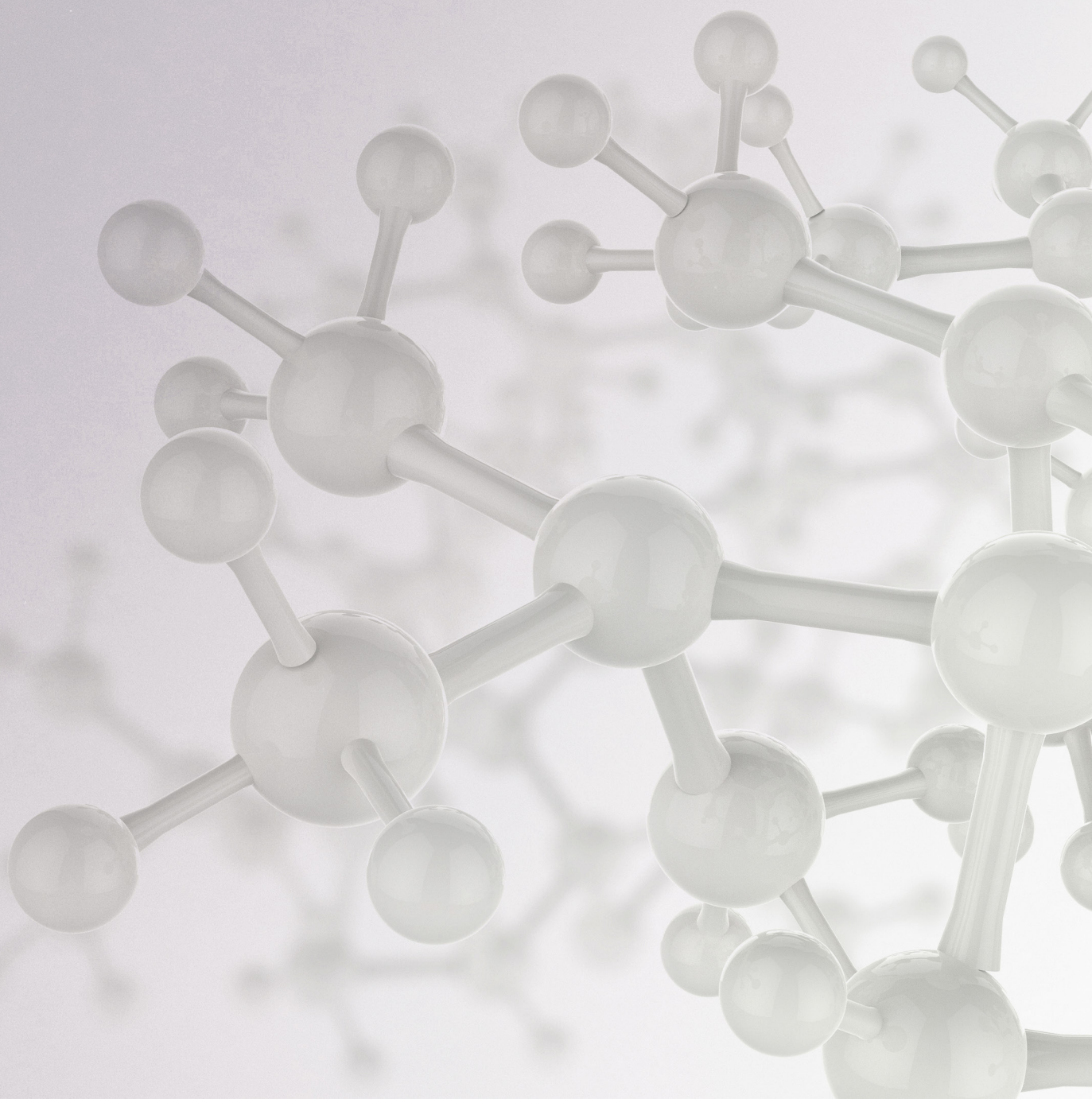




First Ascent Asset Management

# FACTOR SELECT

Multi-Factor Open Architecture Portfolios



# A RESEARCH-DRIVEN STRATEGY

## Using Academic Research to Seek a Performance Advantage

The Factor Select portfolios are built with the goal of providing broad exposure to global capital markets, while generating long-term returns in excess of market cap-weighted benchmarks.

We seek to achieve this by combining exchange traded funds (ETFs) or mutual funds that provide added exposure to investments with attributes—referred to as “factors”—that historically have improved portfolio performance.

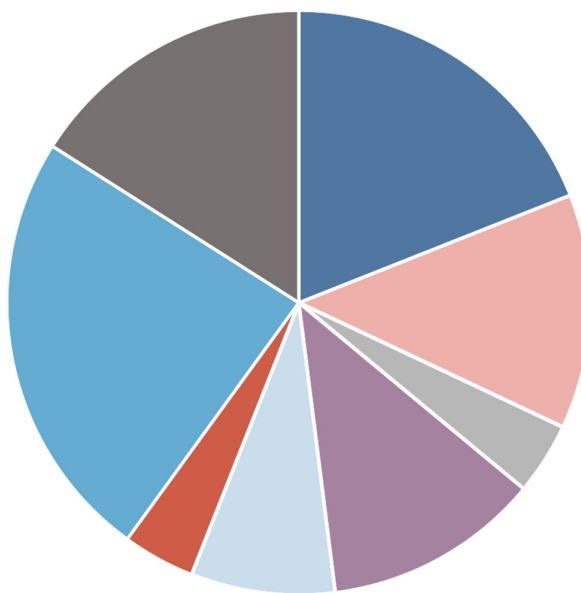
## Multi-Factor Diversification

### The Building Blocks

Factors are characteristics common to a group of investments that help explain their performance. Academic research has identified a number of factors that have demonstrated favorable performance characteristics and have a reasonable likelihood of persisting in the future. Factor Select portfolios emphasize these factors: value, size, quality, and momentum.

#### Factor Select

- Globally Diversified
- Multi-factor/OpenArchitecture
- Balanced Factor Weighting
- Strategic Asset Allocation
- Low Cost/Low Turnover



### Balance and Open Architecture

Some factors have low correlations—when one is lagging, another may be performing well. By combining factors with differing performance patterns, we seek a more stable return stream. We balance the impact each factor has on the portfolio by roughly equal-weighting them. We use funds from firms that define and combine factors differently for added diversification.

### Intended Application

The Factor Select portfolios are intended for use as standalone portfolios, or as core holdings in conjunction with more specialized or tactical strategies.

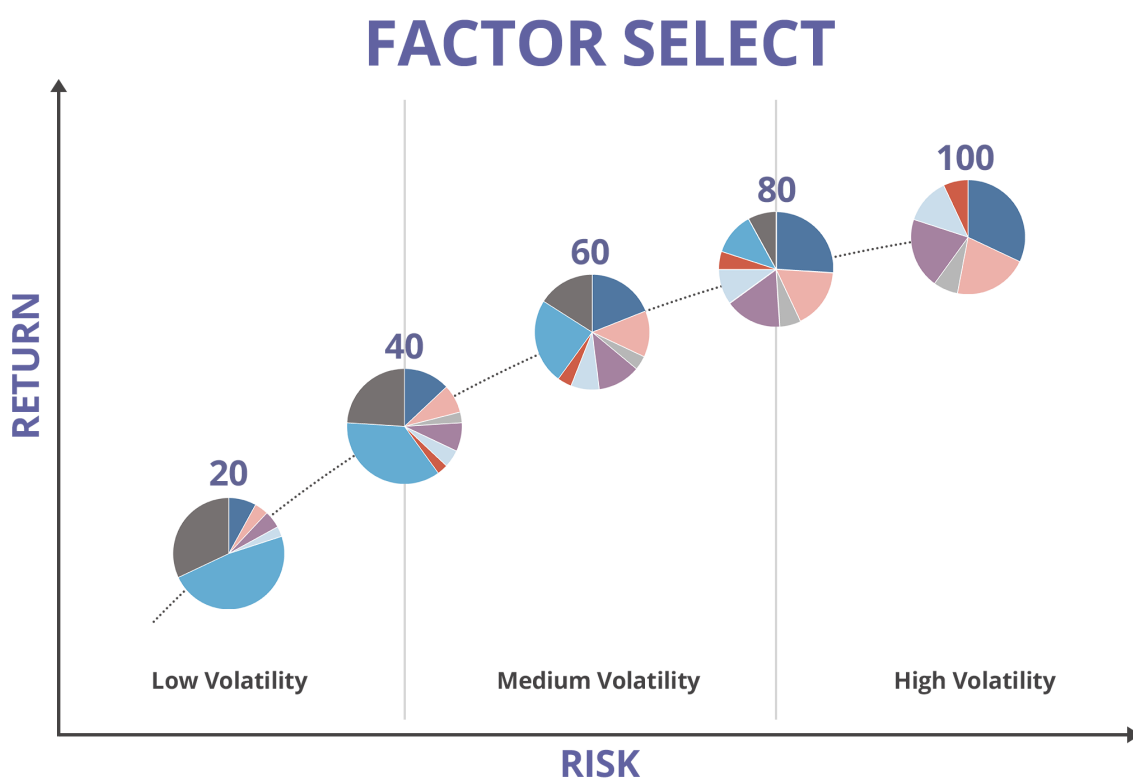
# ASSET ALLOCATION

## Building Portfolios for a Broad Range of Investor Needs

We offer Factor Select portfolios at five risk levels to meet the varying needs and preferences of investors. Each portfolio targets a specific risk level that is defined by the overall percentage of equities within the portfolio. Factor Select portfolios range from 20% equity to 100% equity.

We also offer tax-sensitive versions of all Factor Select portfolios.

## Risk Defined Portfolios



## Four Pillars of Asset Allocation

Asset allocation is the most important way to balance risk versus return.

### Diversification

across asset classes, styles, and types of investments is key to investor success.

### Patience

is vital to achieving investment goals. We build portfolios for the long-term.

### Low Correlation

investments can reduce risk and stabilize portfolio returns.

### Rebalancing

on a regular basis maintains a consistent risk profile for investors.



# BENEFITS OF OUR APPROACH

## Broad Diversification and Targeted Factor Exposure

The Factor Select portfolios provide broad exposure to global markets, while incorporating the latest research on factor-based investing. Keeping the internal expenses of the portfolios low helps investors keep more of what they earn.

Low Cost  
Multi-Factor  
Investing

## Complementary Investments

The benefits of diversification are well established, and the Factor Select portfolios are diversified on multiple levels:

- allocations to both domestic and international stock and fixed-income markets
- added exposure to multiple non-correlated factors with strong academic support
- built with funds that take different approaches to defining and accessing those factors

These different layers of diversification help us manage risk to reduce portfolio volatility and smooth out the ride for clients over the long term.

## Elegantly Simple Portfolio Construction

The Factor Select portfolios use our “elegantly simple” approach to portfolio management to:

- limit the number of holdings
- minimize trading and rebalancing
- keep internal fund expenses low

This approach can lower portfolio costs and expenses. These savings add up to a significant, tangible benefit for clients in the years to come.

## Multi-Factor Portfolios

### Capture Returns

of global markets through low-cost factor-based investing.

### Diversify

across markets, factors, and approaches from multiple providers.

### Control Risk

by combining factors that thrive in different market environments.

### Add Value

by tilting toward factors with potential to outperform.



## First Ascent Asset Management

720.465.7888  
info@firstascentam.com  
firstascentam.com

First Ascent Asset Management, LLC is a registered investment advisor.