Intelligent Investing

At IndexIQ, we’re taking intelligent investing beyond anything ever seen before. IndexIQ’s leading-edge exchange traded funds (ETFs) are designed to deliver a smarter approach to investing while helping investors build more meaningful portfolios. The first to offer liquid alternative ETFs, IndexIQ grants you access to atypical investment solutions that were once out of reach for most investors.

As a New York Life Investments company, IndexIQ supports a wide range of portfolio allocations, to help reach investor goals. Driven by our desire to bring meaningful investment strategies to market, IndexIQ’s Beyond Beta, Active, and Dual Impact ETFs embody the best of our expertise and dedication to a shared, purpose-driven mission. Our full spectrum of ETF solutions offers a smarter approach to traditional investing—whether you’re an individual or institutional investor, financial professional, or wealth manager.
Combining Expertise with an ETF Structure

IndexIQ ETFs combine the deep investment expertise and experience of New York Life Investments’ family of boutiques with the benefits associated with an ETF structure: transparency, liquidity, tax efficiency, and cost efficiency.

At a glance

Global provider of ETFs with $4+ billion in assets under management
As of 3/31/21

Provides access to deep domain investment expertise of New York Life Investments’ family of boutiques

Offers an innovative range of passive and active ETF solutions across asset classes: fixed income, equities, and alternatives

Founded in 2006 and the first to offer liquid alternative ETFs

A New York Life Investments company since 2015
IndexIQ’s spectrum of ETF solutions
IndexIQ’s spectrum of ETF solutions offers a smarter approach to traditional investing.

Driven by a desire to bring meaningful investment strategies to market, our diverse solutions portfolio provides a wide set of investment strategies crafted to help foster financial security.

- **Beyond Beta ETFs**
  IndexIQ Beyond Beta ETFs use an intelligent approach to index investing, offering smart beta solutions in multiple asset classes at lower fee structures—a structural advantage granted by the ETF vehicle.

- **Active ETFs**
  IndexIQ Active ETFs leverage New York Life Investments’ family of boutiques and select sub-advisors that seek to deliver portfolio performance potential through active management.

- **Dual Impact ETFs**
  IndexIQ Dual Impact ETFs provide targeted investment strategies designed to enhance investor portfolios’ potential, while simultaneously improving outcomes in the communities where we live and serve.
The Evolution of IndexIQ
A pioneer in liquid alternative ETFs

In 2006, IndexIQ began developing techniques to capture the core benefits of hedge funds. Since then, IndexIQ has emerged as the leading, award-winning provider of liquid alternative ETFs. Several ETFs—including flagship funds QAI and MNA—now celebrate track records of more than 10 years.

- 2006: IndexIQ is founded
- 2009: QAI, the first liquid alternative ETF, launches
- 2015: Wins ETF Express “Best Alternative ETF provider of 2015”
- 2016: New York Life Investments acquires IndexIQ
  Wins Hedgeweek “Best North American Index Provider”
  QAI wins Hedgeweek “Best 40 Act Liquid Alts Fund”
I. ETF Express/Hedgeweek Award Methodology: Awards are based on a “peer review system” whereby Hedgeweek’s readers — including institutional and high net worth advisors, managers, and other industry professionals at fund administrators, prime brokers, custodians, and advisers — are invited to elect a “best in class” in a series of categories via an online survey. For more information, visit hedgeweek.com/hedgeweek/awards/methodology.

2. IndexIQ partnered with MacKay Municipal Managers to create a series of actively managed municipal bond ETFs.

3. The IQ Merger Arbitrage ETF (MNA) was named 2019 “Best Alternative ETF of the Year” by the Fund Intelligence Mutual Fund and ETF Industry Awards. Award methodology: Fund Intelligence’s mix of independent judges, including a range of investors such as ETF strategists, based their decisions on performance, product innovation, and sales success through the year. Learn more at mutualfundindustryawards.com.

Investment Theses

IndexIQ ETFs cover a diverse range of investment strategies that strive to provide investors with increased financial security. These theses speak to each ETF’s specific differentiators and the benefits they offer investors.

Beyond Beta ETFs

**HYLV** | IQ S&P High Yield Low Volatility Bond ETF
Focusing on volatility metrics to screen bonds has the potential to detect credit rating changes before they happen, resulting in a portfolio with potentially lower credit risk, lower volatility, and better risk-adjusted returns than the broad high yield market.

**MCRO** | IQ Hedge Macro Tracker ETF
Exposure to hedge funds as an asset class offers opportunities for portfolio diversification, and a global macro strategy can help as an alternative risk diversifier. MCRO offers access to the benefits of global macro strategies, without the individual security selection risk relied upon with active management. Through MCRO, investors can attain market-neutral exposure within a low-cost, highly liquid, and tax-efficient vehicle.

**MNA** | IQ Merger Arbitrage ETF
Corporate mergers and acquisitions provide an opportunity for consistent and uncorrelated returns through an arbitrage process. MNA employs a systematic and repeatable approach to merger arbitrage in a low-cost and tax-efficient strategy.

**QAI** | IQ Hedge Multi-Strategy Tracker ETF
Exposure to hedge funds as an asset class offers opportunities for portfolio risk diversification. QAI seeks uncorrelated, hedge fund-like return potential in a vehicle available to all investors with intraday liquidity, low costs, and tax efficiency. QAI’s process seeks to achieve these returns by replication of the factor exposures of multi-strategy hedge funds.

**QED** | IQ Hedge Event-Driven Tracker ETF
Exposure to hedge funds as an asset class offers opportunities for portfolio diversification, and an event-driven strategy can help as an alternative return enhancer. QED offers access to the benefits of event-driven strategies, without the individual security selection risk relied upon with active management. Through QED, investors can attain market neutral exposure within a low-cost, highly liquid, and tax-efficient vehicle.

**QLS** | IQ Hedge Long/Short Tracker ETF
Exposure to hedge funds as an asset class offers opportunities for portfolio diversification, and an equity long-short strategy can help as an alternative return enhancer. QLS offers access to the benefits of equity long-short strategies, without the individual security selection risk relied upon with active management. Through QLS, investors can attain market neutral exposure within a low-cost, highly liquid, and tax-efficient vehicle.

**QMN** | IQ Hedge Market Neutral Tracker ETF
Exposure to hedge funds as an asset class offers opportunities for portfolio diversification and a market neutral strategy can help as an alternative risk diversifier. QMN offers access to the benefits of equity market neutral strategies, without the manager selection risk relied upon with active management. Through QMN, investors can attain market neutral exposure within a low-cost, highly liquid, and tax-efficient vehicle.
Beyond Beta ETFs (cont.)

**CLRG**  | IQ Chaikin U.S. Large Cap ETF
A consistent set of fundamental and technical metrics can be a robust method to identify securities that exhibit opportunistic growth at a reasonable value. The strategy utilizes a proprietary ranking approach developed by Chaikin Analytics to select names that have the potential to provide alpha and diversification benefits to a portfolio.

**CSML**  | IQ Chaikin U.S. Small Cap ETF
A consistent set of fundamental and technical metrics can be a robust method to identify securities that exhibit opportunistic growth at a reasonable value. The strategy utilizes a proprietary ranking approach developed by Chaikin Analytics to select names that have the potential to provide alpha and diversification benefits to a portfolio.

**HFXI**  | IQ 50 Percent Hedged FTSE International ETF
Developed market international equities typically expose investors to underappreciated currency volatility. HFXI provides low-cost, broad international index exposure with a neutral currency risk for a simpler approach that both seeks to manage risk and does not sacrifice potential return enhancements from currencies.

**IQIN**  | IQ 500 International ETF
Attractive international exposure can be achieved through fundamental weighting to achieve diversification based on company attributes rather than market value in a traditional market capitalization weighted approach. IQIN provides exposure to large-cap international companies applying a screen based on Sales, Market Share, and Operating Margin, respectively.

**IQSI**  | IQ Candriam ESG International Equity ETF
Incorporating ESG factors in security selection offers the potential for improving the risk/return strategy of a diversified index. The strategy provides low-cost, broad international exposure that integrates ESG into the investment process. The proprietary ESG evaluation framework looks to uncover companies’ ESG risks and opportunities by considering their business models and key stakeholders to understand their exposure to sustainability trends and seeks to identify those companies positioned to benefit in the future.

**IQSU**  | IQ Candriam ESG U.S. Equity ETF
Incorporating ESG factors in security selection offers the potential for improving the risk/return strategy of a diversified index. The strategy provides low-cost, broad domestic exposure that integrates ESG into the investment process. The proprietary ESG evaluation framework looks to uncover companies’ ESG risks and opportunities by considering their business models and key stakeholders to understand their exposure to sustainability trends and seeks to identify those companies positioned to benefit in the future.

= Focus ETF
Active ETFs

ESGB | IQ MacKay ESG Core Plus Bond ETF
Combining an ESG approach with active management in fixed income can provide more attractive risk-adjusted returns in the long term. ESGB provides investors with a diversified core plus bond portfolio that uses a proprietary ESG framework to evaluate every holding. The portfolio management team believes that ESG considerations are particularly important in eliminating uncompensated risk.

MMCA | IQ MacKay California Municipal Intermediate ETF
Active management is critical to take advantage of the unique characteristics of the municipal market. Unlike passive or traditional buy-and-hold California muni strategies, MMCA provides a low cost actively managed intermediate-term product with all of the key benefits of the ETF structure.

MMIN | IQ MacKay Municipal Insured ETF
Insured municipal bonds have shown resiliency during periods of market stress, trading with greater price stability and better liquidity than non-insured municipal bonds. Insured munis have historically captured more upside, as well as less downside, than the broad market. The cost of insurance is low, meaning insured municipal bonds may offer higher yields and greater total return potential relative to similarly rated non-insured bonds.

MMIT | IQ MacKay Municipal Intermediate ETF
Unlike passive or traditional buy-and-hold, intermediate-term strategies, MMIT is geared to take advantage of the unique characteristics of the municipal market that result from its fragmented and illiquid nature. This comes without sacrifice to any of the key benefits accessible in the ETF structure.

ULTR | IQ Ultra Short Duration ETF
Active management in the ultra short bond category may deliver more attractive risk-adjusted returns than a passive approach. ULTR provides investors exposure to a wide range of fixed income sectors, some of which can’t be accessed through index investing. Through deep credit analysis and thoughtful yield positioning, the PM team can position the portfolio to take advantage of relative value opportunities.

Dual Impact ETFs

CLNR | IQ Cleaner Transport ETF
Investors can enhance their portfolio’s potential by seeking exposure to select global companies that are contributing to the advancement of more sustainable transportation through cleaner energy products and solutions.

EQUUL | IQ Engender Equality ETF
Investors can enhance their portfolio’s potential by seeking exposure to select US companies that are leading in gender equality within the workplace.

HART | IQ Healthy Hearts ETF
Investors can enhance their portfolio’s potential by seeking exposure to select global companies that are involved in the diagnosis and/or treatment of heart disease, or that provide goods or services that allow people to adopt or maintain a healthy lifestyle.

OCEN | IQ Clean Oceans ETF
Investors can enhance their portfolio’s potential by seeking exposure to select global companies that are taking steps towards mitigating harm to the oceans through their products or services.
The strategies discussed are strictly for illustrative and educational purposes and are not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. There is no guarantee that any strategies discussed will be effective. This material contains general information only and does not take into account an individual’s financial or tax circumstances. This information should not be relied upon as a primary basis for an investment decision. Rather, an assessment should be made as to whether the information is appropriate in individual circumstances and consideration should be given to talking to a financial advisor before making an investment decision.

Beyond Beta ETFs refer to Smart Beta strategies, which are defined as rules-based investment strategies that follow an index, but also consider alternative factors in choosing securities from the index. Smart Beta investing aims to obtain alpha, lower risk or increase diversification at a cost lower than traditional active management and marginally higher than pure index investing.

Active management is an investment approach where the investment manager makes specific investment decisions with the goal of outperforming an investment benchmark or return. Active management investing typically incurs higher fees than passive management investing.

About risk: There are risks involved with investing in any such products, including the possible loss of principal. Investors in the Funds should be willing to accept a high degree of volatility and the possibility of significant losses. ESG strategies seek exposure to the securities of companies meeting environmental (E), social (S) and corporate governance (G) investing criteria. This excludes or limits exposure to securities of certain issuers for nonfinancial reasons, and the strategies may forgo some market opportunities available to strategies that do not use these criteria.

Consider the Funds’ investment objectives, risks, charges and expenses carefully before investing. The prospectus and the statement of additional information include this and other relevant information about the Funds and are available by visiting IQetfs.com or calling (888) 474-7725. Read the prospectus carefully before investing.

“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.