

The Capital Strength Index

Index description

The Capital Strength Index seeks to provide exposure to well-capitalized companies with strong market positions that have the potential to provide their stockholders with a greater degree of stability and performance over time.

Index construction process

The companies are screened for strong balance sheets, a high degree of liquidity, the ability to generate earnings growth and a record of financial strength and profit growth.

INVESTMENT AND INSURANCE PRODUCTS ARE:

- **NOT FDIC-INSURED**
- **NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**
- **NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, THE BANK OR ANY OF ITS AFFILIATES**
- **SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED (VARIABLE PRODUCTS)**



1. Begin

Begin with the stocks in the Nasdaq U.S. Benchmark Index™



2. Select

Select the largest 500 companies with a minimum 3-month average dollar trading volume of \$5 million



3. Screen

Screen further for each company to have:

- At least \$1 billion in cash or short-term investments
- A long-term debt-to-market-cap ratio less than 30%
- A return on equity greater than 15%



4. Rank

Rank eligible companies by a combined short-term (90 days) and long-term (260 days) realized volatility



5. Select

Select 50 companies with the lowest combined volatility score; stocks are equally-weighted initially¹



Quarterly rebalance

The Index is rebalanced and reconstituted quarterly and the Fund will make corresponding changes to its portfolio shortly after the Index changes are made public.

The Capital Strength Index constituents

As of 3/31/24

Ticker	Security name	Index weight
PCAR	PACCAR	2.43
CMI	Cummins Inc	2.42
CMG	Chipotle Mexican Grill	2.35
CPRT	Copart	2.24
GRMN	Garmin	2.24
APH	Amphenol	2.23
WRB	W. R. Berkley Corp.	2.21
ECL	Ecolab Inc	2.18
LIN	Linde PLC	2.15

Ticker	Security name	Index weight
SYK	Stryker	2.14
GD	General Dynamics	2.14
CL	Colgate-Palmolive	2.11
ELV	Elevance Health Inc	2.10
COR	Cencora	2.10
WMT	Walmart	2.10
ABBV	Abbvie	2.08
MA	Mastercard	2.08
PG	Procter & Gamble	2.07
TEL	TE Connectivity	2.07
CSX	CSX Corporation	2.02
ROST	Ross Stores	2.01
TJX	TJX Companies	2.00
HD	Home Depot	2.00
PEP	Pepsico	1.99
MSFT	Microsoft Corp	1.99
COST	Costco Wholesale	1.99
ADP	ADP	1.98
MNST	Monster Beverage	1.95
MMC	Marsh McLennan	1.95
REGN	Regeneron Pharmaceuticals	1.94
V	Visa	1.94
PPG	PPG Industries	1.93
KO	Coca-Cola	1.93

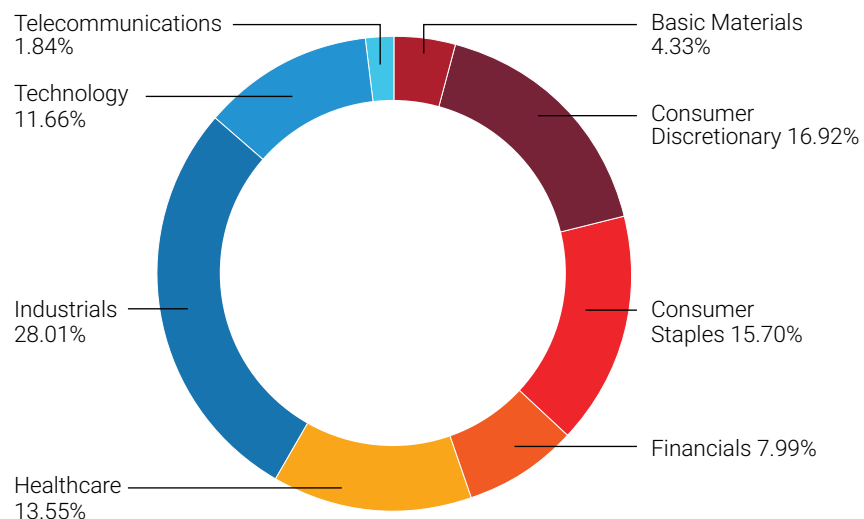
The Capital Strength Index constituents

As of 3/31/24

Ticker	Security name	Index weight
HON	Honeywell	1.93
AFL	AFLAC	1.92
MCO	Moody's Investors Service	1.92
PAYX	Paychex	1.90
TXN	Texas Instruments Inc	1.89
LMT	Lockheed Martin	1.87
UNH	UnitedHealth Group	1.85
JNJ	Johnson and Johnson	1.84
CSCO	Cisco Systems	1.84
MDLZ	Mondelēz International	1.81
EXPD	Expeditors International	1.80
CTSH	Cognizant Technology Solutions Corp	1.80
ACN	Accenture	1.80
UPS	United Parcel Service	1.79
ADM	Archer Daniels Midland	1.74
AAPL	Apple	1.69
GILD	Gilead Sciences	1.58

Breakdown of sectors

As of 3/31/24



¹ A maximum weight of 30% in any one Industry Classification Benchmark industry is allowed. If an industry has a weight greater than 30%, the worst-ranking security by volatility will be removed and replaced with the next eligible security from a different industry. This process is repeated until no industry has a weight greater than 30%. To the extent a Fund invests a significant portion of its assets in an investment sector, the Fund may be exposed to the risks associated with that investment sector. The Index's quarterly rebalance and reconstitution schedule may cause a Fund to experience a higher rate of portfolio turnover.

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