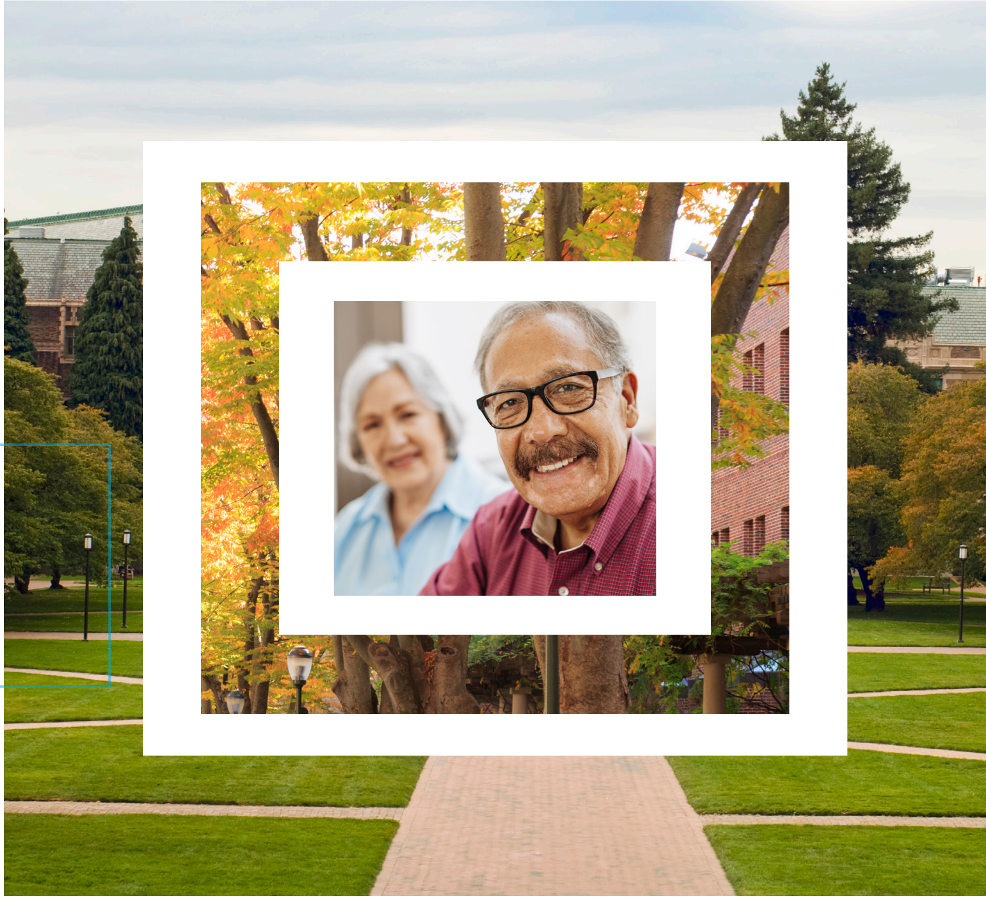
Outcome-Based **Investing**

With our defined outcomes,
you can redefine investment success.



MORNINGSTAR®

Did you know that focusing on a goals-based framework in financial planning and investing has proven to increase wealth, motivation, and satisfaction for investors?[1,2]

Research suggests that using a goals-based framework can increase wealth by 15% for investors.[1,2]

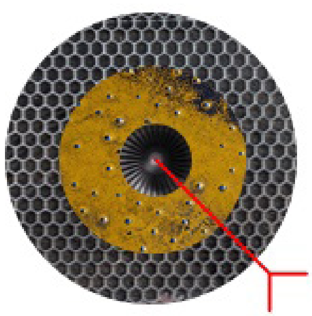
1 Research suggests that an optimal, goals-based strategy can add more than 15% in utility-adjusted wealth. Blanchett, D. 2015. "The Value of Goals-Based Financial Planning." Journal of Financial Planning Vol 28, No. 6, P. 42.

2 Locke, E. A., & Latham, G. P. 2019." The development of goal setting theory: A half century retrospective." Motivation Science Vol 5, No. 2, 93–105.

What Is Outcome-Based Investing?

We invest with goals in mind: saving and investing for retirement, college, buying a home, etc. But these goals are not investment objectives so how can you align your portfolio's goals to your own? When investors use traditional portfolios, they can lose sight of their goals and instead focus myopically on beating the benchmark. Enter Outcome-Based strategies, which seek to provide investment outcomes that fit the profile of common investment goals. That way you can match your portfolio's outcomes with your goals.

Our portfolios have defined outcomes to help you plan with precision to better align with your financial goals and help keep on track to reach them.



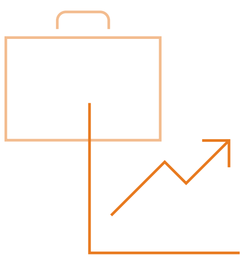
Defined outcomes
Our Outcome-Based portfolios are designed to deliver clear return and income objectives over specific time periods with targeted levels of risk.

Plan with precision
Clearly defined outcomes can help financial planning more effectively track, measure, and achieve investing success.

Redefine success
Market success is not just about beating a benchmark or outperforming the markets. It's being on track to reach your financial goals.

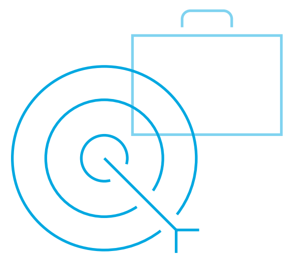
Focus of Outcome-Based Investing

Outcome-Based investing is focused on delivering a defined outcome to help you stay on track to meet your financial goals. It differs from traditional investing that is focused on beating the markets or benchmarks.



Traditional

- Objective is to outperform a market-based benchmark
- Static asset allocation regardless of market environment
- Through static allocation, the ride for investors can follow highs and lows of market cycles



Outcome-Based

- Objective is to deliver a specific targeted return/income goal, over a specific time
- Dynamic allocation aligned with a set of outcomes
- Focus on capital preservation to ensure we meet our outcomes

Key Benefits for Investors

Redefine Success as Progress Toward Your Goals

Studies have shown that investors feel the pain of losses about twice as much as they enjoy gains.[1] In Outcome-based investing, our goal isn't focused on outperforming a market-based benchmark. Instead, redefine your success as achieving your financial goals. Replace quarterly return data with regular updates on your progress toward your goals.

A Smoother Ride to Your Goals

When markets go up and down, many traditional portfolios go with them. Our Outcome-Based portfolios take more risk at times when we believe there's greater opportunity, and dial down risk when we think markets are too hot. That gives investors a smoother ride, allowing you to stay focused on your progress at all times.

More-Personal Investing = Greater Satisfaction and Motivation

Your goals are personal. Studies have shown investors get a greater sense of motivation to stay focused and receive more satisfaction in their financial planning and investing when they invest in their personal goals.[2,3] Outcome-based investing can align with your goals, so you have a better idea when and how you will reach them.

1 Kahneman, D., & Tversky, A. 1979. "Choices, Values, and Frames." American Psychologist Vol 39, No 4, 341-350.

2 Research suggests that an optimal, goals-based strategy can add more than 15% in utility-adjusted wealth. Blanchett, D. 2015. "The Value of Goals-Based Financial Planning." Journal of Financial Planning Vol 28, No. 6, P. 42.

3 Locke, E. A., & Latham, G. P. 2019." The development of goal setting theory: A half century retrospective." Motivation Science Vol 5, No. 2, 93–105.

Applying Investor Goals to Defined Outcomes

Manage Retirement Income

Rose is 70 years old. Her financial goal is to manage her retirement income to support a well-earned retirement for 20-plus years.

Retirement Income Series

This series aims to help distribute income at each stage of retirement by providing a recommended range of income distribution over a series of time horizons.

Portfolios	Target Goal	Time Horizon
Retirement Income Long-Range	4% Annual Distribution	Over 20 Years
Retirement Income Mid-Range	5% Annual Distribution	Over 10–20 Years
Retirement Income Short-Range	6% Annual Distribution	Over 2 to 10 Years
Retirement Income Ultra Short-Range	7% Annual Distribution	Over 1–5 Years

Generate Income

Mark and Anne are 72 and 75 years old. Their financial goal is to generate income to support their spending needs, while leaving their initial investment untouched to pay for their grandchild's college.

Multi-Asset Income Series

This series is designed to deliver an attractive and sustainable defined range of income while leaving the initial investment untouched.

Portfolios	Target Goal	Time Horizon
Multi-Asset Income	2-4% + Cash	Over 5 Years
Multi-Asset High Income	3-5% + Cash	Over 7 Years

There can be no assurance that the Target Goals will be achieved and actual results may be materially different.

Capital Appreciation

Ross and Rebekah are 30 and 28 years old and just had a baby. One of their financial goals is to grow their wealth through capital appreciation to buy a home in 5-7 years.

Minimize Volatility

Alan is 55 years old and nervous about the markets. His financial goal is to protect his wealth through minimizing volatility while receiving a modest return.

U.S. Real Return Series

This series selects the most attractive investments across asset classes in order to generate a targeted return goal plus inflation over a specific time horizon.

Portfolios	Target Goal	Time Horizon
Real Return Conservative	CPI + 1%	Over 3 Years
Real Return Moderate	CPI + 3%	Over 5 Years
Real Return Growth	CPI + 5%	Over 10 Year
Real Return Flexible	CPI + 4%	Over 7 Years

Absolute Risk Portfolio

This portfolio uses a broad range of alternative investments to help deliver moderate, consistent returns and buffer against volatility.

Portfolios	Target Goal	Time Horizon
Absolute Return	Modest Capital Appreciation	Over A Market Cycle

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