



Nationwide Russell 2000® Risk-Managed Income ETF (NTKI)

Q3 2022
AS OF 09/30/22

Fund Description: An income solution that targets high current income with a measure of downside protection.

Targets high monthly income

A rules-based options trading strategy that seeks to produce high income using the Russell 2000® Index

Seeks to provide a measure of downside protection

Uses a constant, fully financed market hedge that seeks to reduce downside risk

Potential flexibility across markets

Employs a systematic approach that may aid in capturing gains and minimizing losses**

**The Fund writes calls which can limit upside potential. The written call option may be closed prior to expiration, based on indications derived from the Fund's rules-based model, as a measure for potentially capturing gains or minimizing losses.

Key Facts

Fund ticker	NTKI
Fund inception	12/16/2021
Total expense	0.68%
Total number of holdings	1973
Net assets	\$12.9M
Listing exchange	NYSE Arca
CUSIP	26922B741

Distributions

30-day SEC yield	0.86%
Trailing 12-month yield	—
Distribution yield	7.09%
Distribution frequency	Monthly

Risk Characteristics*

	Fund	Benchmark	Reference Index
Beta	—	—	—
Standard deviation %	—	—	—
Sharpe Ratio	—	—	—
Sortino ratio	—	—	—

*Based on a rolling 12 months. The Fund seeks to purchase, in full replication, the constituents of the Russell 2000® Index (reference index)

Average Annual Total Returns (%)

	QTD	YTD	1-year	3-year	5-year	Since inception
Fund at NAV	-7.84	-16.78	—	—	—	-15.64
Fund at market price	-7.25	-16.97	—	—	—	-15.53
CBOE Russell 2000 Zero-Cost Put Spread Collar Index (benchmark)	-5.17	-21.86	—	—	—	-18.31
Russell 2000® Index (reference index)	-2.19	-25.10	—	—	—	-20.08

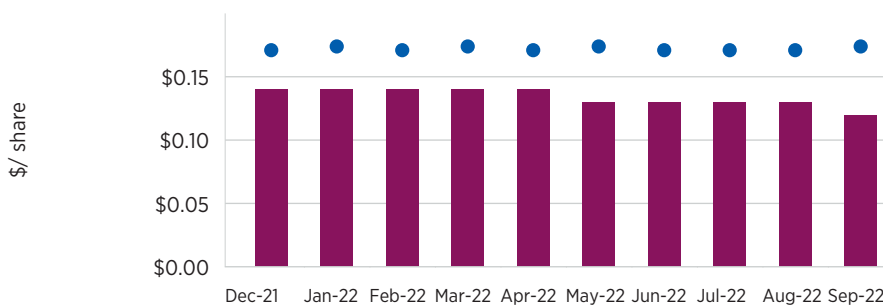
The results shown represent past performance; past performance does not guarantee future results. Current performance may be lower or higher than the past performance shown, which does not guarantee future results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Returns for periods less than one year are not annualized. Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. To obtain the most recent month-end performance, go to etf.nationwide.com or call 1-877-893-1830.

Nationwide 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 p.m. EST net asset value (NAV). Market price returns reflect the midpoint of the bid/ask spread as of the close of trading on the exchange where Fund shares are listed. Market price returns do not represent the returns you would receive if you traded shares at other times.

Calendar Year Returns (%)

	2021	2020	2019	2018	2017	2016
Fund	—	—	—	—	—	—
Benchmark	—	—	—	—	—	—
Reference Index	—	—	—	—	—	—

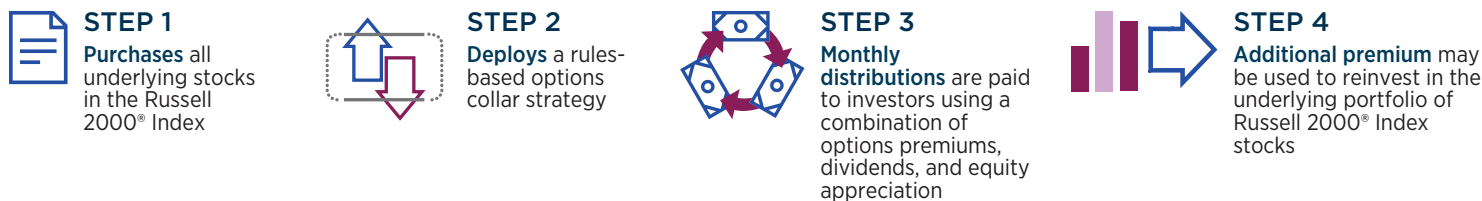
Income Distribution



■ Distribution (\$/share)	0.14	0.14	0.14	0.14	0.14	0.13	0.13	0.13	0.13	0.12
● Monthly distribution yield (%)	0.58	0.59	0.58	0.59	0.58	0.59	0.58	0.58	0.58	0.59

■ Distribution (\$/share) ● Monthly distribution yield (%)

Investment Strategy Overview



A systematic, rules-based options model

- ▶ The Fund opens the new option positions on the Thursday before option expiration (i.e., the 3rd Thursday of every month)
- ▶ The long put is held for the month and rolled into the new front month put before expiration, thereby potentially allowing the Fund to have a constant long put in the portfolio
- ▶ The short call may be held for the month, but the model may also indicate if the short call should be closed prior to expiration

The options model employed by the Fund integrates several data sets and factors¹ to aid in analyzing the volatility surface and to consequently predict if the call option needs to be closed prior to expiration



If the market moves lower, the model will indicate that it is time to close the call, if most of the premium has been captured



If the market moves higher, the model will indicate that it is time to close the call, as a measure for potentially “uncapping” the portfolio

¹These factors include price moves and volatility changes in the Russell 2000® Index (reference index) and option greeks.

Top Holdings

	% of portfolio
Short-Term Invts Tr Insco Govt Inst	9.01
Russell 2000 Put OCT22 1735.00	4.59
Shockwave Medical, Inc.	0.38
Biohaven Pharmaceutical Holding Company Ltd.	0.34
Chart Industries, Inc.	0.30
Murphy USA, Inc.	0.27
EMCOR Group Inc	0.26
SouthState Corporation	0.26
Texas Roadhouse, Inc.	0.25
RBC Bearings Incorporated	0.25

Seeks to replicate the holdings of the Russell 2000® Index.

Holdings are provided for informational purposes and should not be deemed as a recommendation to buy or sell the securities.

Sector Allocation

	NTKI
Financials	18.11
Health Care	17.58
Industrials	15.39
Information Technology	12.45
Consumer Discretionary	10.55
Real Estate	6.19
Energy	5.91
Materials	4.27
Utilities	3.45
Consumer Staples	3.42
Communication Services	2.68
Total	100.0

Portfolio Management

Harvest Volatility Management, Subadviser
Troy Cates, Fund tenure since 2021
Garrett Paolella, Fund tenure since 2021
Curt F. Brockelman, Jr., Fund tenure since 2021



DEFINITIONS: **Beta** is a measure of price variability relative to the market. **Collar option strategy** is an option strategy that limits both gains and losses. A common collar position is created by holding an underlying stock, buying an out of the money put option, and selling an out of the money call option. **Distribution yield** is calculated by annualizing the most recent distribution and dividing by the most recent fund NAV. The yield represents a single distribution from the fund and does not represent total return of the fund. **IOPV**, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day. **Option greeks** are financial measures of the sensitivity of an option's price to its underlying determining parameters, including volatility or the price of the underlying asset. **Sharpe ratio** is a measure of excess reward per unit of volatility. **Sortino ratio** is similar to the Sharpe ratio, except it uses downside deviation in place of standard deviation. **Standard deviation** is a measure of price variability (risk). **Trailing 12-month yield** is the yield an investor would have received if they had held the fund over the last 12 months, assuming most recent NAV. It is calculated by summing any income distribution over the past 12 months and dividing by the sum of the most recent NAV.

• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

Must be preceded or accompanied by a current prospectus.

Call 1-800-617-0004 to request a summary prospectus and/or a prospectus, or download prospectuses at etf.nationwidefinancial.com. These prospectuses outline investment objectives, risks, fees, charges and expenses, and other information that you should read and consider carefully before investing.

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. The Fund's return may not match or achieve a high degree of correlation with the return of the underlying index.

KEY RISKS: The Fund is subject to the risks of investing in equity securities, including tracking stock (a class of common stock that "tracks" the performance of a unit or division within a larger company). A tracking stock's value may decline even if the larger company's stock increases in value. The Fund is subject to the risks of investing in foreign securities (currency fluctuations, political risks, differences in accounting and limited availability of information, all of which are magnified in emerging markets). The Fund may invest in more-aggressive investments such as derivatives (which create investment leverage and illiquidity and are highly volatile). The Fund employs a collared options strategy (using call and put options is speculative and can lead to losses because of adverse movements in the price or value of the reference asset). The success of the Fund's investment strategy may depend on the effectiveness of the subadviser's quantitative tools for screening securities and on data provided by third parties. The Fund expects to invest a portion of its assets to replicate the holdings of an index. Correlation between Fund performance and index performance may be affected by Fund expenses and because the Fund may not be invested fully in the securities of the index or may hold securities not included in the index. The Fund frequently may buy and sell portfolio securities and other assets to rebalance its exposure to various market sectors. Higher portfolio turnover may result in higher levels of transaction costs paid by the Fund and greater tax liabilities for shareholders. The Fund may concentrate on specific sectors or industries, subjecting it to greater volatility than that of other ETFs. The Fund may hold large positions in a small number of securities, and an increase or decrease in the value of such securities may have a disproportionate impact on the Fund's value and total return. Although the Fund intends to invest in a variety of securities and instruments, the Fund will be considered nondiversified. Additional Fund risk includes: Collared options strategy risk, correlation risk, derivatives risk, foreign investment risk, industry concentration risk, and small-capitalization investing risk.

CBOE Russell 2000 Zero-Cost Put Spread Collar Index: An index designed to track the performance of a hypothetical portfolio of securities composed of a 2.5%-5% put spread of options on the Russell 2000 (RUT options), and which seeks to offset the already low cost of the put position with a long RUT call at a strike such that the call premium offsets the cost of the put spread.

Russell 2000® Index: An unmanaged index that seeks to measure the performance of the small-cap segment of the U.S. equity universe.

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