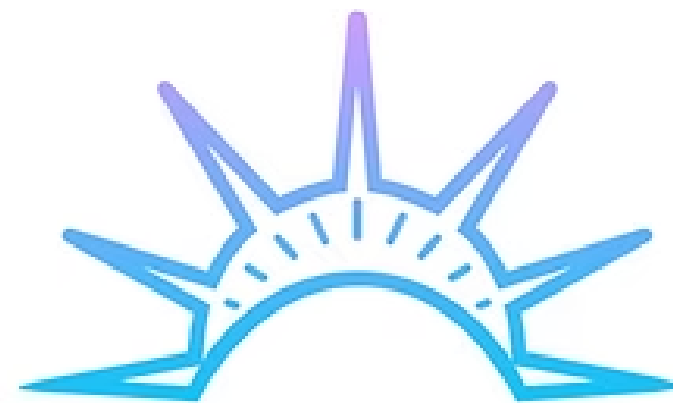


THE FREEDOM 100 EMERGING MARKETS ETF (FRDM)

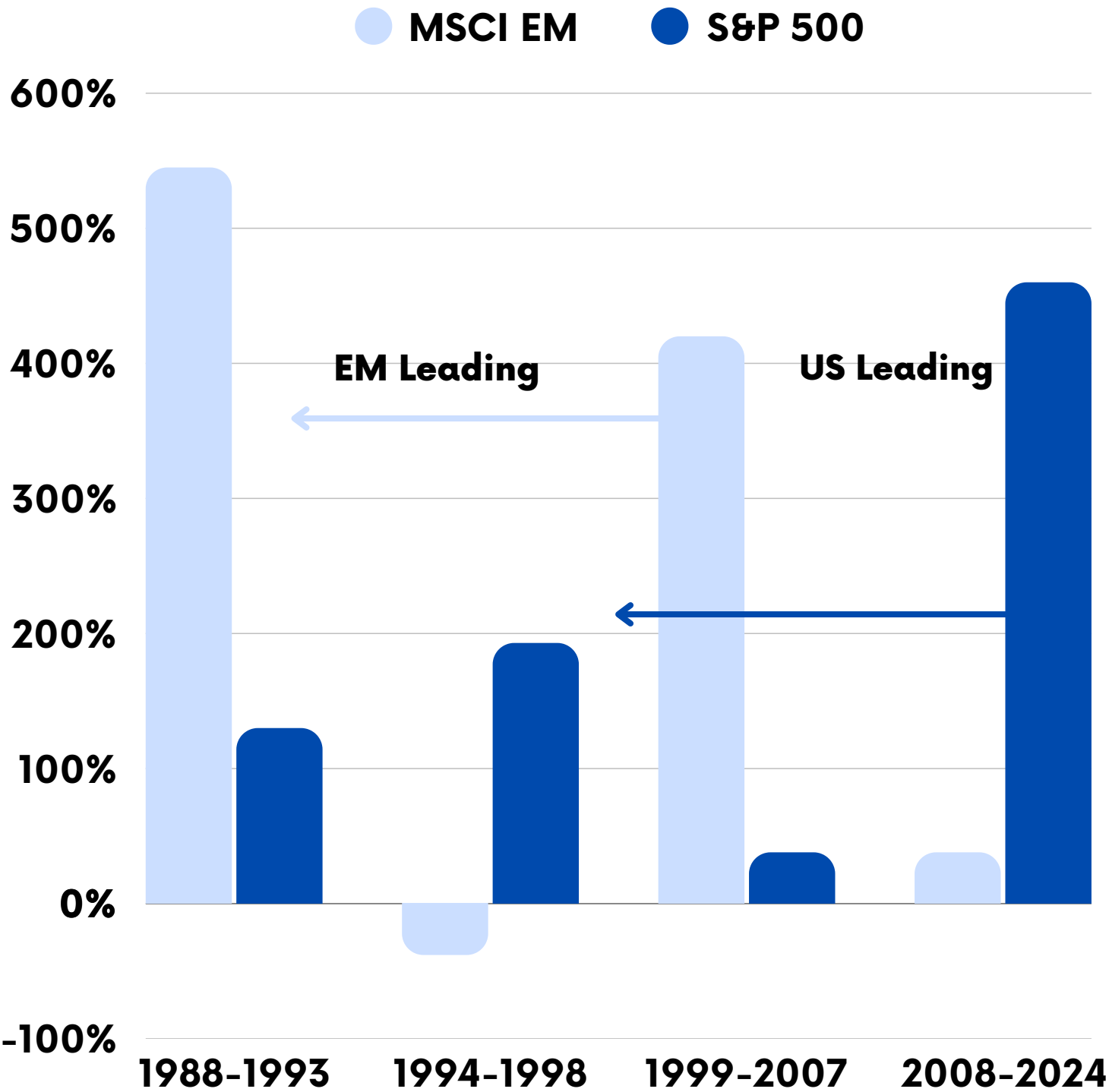


freedometfs.com

The Emerging Markets Landscape



Cyclical Shifts: EM vs. US



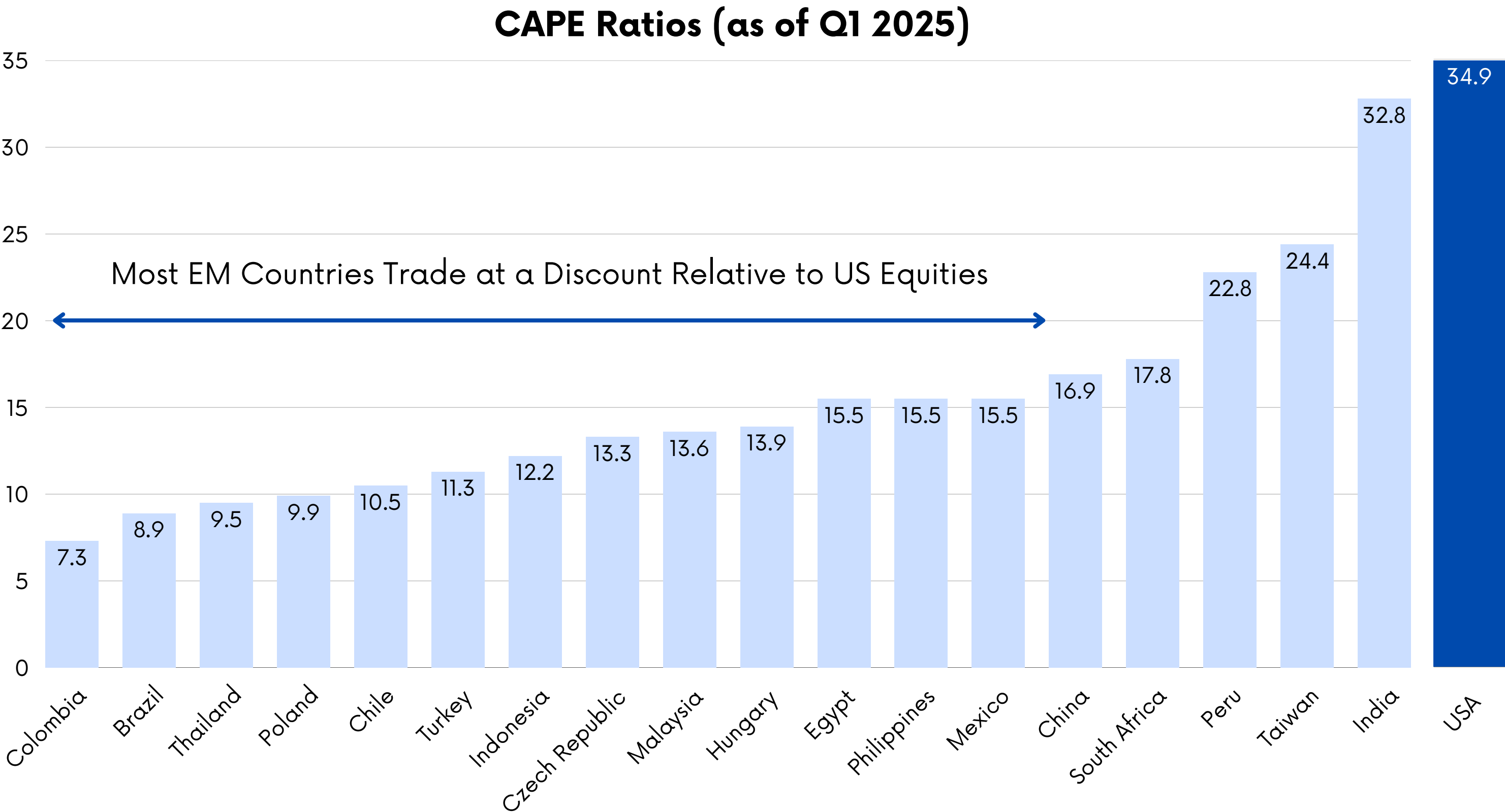
Over the last few decades, Emerging Markets stocks and U.S. Stocks demonstrated significant cyclical shifts in performance. EM stocks led in the late 1980s and early 1990s and from 1999 to 2007. Then, since the GFC in 2008, the S&P 500 Index dominated with a 460% gain compared to a 38% gain in the MSCI Emerging Markets Index.*

*S&P 500 Index and MSCI Emerging Markets Index (gross total return) 1/1/1988 to 12/31/2024



Valuation Gap: EM vs. US

Significant valuation discount in EM



Source: 1Q25 Global Valuations, The Idea Farm, April 08, 2025
Online Data Robert Shiller (US CAPE) as of March 31, 2025

EM Country Classification Changes Over Time

Changes to MSCI country classifications are typically driven by economic development, size, liquidity, and market accessibility.

Additions to MSCI Emerging Markets																		2023			
1998	Colombia																	Brazil			
	India																	Chile			
	Pakistan																	China			
	Peru																	Colombia			
	Israel																	Czech Republic			
	Czech Rep																	Egypt			
	Indonesia																	Greece			
	Sri Lanka																	Hungary			
	Poland																	India			
Turkey	Korea	Venezuela	South Africa	Taiwan	Russia	Morocco	Egypt					Egypt	Qatar	Argentina				Indonesia			
1989	1992	1994	1995	1996	1997	2001	2006	2008	2009	2010	2013	2014	2017	2019	2020	2021	2022	Korea			
					Portugal	Greece	Venezuela	Jordan	Argentina	Israel	Morocco					Argentina			Russia	Kuwait	
						Sri Lanka	Pakistan											Pakistan			Malaysia
																		Mexico			
																		Peru			
																		Philippines			
																		Poland			
																		Qatar			
																		Saudi Arabia			
																		South Africa			
																		Taiwan			
																		Thailand			
																		Turkey			
																		UAE			
Deletions from MSCI Emerging Markets																					



Source: MSCI (<https://www.msci.com/indexes/group/emerging-markets-indexes#shifting-landscape>)

The Emerging Markets Challenge



Autocracy Drag - an EM Problem

The high cost of low freedom: poor returns and increased risk in constrained markets

Case Study #1: Russia

Once accounting for 10% of index, Russia's weight had fallen to less than 2% by the time it was removed from the MSCI EM Index.



Source: From Crisis to Crisis: Russia’s Diminished Role in Emerging Markets, MSCI



Case Study #2: China

While China has become a large EM economy, long-term returns to investors have been muted and volatility has been high.

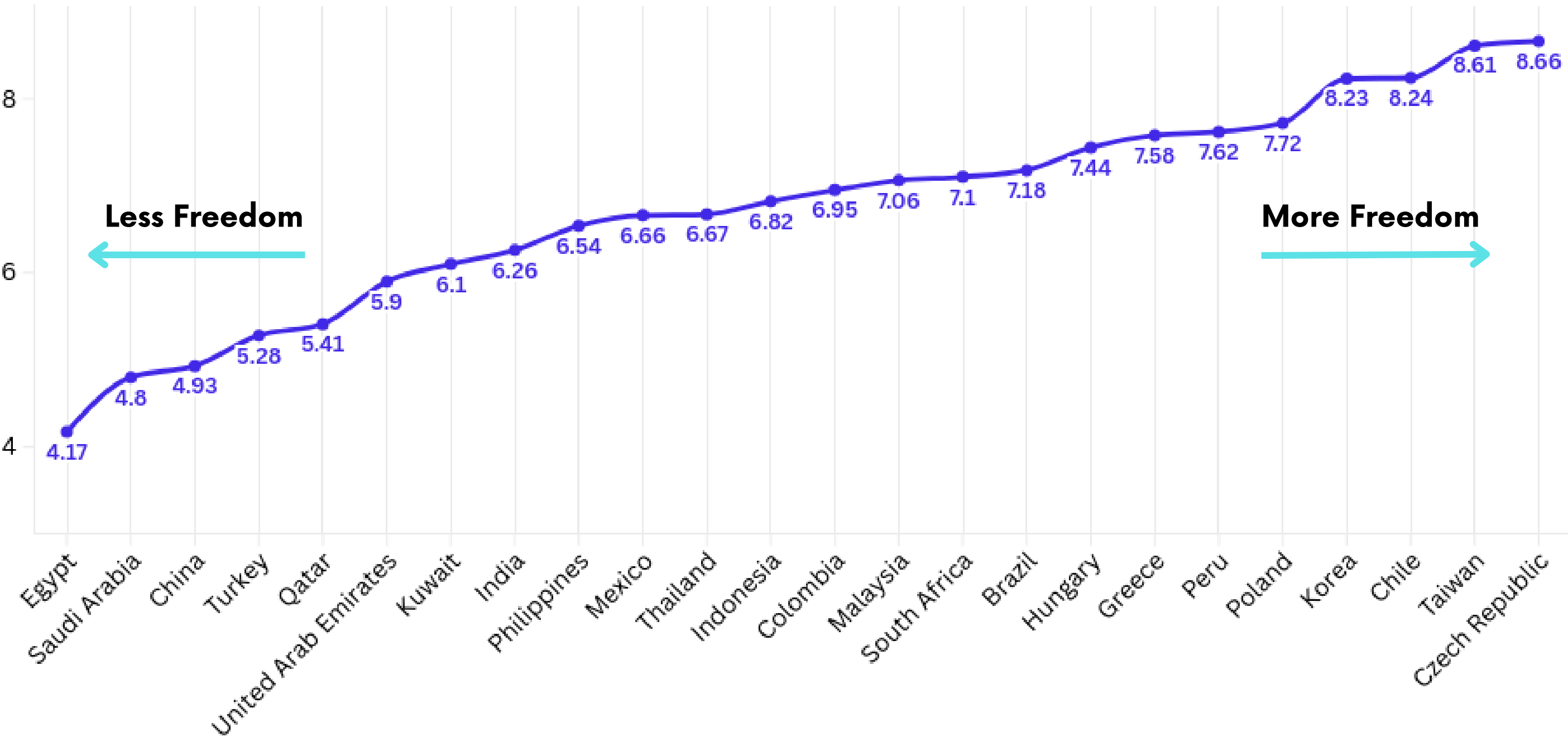
	Annual Returns	Sharpe Ratio	Max Drawdown
China	1.44%	0.12	-88.63%
Emerging Markets	6.64%	0.28	-65.14%

Risk and returns stats from 12/31/1992 - 03/31/2025
Source: MSCI China Index Fact Sheet as of 03/31/2025

High Divergence in EM Freedom Levels

Freedom levels vary significantly across emerging markets

Select Emerging Market Human Freedom (Personal + Economic) Scores



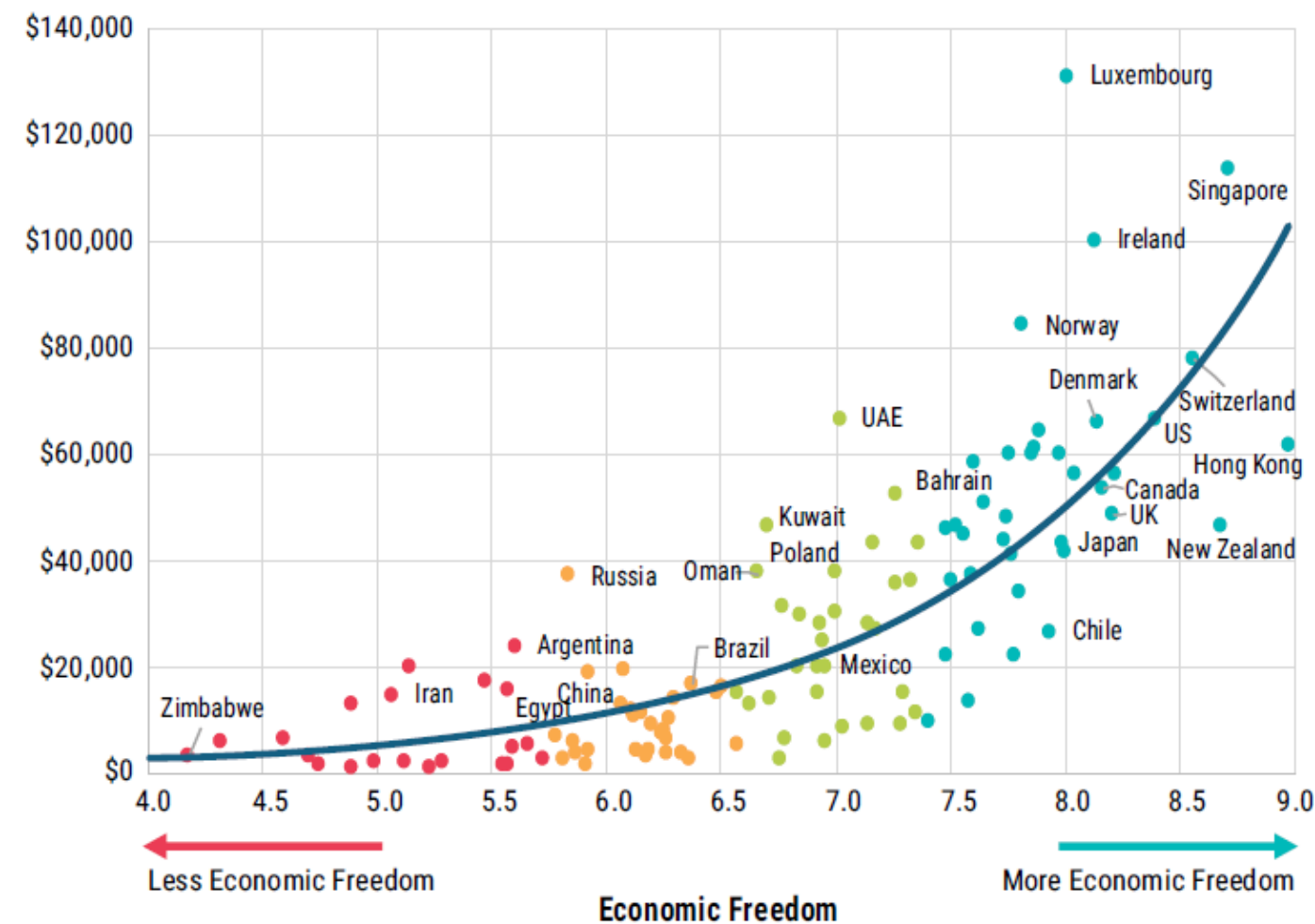
Source: The Human Freedom Index 2024
<https://www.cato.org/human-freedom-index/2024>



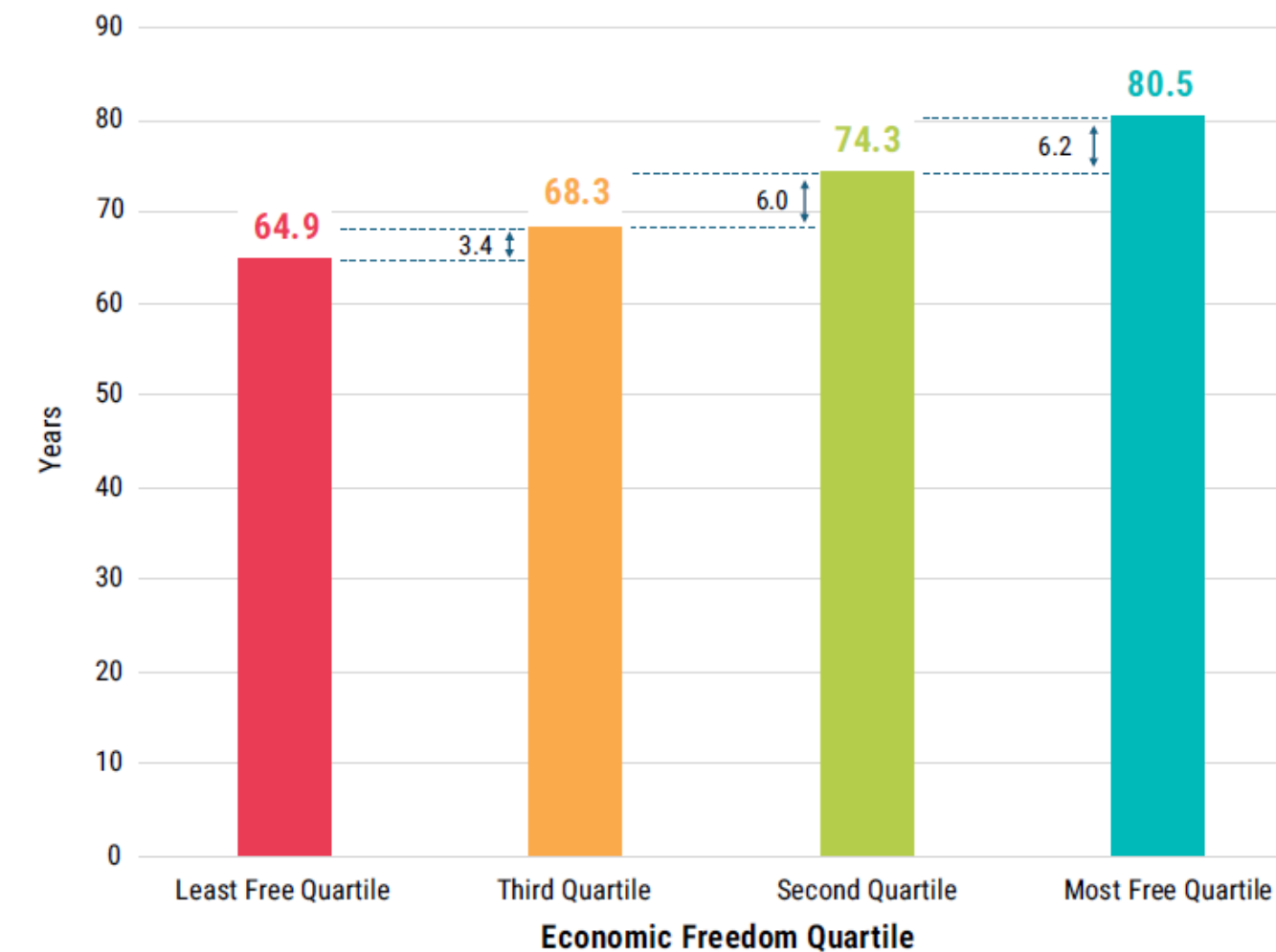
Benefits of Freedom

Countries with higher degrees of freedom experience many socioeconomic benefits

Economic Freedom and Income Per Capita



Economic Freedom and Life Expectancy



Higher: Income Per Capita | Life Expectancy | Life Satisfaction | Literacy Levels | Gender Equality | Environmental Stewardship

Lower: Infant Mortality | Extreme Poverty | Organized Conflict | Corruption



Source: Economic Freedom of the World, 2024 Annual Report. Fraser Institute.
<https://www.fraserinstitute.org/studies/economic-freedom-of-the-world-2024-annual-report>

The FRDM Solution



Freedom-Weighted EM Equity

The Freedom 100 Emerging Markets ETF (FRDM) is created for investors who wish to express a preference for freer countries and avoid autocracies in their EM equity allocations. The freedom-weighting process uses independent third-party quantitative personal and economic freedom metrics as primary factors in country selection and allocations, providing investors with significantly freer country exposures than cap-weighted EM benchmarks.

Our research and out-of-sample experience indicate that freer countries experience:

- **More sustainable growth**
- **Faster recoveries**
- **More efficient use of capital**

Countries with stronger institutions, rule of law, and property rights can be launchpads for growth in the EM space.

A review of over 700 academic studies shows that over 50% link economic freedom to positive outcomes such as faster growth, higher incomes, and improved social indicators*

*Source: Economic Freedom in the Literature: What Is It Good (Bad) For?, Robert Lawson, August 18, 2022
<https://www.fraserinstitute.org/studies/economic-freedom-literature-what-it-good-bad>



Inputs - Quantitative Freedom Variables

Sample selection of 86 personal and economic freedom variables evaluated in the country scoring process*

Civil Freedoms

- Violent conflict
- Internal organized crime
- Terrorism
- Disappearances
- Detainment
- Torture
- Women's freedoms

Political Freedoms

- Rule of law
- Due process
- Judicial independence
- Plurality of political parties
- Corruption and transparency
- Freedom of movement
- Freedom of expression
- Freedom of religion
- Freedom of the press
- Freedom of assembly
- Freedom of association
- Internet freedom

Economic Freedoms

- Size of government (Consumption, transfers, subsidies, tax rates)
- Legal System and Property Rights (legal enforcement of contracts, property rights)
- Sound Money (money growth, inflation, freedom to own foreign accounts)
- Freedom to Trade Internationally (Tariffs, trade barriers, FX rates, capital controls)
- Regulation (Credit market, labor market, business)

*Human Freedom Index and Data Set provided by the Cato Institute and Fraser Institute



Investment Process

Initial Universe

The starting universe has 24 emerging markets countries.

Country Level: Market Capitalization Screen (Eligible Universe)

For tradability purposes, minimum country-level market capitalization requirements must be met for inclusion.

Country Level: Freedom Weighting

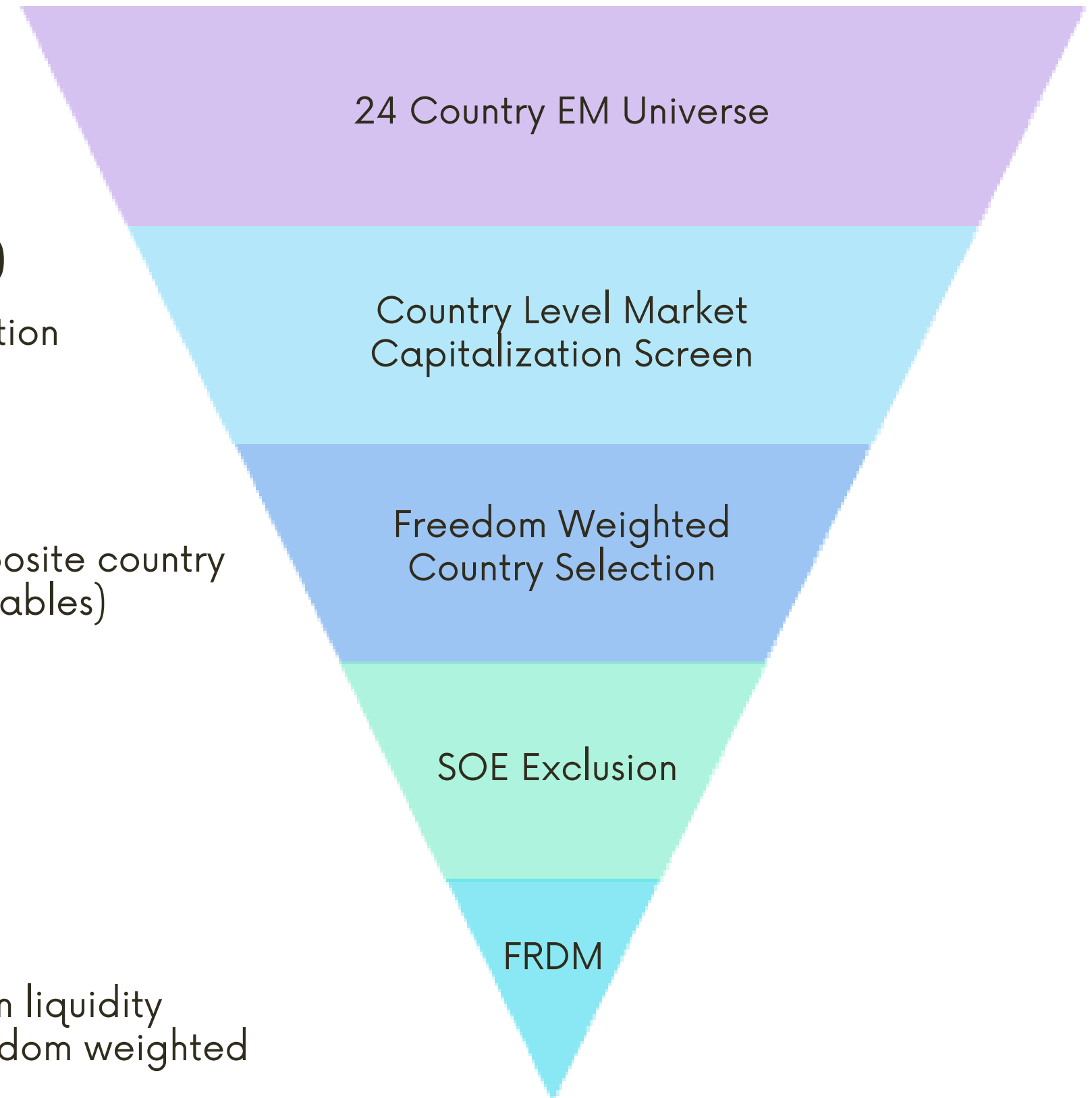
Freedom weighting is applied using third-party quantitative composite country scores (a combination of 86 personal and economic freedom variables) provided by the Fraser Institute and Cato Institute.

Security Level: Exclude State Owned Enterprises

Companies with 20% or more state ownership are excluded.

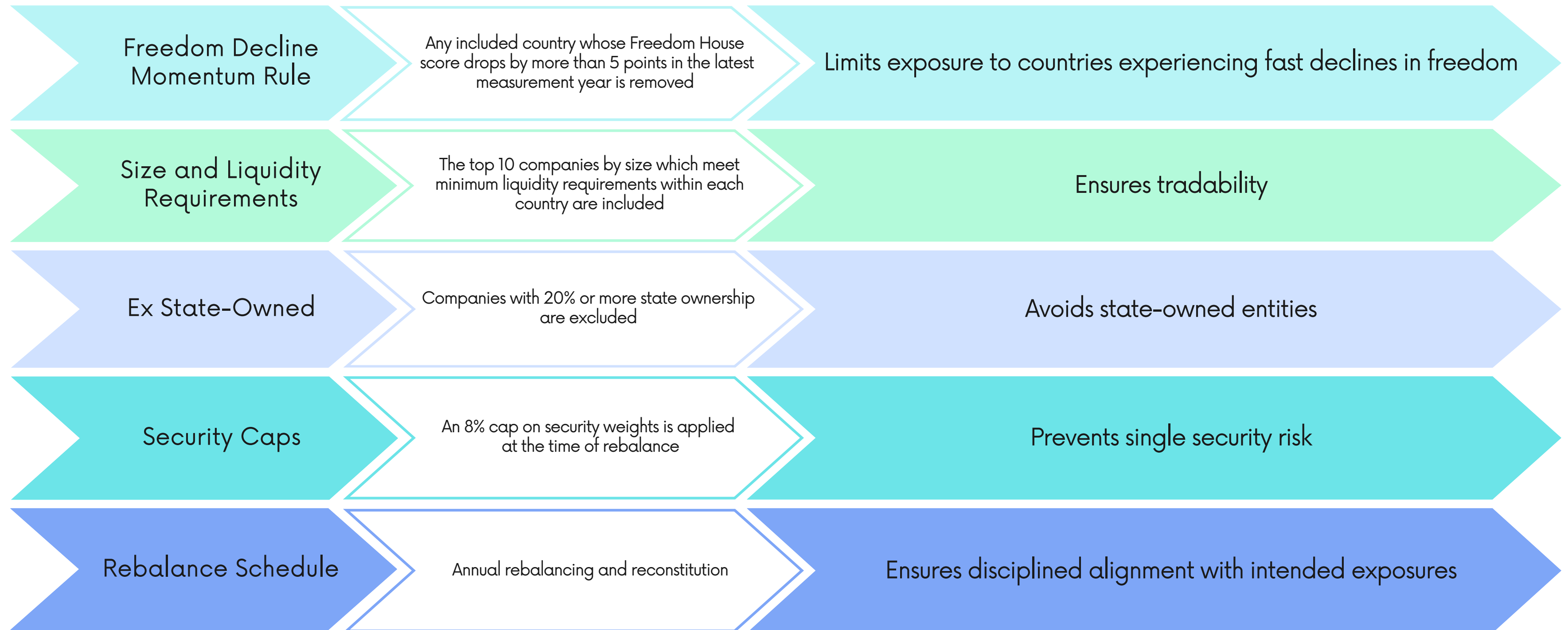
Security Level: Final Selection and Weighting

The top 10 securities in each included country which meet minimum liquidity requirements are market capitalization weighted within their freedom weighted country weights.



Risk Management

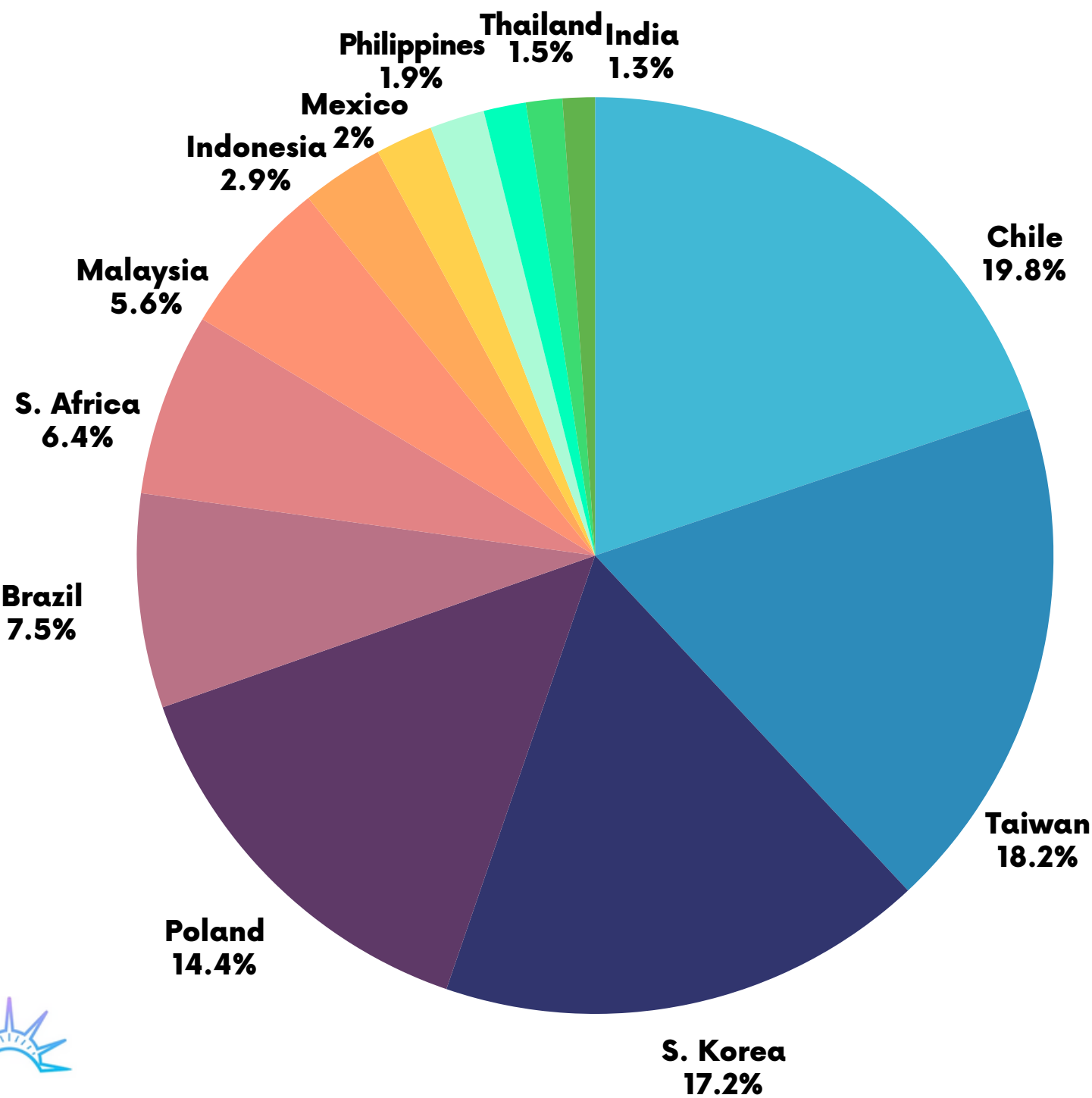
Strategic exclusions, adjustments, and rebalancing measures



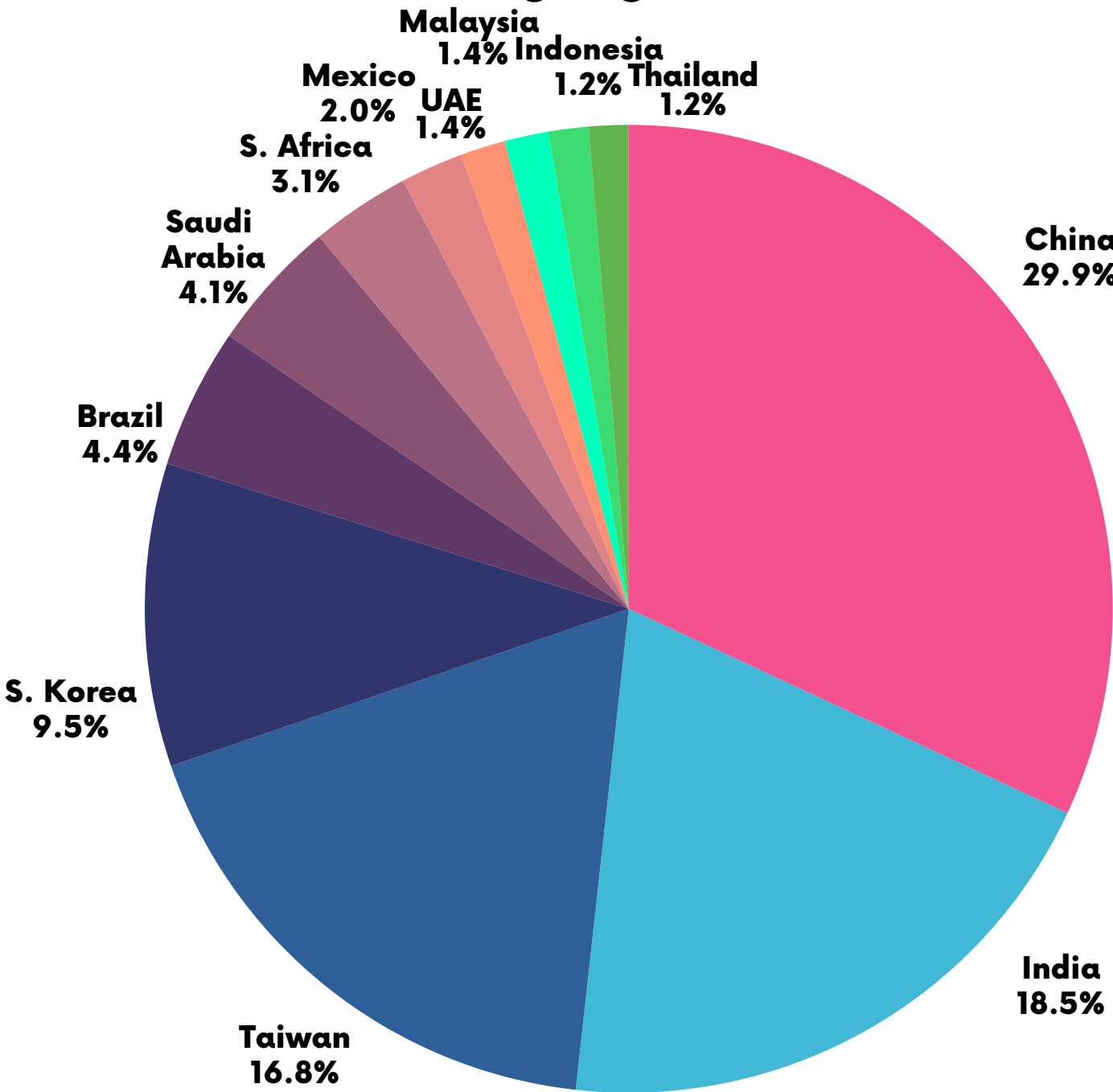
Results: Freedom-Weight vs. Cap-Weight EM

Comparing the Freedom 100 EM Index to traditional EM Indexes' country allocations. As of 03/31/2025

Freedom 100 EM ETF



MSCI Emerging Markets ETF



FRDM overweights the freest countries like **Taiwan, Chile, and Poland**, and excludes the least free countries like China and Saudi Arabia.

Traditional cap-weight EM indices overweight countries like **China** and **Saudi Arabia**, failing to account for the freedom factor.



Fund Facts

As of 3/31/2025



Country Weighting Scheme

Freedom Weighted

Number of Countries

12

Security Weighting Scheme

Market Cap Weighted

Largest Country

Chile

Top Sector

Information Technology

% of Holdings in Top 10

40.6%

Top Position

Samsung Electronics

Top Position Weight

8.5%

Fund Facts (continued)

As of 03/31/2025



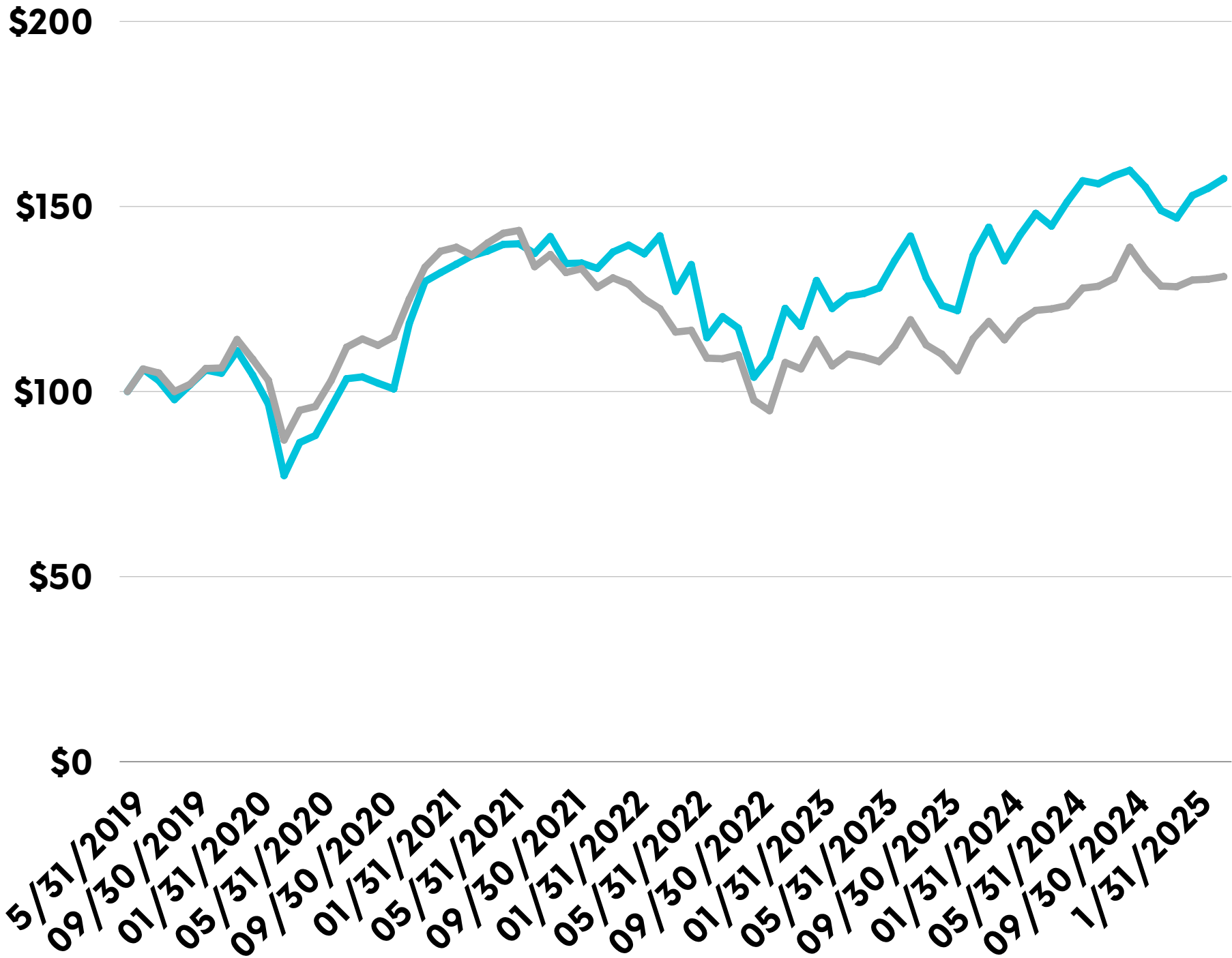
FRDM

# of Holdings 118 Stocks	AUM \$879M	Daily Volume (3 month) 129K shares
Rebalancing Frequency Annual	Shares Outstanding 25.3M	Expense Ratio 0.49%
Inception Date 5/23/2019	Active Share <small>vs MSCI EM</small> 86.5%	Listing Exchange Cboe
Dividend Yield 2.5%	Distribution Frequency Quarterly	Annual Turnover 15%-20%

Performance

As of 03/31/2025

- Freedom 100 Emerging Market ETF (Mkt)
- Solactive GBS EM Lg & Mid Index



	1 Yr	3 Yr Annualized	5 Yr Annualized
FRDM ETF (Mkt)	7.17%	3.78%	15.48%
FRDM ETF (NAV)	6.23%	3.48%	15.25%
GBS EM Lg & Mid Index	7.48%	2.32%	8.56%

GBS EM Lg & Mid Index: Solactive GBS Emerging Markets Large & Mid Cap USD Index TR
[See Notes and Disclosures](#)



Risk and Return Characteristics

As of 03/31/2025

	FRDM	EM Benchmark
Ann. Since Inception (NAV)	8.18%	4.72%
Ann. Since Inception (MKT)	8.34%	n/a
Alpha (annualized)	3.54%	0.00%
Standard Deviation (annualized)	21.7%	17.2%
Beta	1.12	1.00
Benchmark Correlation	0.88	1.00
Sharpe Ratio	0.31	0.15
Tracking Error	10.34	n/a
Upside Capture (%)	113.9	100
Downside Capture (%)	98.9	100
Positive Periods (monthly)	60.8%	57.9%

Annualized returns since inception reflect performance from the fund's inception on 5/22/2019. All other performance statistics are calculated from 7/1/2019 through 03/31/2025, benchmarked against the Solactive GBS Emerging Markets Large & Mid Cap USD Index TR.

See Notes and Disclosures



About Us



Founder

Perth Tolle is the founder of Life + Liberty Indexes and creator of the **Freedom 100 EM Index and ETF (FRDM)**. Prior to forming Life + Liberty Indexes, Perth was a private wealth advisor at Fidelity Investments in Los Angeles and Houston. Before joining Fidelity, Perth lived and worked in Beijing and Hong Kong, where her observations led her to explore the relationship between freedom and markets.

Perth is a frequent speaker at investment industry events and provides commentary for various financial media including Barron's, Bloomberg, Cheddar, CNBC, CNN, Forbes, Fox Business, Institutional Investor, MarketWatch, Morningstar, Pensions & Investments, and the Wall Street Journal.

Perth was named one of the Ten to Watch in 2020 by Wealth Management Magazine and one of the 100 People Transforming Business by Business Insider in 2021.



Milestones

Freedom 100 EM Index
(FRDM Index) incepted
and published

2017

2019

Launch of the The Freedom
100 Emerging Markets ETF
(ticker: FRDM)

FRDM Index named 2019 Index of
the Year and FRDM ETF named
2019 Best New International ETF
by ETF.com

2020

FRDM ETF reaches \$100M AUM

2021

FRDM ETF reaches \$500M AUM

2023

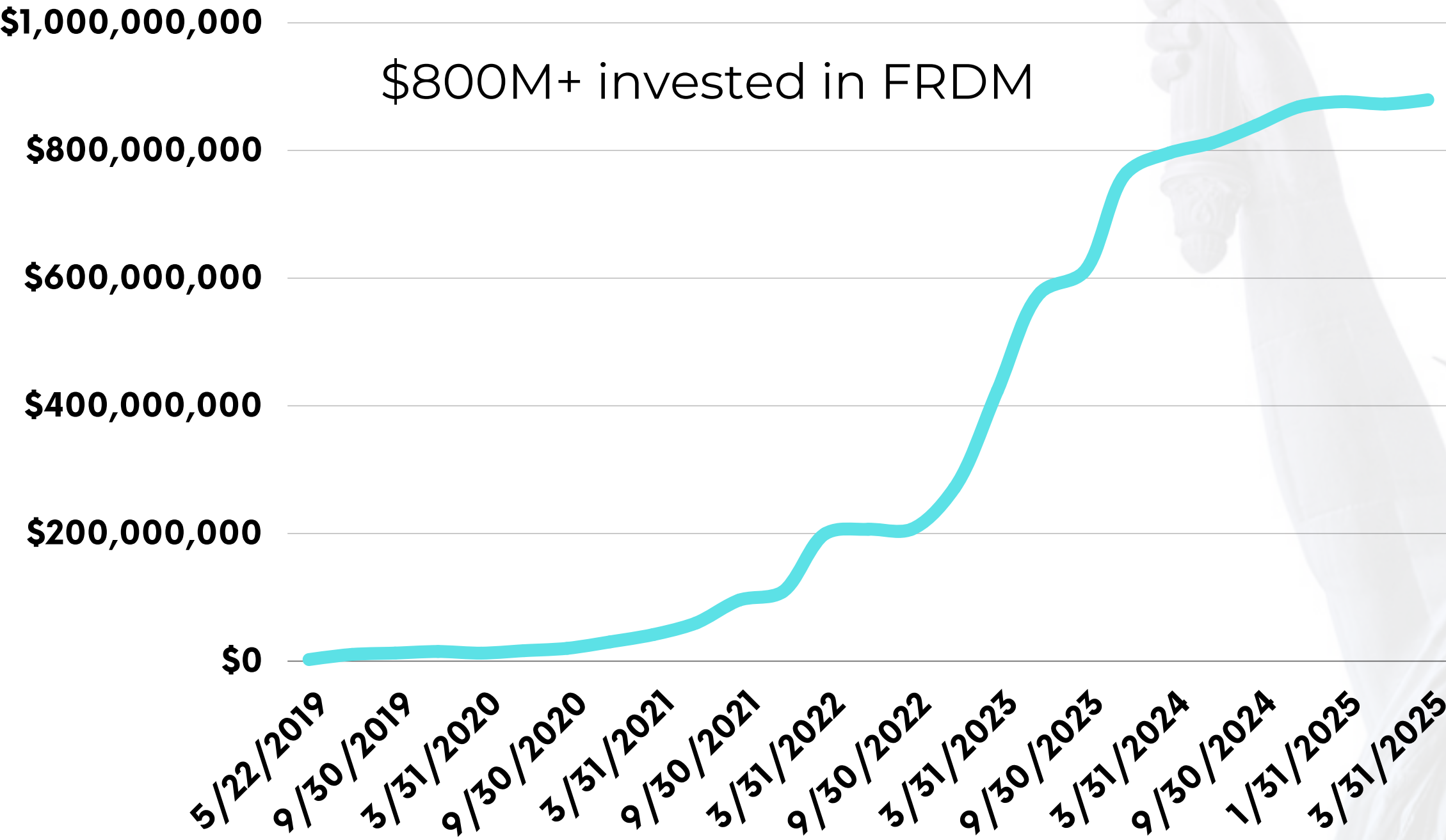
FRDM ETF reaches 5 year
anniversary and \$800M AUM

2024



The Growth of Freedom Investing

As of 03/31/2025



Source: <https://freedometfs.com/frdm> - AUM History Download



Notes & Disclosures



Notes & Disclosures

General Risks and Investment Considerations

Investment in the Freedom 100 Emerging Markets ETF (FRDM) involve risk, including the possible loss of principal. Emerging markets are often more volatile and less liquid than developed markets, which may result in greater price fluctuations. International investments may also involve additional risks, including political and economic instability, currency fluctuations, and differences in accounting standards.

Performance Information

Past performance is not a guarantee of future results. Performance data quoted represents past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate, and an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month-end may be obtained by visiting www.freedometfs.com or contacting the fund advisor.

Index and Benchmark Information

The FRDM ETF tracks the Freedom 100 Emerging Markets Index, which uses a proprietary freedom-weighting methodology. Indexes are not actively managed and investors cannot directly invest in an index. Index performance does not reflect charges or expenses associated with trading costs or management expenses.

Holdings Information

Holdings are subject to change and may not be representative of current or future investments. Holdings are subject to risk.

Regulatory Disclosures

The Freedom 100 Emerging Markets ETF is distributed by Quasar Distributors, LLC. This document is not an offer to sell or a solicitation to buy any security or investment product. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. Click here for the [FRDM Prospectus](#), and [Summary Prospectus](#). All fund documents and additional information can be found on the [Fund Site](#).

Offers are made by prospectus only, which can be obtained from the ETF's issuer. Please read the prospectus carefully before investing.

Additional Considerations

Freedom scores, which influence the fund's country weightings, are determined by third-party sources and are subject to change. There is no guarantee that countries scoring higher in personal and economic freedoms will produce superior returns or have less risk than lower scoring countries.

Notes & Disclosures (continued)

Definitions

Annual Returns: The percentage gain or loss in value of an investment over a year, calculated by comparing the closing price of the ETF at the end of the year to its price at the beginning.

Sharpe Ratio: A measure of risk-adjusted return, calculated by subtracting the risk-free rate from the ETF's returns and then dividing by the standard deviation of those returns. A higher Sharpe Ratio suggests better risk-adjusted returns.

Max Drawdown: The largest peak-to-trough decline in the value of the ETF over a specified time period, expressed as a percentage. It indicates the maximum loss an investor would have experienced during a period of market decline.

Alpha: The excess return of the ETF compared to a benchmark index, adjusted for risk. Positive alpha indicates outperformance relative to the benchmark, while negative alpha shows underperformance.

Standard Deviation: A measure of the ETF's return volatility over time, with higher values indicating greater variability in returns.

Beta: The ETF's volatility relative to the market. A beta of 1 indicates that the ETF moves in line with the market; a beta greater than 1 means the ETF is more volatile than the market, and less than 1 indicates lower volatility.

Tracking Error: The difference between the performance of the ETF and its benchmark index, indicating how closely the ETF follows its benchmark. Lower tracking error suggests closer alignment with the benchmark.

Upside Capture: A measure of how much the ETF captures of the market's positive returns. A value above 100 indicates that the ETF outperforms the market in up periods.

Downside Capture: A measure of how much the ETF captures of the market's negative returns. A value below 100 indicates the ETF declines less than the market during down periods.

Positive Periods (monthly): The percentage of months in which the ETF experienced positive returns, reflecting its consistency in generating positive performance.

