

**“By actively seeking to not lose big, we believe that investors will be better off in the long run.”**

– RANDY SWAN, CEO, LEAD PORTFOLIO MANAGER

## A Distinct Approach to Growth Investing

Our investment approach seeks to mitigate the risk of life-altering losses so that investors can achieve long-term goals on time and secure a retirement that lasts.

With a time-tested track record since 1997, our distinct approach is based on two factors that drive long-term outcomes for investors:

### Defining Risk & Reducing Losses

While equities can provide portfolio growth, they are unpredictable, producing periods of severe losses that impact financial plans.

### Keeping Clients Invested

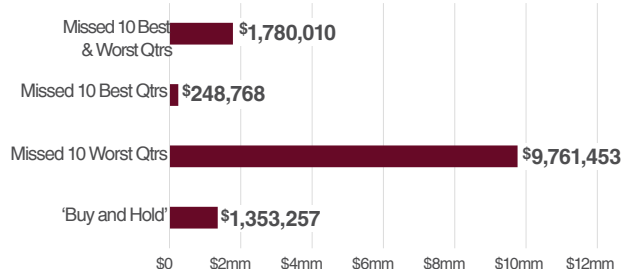
Behavioral finance research shows many ‘buy and hold’ investors struggle to hold on when losing money, leading them to ‘buy and fold’.

Our hedged equity approach seeks to help investors ‘hold on’ and improve long-term results by mitigating risk.

## Why Defining Risk Matters

A strategy that seeks to mitigate risks in the worst periods, while participating in the market to capture some of the best periods, may result in superior long-term results.

S&P 500 Index Average 1973-2022 (50 years)  
Hypothetical Investment of \$10,000



Source: Swan Global Investments and Morningstar. This hypothetical example above is based on the S&P 500 Index returns from January 1973 through December 2022. Past performance is no guarantee of future results.

## Balance of Growth Investing and a Downside Hedge

While growth investors want all the upside, they often don't want all the downside.

Typically, they must choose between:



Low Risk &  
Lower Returns

or



High Risk &  
Higher Returns

*Growth investors need a strategy to mitigate risk while seeking higher returns.*

## The Defined Risk Growth Strategy

### A Redefined Approach for a Redefined World

Since 1997, Swan Global Investments has remained a leader in hedged equity and options-based strategies. Our goals-based hedged equity approach is distinctly designed to help investors grow and preserve wealth.

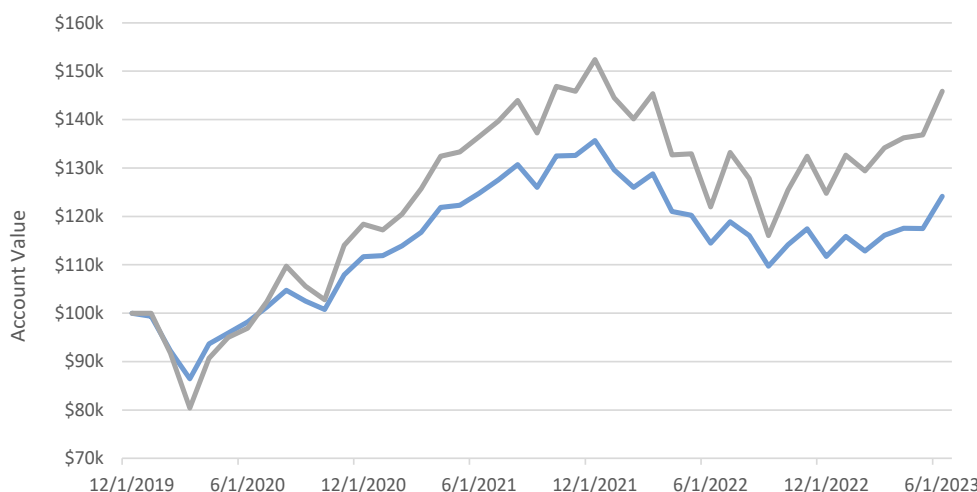
- *Always Invested* - Equity markets tend to go up over time, so we remain always invested.
- *Always Hedged* - Large losses can derail investors from their goals, so we remain always hedged.

# The Defined Risk Growth Strategy - Capturing Upside with a Hedge

The Defined Risk Growth Strategy seeks to provide growth investors a smoother investment experience by defining risk, remaining invested, and preserving irreplaceable capital through full market cycles.

## Invested for Growth—Hedged Against Uncertainty and Volatility

Account Value: **DRS Growth** vs **S&P 500 Index** (1/1/20 to 6/30/23)



Risk and Return Metrics		
Analysis Period:	S&P 500 Index TR	Defined Risk Growth Strategy
Cumulative Return	45.87%	24.14%
Standard Deviation	19.90%	13.02%
Downside Risk	14.89%	9.81%
Beta vs. Market	0.00	0.64
Sharpe Ratio	0.50	0.39

Source: Zephyr StyleADVISOR and Swan Global Investments. All results listed are based on month-end returns for the S&P 500 Index TR and Swan DRS Growth. Swan DRS Growth results are from the Swan Defined Risk U.S. Large Cap Growth Composite, net of fees. Past performance is no guarantee of future results. For more information, visit [swanglobalinvestments.com/advisor/performance/](https://swanglobalinvestments.com/advisor/performance/).

## How It Works



A HEDGE IS NOT INSURANCE AGAINST LOSSES

For more information call 970.382.8901, or visit [swanglobalinvestments.com/advisor](https://swanglobalinvestments.com/advisor).

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