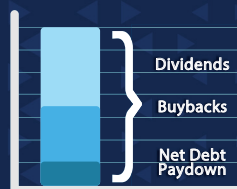


# CAMBRIA SHAREHOLDER YIELD ETF

CAMBRIA



# SYLD

Cambria Shareholder Yield ETF

## Why a Shareholder Yield Strategy?

### Shareholder Yield

Focusing on dividends alone misses another component of shareholder return, buybacks.



### Dividend Yield

Investors are increasingly turning to dividend-paying stocks to seek yield and potentially add stability to portfolios.

Most dividend-oriented ETFs distribute income to investors quarterly, a frequency that can help investors meet their current spending needs. Fixed bond payments are also regular but tend to be more exposed to inflation than equities. Because stocks may grow their dividends and realize capital appreciation, they can be better positioned to keep pace with or exceed inflation over the long term.

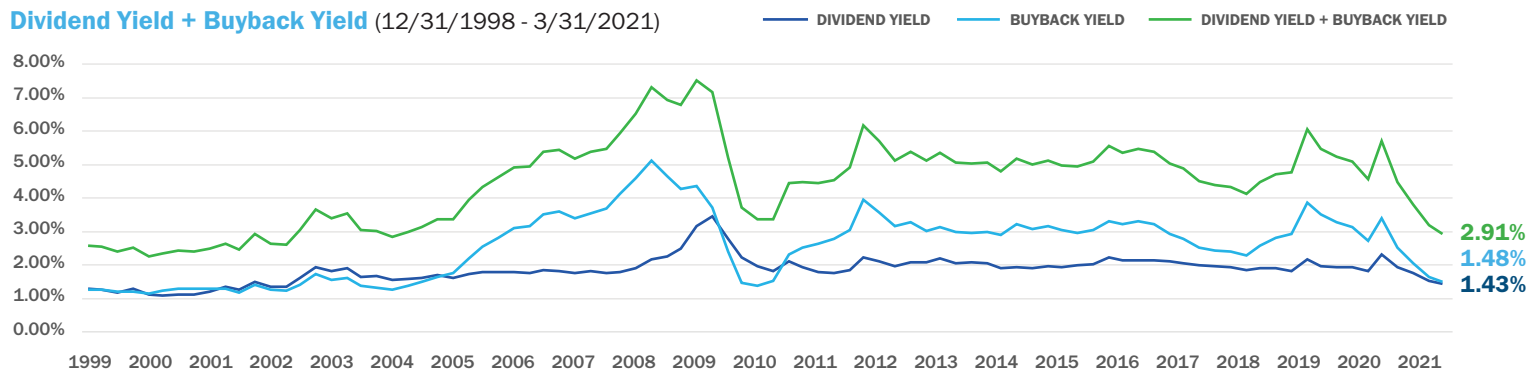
Also, dividend-paying stocks have tended to weather down equity markets better than non-payers. This is intuitive: The ability to consistently pay dividends suggests that a company is mature, has cash flow and has cash flow on hand. Strong cash flows are a sign of a company that is relatively stable. While never guaranteed, corporate boards tend to set dividends at levels that can be maintained. Thus, dividend stocks typically pay a cash return regardless of share price movement, and this income component may help reduce losses in a down market.

### Buyback Yield

Often a forgotten component of total return.

Without getting into too much detail, corporate share buybacks can be an effective way for managers to return profits to shareholders – similar to dividends – yet without triggering the taxable event that occurs with dividends. This means shareholders are receiving value, but it's subtler – generally camouflaged in the asset's market price, rather than the obvious dividend payment that appears in your brokerage account one day. But that doesn't mean the value isn't there, it's just in a different form.

**Dividend Yield + Buyback Yield (12/31/1998 - 3/31/2021)**



**SOURCE:** Standard & Poor's. Chart above reflects data on S&P 500 Index dividend yield, buyback yield, as well as dividend yield + buyback yield as of 3/31/21 which is most recent data available.

# Why SYLD?

## 100 Companies Ranked by Buybacks & Dividends

SYLD focuses on buybacks and dividends, but is mindful of value of quality when constructing portfolio.

## Less Expensive Versus Other Valuation Metrics

Across many valuation metrics, SYLD trades at a lower valuation across all categories.

## Competitive Yield

SYLD supports a competitive yield vs mid-cap value peers.

## Growth of \$10,000

SYLD has experienced solid growth since its inception in May 2013. To the right is a growth of \$10,000 invested in SYLD at its inception on 5/13/2013.

Cambria Shareholder Yield ETF (SYLD) utilizes a quantitative approach to invest in US equities with high cash distribution characteristics.

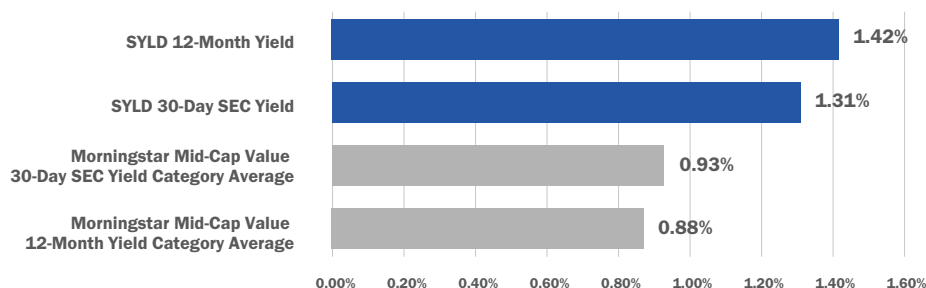
SYLD selects the top 100 companies each calendar quarter based on dividends and buybacks. The fund will also screen for value and quality factors, including low financial leverage, in order to avoid yield traps.

SYLD will then equally weight each one of the selected companies in the portfolio to maximize diversification.

Valuation Metrics	SYLD	Category	S&P 500 Index
Price / Earnings	12.09	19.17	26.46
Price / Book	1.80	2.31	4.42
Price / Sales	0.90	1.50	3.15
Price / Cash Flow	7.10	11.13	17.56
Price / Free Cash Flow	9.86	23.51	30.62

**SOURCE:** Morningstar. Based on historical data as of 6/30/2021. Style and Market Cap Breakdown and value and Growth Measures are calculated only using the long position holdings of the portfolio. Based on 431 funds in the Mid-Cap Value category.

## SYLD Yield vs Category Yield as of 6/30/21



## SYLD Growth of \$10,000 Since Inception (5/13/13 - 6/30/21)



## Key Events Since Inception

**2013 – 2019:** Growth stocks surged while value stocks were purged. Every investment style has its moment. Due to quantitative easing and treasury rates falling, growth stocks outperformed value during this time.

**2020 – Present:** Due to excesses in liquidity and valuation, as well as rising vulnerability to disappointments and external shocks, value finally returned to favor relative to growth. For SYLD in particular, rising government debts and deficits, along with the potential for negative real rates, characteristics such as value and dividend income came into favor.

**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.**

# Why SYLD?

## Solid Performance

SYLD is an all-cap portfolio that falls into Morningstar's Mid-Cap Value Category where it's been a solid performer over multiple time periods.

As of June 30, 2021, SYLD ranked in the top decile for the 1-, 3- and 5-year period within the Morningstar Mid-Cap Value Category based on total return.

Standardized Performance as of June 30, 2021	1 Year	3 Year	5 Year	10 Year	Annualized Since Incep.
Cambria Shareholder Yield ETF NAV	102.54%	21.94%	20.18%	-	15.57%
Cambria Shareholder Yield ETF Price	102.63%	21.94%	20.22%	-	15.58%
S&P 500 TR Index	40.79%	18.67%	17.65%	14.84%	14.90%
Morningstar Mid-Cap Value Category Average	46.71%	10.86%	8.25%	-	-
Percentile Rank	Top 1%	Top 1%	Top 1%	-	-

Gross and net expense ratio: 0.59%

Cambria Shareholder Yield ETF was rated against the following number of U.S. domiciled Mid-Cap Value funds over the following time periods as of 6/30/21: 414 funds in the last one year, 395 funds in the last three years and 346 funds in the last five years. Morningstar Ranking/Number of Funds in Category displays the Fund's actual rank within its Morningstar Category based on average annual total return and number of funds in that Category. The return assumes reinvestment of dividends and do not reflect any applicable sales charge. Morningstar Percentile Rankings are the Fund's total return rank relative to all funds in the same Morningstar category, where 1 is the highest percentile and 100 is the lowest percentile. The performance data quoted represents past performance. **Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 855-383-4636 (ETF INFO) or visit [www.cambriafunds.com](http://www.cambriafunds.com). Current performance may be higher or lower than the performance quoted. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 Eastern Time and do not represent the returns you would receive if you traded shares at other times.**

## SYLD Investment Methodology



PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

## Definitions:

**Dividends:** The distribution of reward from a portion of the company's earnings and is paid to a class of its shareholders. Dividends can be issued as cash payments or as shares of stock, though cash dividends are the most common.

**Dividend Yield:** Generally, the total interest and dividend payments over a specific time period divided by the most recent period's ending share price.

**Buybacks:** Also known as share repurchase. When a company buys its own outstanding shares to reduce the number of shares available on the open market, thus increasing the proportion of shares owned by investors. Companies buy back shares for a number of reasons, such as to increase the value of remaining shares available by reducing the supply or to prevent other shareholders from taking a controlling stake.

**Buyback Yield:** Generally, the dollar value of net buybacks over a specific time period divided by the company's total market capitalization.

**Net Debt Paydown:** When a company repays in debt exceeds the amount it currently borrows.

**Momentum:** A measure of a security's historical price performance relative to another group of securities.

**Trend:** A measure of a security's historical price performance relative to itself.

**Long Position:** A position in a security in which one buys and owns the security.

**Price/earnings ratio (P/E Ratio):** The ratio of a company's stock price to the company's per share earnings.

**Price/book ratio (P/B Ratio):** The ratio of a company's stock price to the company's book value.

**Price/sales ratio (P/S Ratio):** The ratio of a company's stock price to the company's revenue.

**Price/cash flow ratio (P/CF Ratio):** The ratio of a company's stock price to the company's per share cash flow.

**Price/free cash flow ratio (P/FCF Ratio):** The ratio of a company's stock price to the company's per share free cash flow.

**Enterprise Value/EBITDA:** The ratio of a company's enterprise value (A measure of a company's total value) to the company's earnings before interest, taxes, depreciation and amortization

**30-Day SEC Yield:** A standard yield calculation developed by the U.S. SEC that is based on the most recent 30-day period.

### This material must be preceded or accompanied by the fund prospectus.

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The Cambria Shareholder Yield ETF is actively managed.

ETFs are subject to commission costs each time a "buy" or "sell" is executed. Depending on the amount of trading activity, the low costs of ETFs may be outweighed by commissions and related trading costs.

Shares are bought and sold at market price (closing price) not net asset value (NAV) are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined), and do not represent the return you would receive if you traded at other times. Buying and selling shares will result in brokerage commissions. Brokerage commissions will reduce returns.

There is no guarantee that the Funds will achieve investment goals. Investing involves risk, including the possible loss of principal. High yielding stocks are often speculative, high risk investments. The underlying holdings of the funds may be leveraged, which will expose the holdings to higher volatility and may accelerate the impact of any losses. These companies can be paying out more than they can support and may reduce their dividends or stop paying dividends at any time, which could have a material adverse effect on the stock price of these companies and the Fund's performance. International investing may involve risk of capital loss from unfavorable fluctuations in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Investments in smaller companies typically exhibit higher volatility. Narrowly focused funds typically exhibit higher volatility.

The Funds are managed using proprietary investment strategies and processes. There can be no guarantee that these strategies and processes will produce the intended results and no guarantee that the Fund will achieve its investment objective. This could result in the Fund's underperformance compared to other funds with similar investment objectives.

There is no guarantee dividends will be paid. Diversification may not protect against market loss. Buybacks are not guaranteed.

Indicative value (iNAV) is a measure of the intraday net asset value (NAV) of an investment. It is reported approximately every 15 seconds and gives investors a measure of the value of the investment throughout the day.

The S&P 500 Index is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

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