

**Fund description:** The Fund is an actively-managed strategy that seeks total return by investing in a broad portfolio of fixed income securities with environmental, social, and corporate governance (ESG) criteria integrated into the security selection process.

### An active ESG approach

Actively managed strategy that seeks income and total return; offers broad fixed income exposure based on an ESG framework.

### Dynamic risk management

The team's philosophy is rooted in the belief that strong risk-adjusted returns can be achieved by employing a strategy of eliminating uncompensated risk.

### Differentiated experience

Mackay Shields is a proud signatory of the Principles of Responsible Investment ("PRI") and has a proven track record of managing ESG portfolios.

### Average Annual Total Returns (%)

SI = Since Fund Inception (06/29/2021)

|  | QTR  | YTD   | 1 Yr | 3 Yrs | SI    |
|--|------|-------|------|-------|-------|
| IQ MacKay ESG Core Plus Bond ETF (NAV) | 0.79 | 1.33  | 5.67 | -2.29 | -2.29 |
| IQ MacKay ESG Core Plus Bond ETF (MP)  | 0.94 | 1.46  | 5.86 | -2.31 | -2.25 |
| Bloomberg U.S. Aggregate Bond Index    | 0.07 | -0.71 | 2.63 | -3.02 | -2.97 |

### Calendar Year Returns (%)

|  | 2023 | 2022   |
|--|------|--------|
| IQ MacKay ESG Core Plus Bond ETF (NAV) | 7.22 | -14.31 |
| IQ MacKay ESG Core Plus Bond ETF (MP)  | 7.11 | -14.36 |
| Bloomberg U.S. Aggregate Bond Index    | 5.53 | -13.01 |

**Returns represent past performance which is no guarantee of future results. Current performance may be lower or higher. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Performance reflects a contractual fee waiver and/or expense limitation agreement in effect until terminated by the board of Trustees of the ETF, without which total returns may have been lower. Visit [www.newyorklifeinvestments.com](http://www.newyorklifeinvestments.com) for the most recent month-end performance. Expenses stated are as of the fund's most recent prospectus.**

Portfolio data as of 6/30/24. Percentages based on total net assets and may change daily

### Top Holdings<sup>1</sup> (%)

|   |      |
|---|------|
| Government Of The United States Of America 1.375% 15-Jul-2033       | 1.20 |
| Government Of The United States Of America 4.625% 30-Apr-2029       | 1.00 |
| Gnma 2021-97 Fa Floating 20/Jun/2051                                | 0.97 |
| Fnma 30Yr Pool#Fp0087 2.000% 01-Oct-2050                            | 0.82 |
| Fhlmc 30Yr Pool#Sd4149 5.000% 01-May-2053                           | 0.81 |
| Government Of The United States Of America 4.625% 15-May-2044       | 0.75 |
| Fhlmc Stacr Remic Trust 2021-Dna5 2021-Dna5 B1 Floating 25/Jan/2034 | 0.75 |
| Gnma 2021-83 Fm Floating 20/May/2051                                | 0.72 |
| Government Of The United States Of America 4.875% 30-Apr-2026       | 0.69 |
| Fhlmc Stacr Remic Trust 2021-Hqa1 2021-Hqa1 B1 Floating 25/Aug/2033 | 0.69 |

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Total Returns are calculated using the daily 4:00 pm ET net asset value (NAV). Since May 31, 2016, the price used to calculate the market price returns ("MP") is the mean between the day's last bid and ask prices on the fund's primary exchange. Any market price returns prior to May 31, 2016 were calculated using the day's closing price on the fund's primary exchange. The market price returns do not represent returns an investor would receive if shares were traded at other times.

Index performance is for illustrative purposes only and does not represent actual Fund performance. One cannot invest directly in an index. Performance data for the Index assumes reinvestment of dividends and is net of the management fees for the Index's components, as applicable, but it does not reflect management fees, transaction costs or other expenses that you would pay if you invested in the Fund directly. No representation is being made that any investment will achieve performance similar to that shown.

2. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance (this does not include the effects of sales charges, loads, and redemption fees). The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

### Morningstar Ratings<sup>2</sup>

as of 6/30/24



Overall Morningstar Rating™ based on the risk-adjusted returns from among 561 Intermediate Core-Plus Bond funds.

|      | Stars | # of Funds |
|------|-------|------------|
| 3 Yr | 4     | 561        |

### Fund Details

|                           |                                     |
|---------------------------|-------------------------------------|
| Ticker                    | ESGB                                |
| Stock Exchange            | NYSE Arca                           |
| Subadvisor                | Mackay Shields                      |
| Inception Date            | 06/29/2021                          |
| Total Net Assets          | 168.94 M                            |
| Morningstar Category      | Intermediate Core-Plus Bond         |
| Benchmark                 | Bloomberg U.S. Aggregate Bond Index |
| Number of Holdings        | 420                                 |
| Effective Duration        | 6.40                                |
| Weighted Average Maturity | 14.55                               |

### Fund Distribution Information and Yield

|                        |         |
|------------------------|---------|
| Distribution Frequency | Monthly |
| 30-Day SEC Yield*      | 5.49%   |

### Fund Expenses

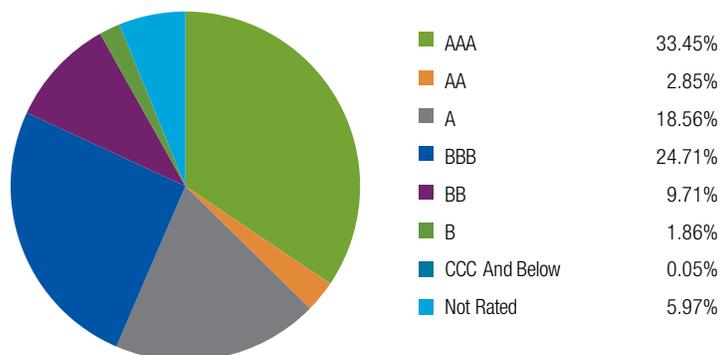
|  |              |
|--|--------------|
| Management Fee   | 0.39%        |
| Acquired Fund Fees and Other Expenses                                  | 0.11%        |
| <b>Total Annual Fund Operating Expenses</b>                            | <b>0.50%</b> |
| Expense Waiver/Reimbursement   | 0.11%        |
| <b>Total Annual Fund Operating Expenses After Waiver/Reimbursement</b> | <b>0.39%</b> |

\*The 30-Day SEC Yield is based on net investment income for the 30-day period ended 6/30/24, divided by the offering price per share on that date. Yield reflects a fee waiver and/or expense limitation agreement without which the 30-Day SEC Yield would have been 5.36%.

|                       |                                      |                |
|-----------------------|--------------------------------------|----------------|
| Not FDIC/NCUA Insured | Not a Deposit                        | May Lose Value |
| No Bank Guarantee     | Not Insured by Any Government Agency |                |

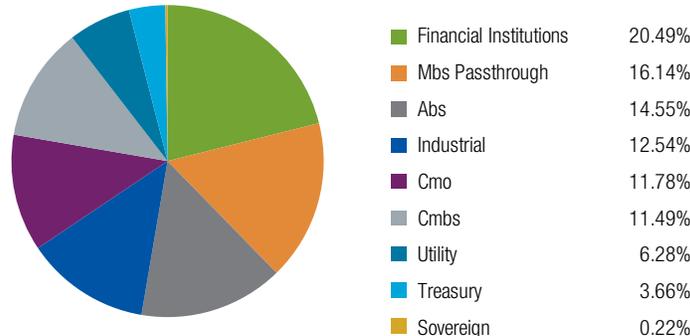
# ESGB IQ MacKay ESG Core Plus Bond ETF

## Credit Quality Breakdown<sup>1</sup> (%)



Percentages are based on fixed-income securities held in the Fund's investment portfolio and exclude any equity or convertible securities and cash or cash equivalents. Ratings apply to the underlying portfolio of debt securities held by the Fund and are rated by an independent rating agency, such as Standard and Poor's, Moody's, and/or Fitch. If different ratings are assigned for the same security, the Fund will use the higher rating. If only one rating is provided, the available rating will be utilized. S&P rates borrowers on a scale from AAA to D. AAA through BBB represent investment grade, while BB through D represent non-investment grade.

## Sector Allocation<sup>1</sup> (%)



## Subadvisor

### MACKAY SHIELDS

Income and equity investment experts offering a broad range of related strategies.

#### Shu-Yang Tan

Fund Manager since May 2023  
Industry experience: 36 years

#### Neil Moriarty, III

Fund Manager since June 2021  
Industry experience: 37 years

#### Lesya Paisley, CFA

Director since August 2022  
Industry experience: 21 years

#### Tom Musmanno

Fund Manager since May 2023  
Industry experience: 33 years

#### Michael DePalma

Fund Manager since May 2023  
Industry experience: 34 years

#### Valentina Chen

Fund Manager since August 2023  
Industry experience: 18 years

#### Philip Fielding

Fund Manager since August 2023  
Industry experience: 18 years



888-474-7725

www.newyorklifeinvestments.com

### Before considering an investment in the Fund, you should understand that you could lose money.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

As a new Fund, there can be no assurance that the Fund will grow to or maintain an economically viable size, in which case it could ultimately liquidate.

Funds that invest in bonds are subject to interest rate risk, can lose principal value when interest rates rise, and are also subject to credit risk if the issuer were to fail to pay interest and principal in a timely manner.

Principal risk of mortgage-related and asset-backed securities - the underlying debt may be prepaid ahead of schedule, if interest rates fall, reducing the value of the Fund's investment. If interest rates rise, less of the debt may be prepaid and the Fund may lose money.

Foreign securities involve greater risks than U.S. investments, including currency fluctuations, less liquid trading markets, greater price volatility, political and economic instability, less publicly available information, and different tax, currency laws, or monetary policy. These risks can be greater for emerging markets than for developed markets.

High yield securities (junk bonds) have speculative characteristics, present a greater risk of loss than higher quality debt securities, and can also be subject to greater price volatility.

A Fund's environmental, social, and governance (ESG) investment strategy limits the types and number of investment opportunities available to the Fund. As a result, the Fund may underperform other Funds that do not have an ESG focus. A Fund's ESG investment strategy may result in the Fund investing in securities or industry sectors that underperform the market as a whole or underperform other Funds screened for ESG standards. In addition, companies selected by the index provider may not exhibit positive or favorable ESG characteristics.

Municipal bond risks include the ability of the issuer to repay the obligation, lack of information about certain issuers, and possible future tax and legislative changes, which could affect the market and value of municipal securities. Investing in below investment grade securities may carry a greater risk of nonpayment of principal or interest, than higher-rated securities.

Derivatives can involve a high degree of financial risk in that a relatively small movement in the price of the underlying security or benchmark may result in a disproportionately large movement in price, unfavorable or favorable. Derivatives may increase the volatility of a Fund's net asset value and may result in a loss to the Fund.

The Bloomberg U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities.

1. Percentages based on total net assets and subject to change without notice.

**Effective Duration** provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates. **Weighted Average Maturity** is an average of the maturities of all securities held in the Fund's portfolio, weighted by each security's percentage of net assets.

**Consider the Fund's investment objectives, risks, and charges and expenses carefully before investing. The prospectus and the statement of additional information include this and other relevant information about the Fund and are available by visiting [www.newyorklifeinvestments.com](http://www.newyorklifeinvestments.com) or calling 888-474-7725. Read the prospectus carefully before investing.**

Fund shares are not individually redeemable and will be issued and redeemed at their NAV only through certain authorized broker-dealers in large, specified blocks of shares called "creation units", and otherwise, can be bought and sold only through exchange trading. Creation units are issued and redeemed principally in-kind. MacKay Shields LLC is an affiliate of New York Life Investment Management.

"New York Life Investments" is both a service mark, and the common trade name, of certain investment advisors affiliated with New York Life Insurance Company. IndexIQ® is the indirect wholly owned subsidiary of New York Life Investment Management Holdings LLC and serves as the advisor to the IndexIQ ETFs. ALPS Distributors, Inc. (ALPS) is the principal underwriter of the ETFs, and NYLIFE Distributors LLC is a distributor of the ETFs. NYLIFE Distributors LLC is located at 30 Hudson Street, Jersey City, NJ 07302. ALPS Distributors, Inc. is not affiliated with NYLIFE Distributors LLC. NYLIFE Distributors LLC is a Member FINRA/SIPC.

© 2024 IndexIQ. All rights reserved. Any unauthorized use, disclosure, copying, dissemination, or redistribution of this information is strictly prohibited.