fund investment advisor is Empowered Funds, LLC, doing business as Alpha Architect.

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