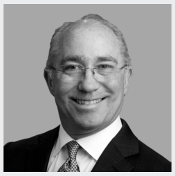
Issuer spotlight:
Q&A New York Life Investment Management



Neil Moriarty
Senior Managing Director and Co-Head of Global Fixed Income

Q. What is the NYLIM MacKay Core Plus Bond ETF (CPLB)?

CPLB is an actively managed core plus bond ETF that seeks high levels of income and total return. The Fund is in the Morningstar Intermediate Core-Plus Bond category and is benchmarked to the Bloomberg U.S. Aggregate Bond Index. It uses a top-down and bottom-up investment process to seek compelling risk-adjusted returns within an ETF structure.

Q. How do you believe CPLB differs from a traditional core bond strategy?

CPLB maintains a core bond foundation but adds flexibility through a broader opportunity set. The strategy can invest across both investment-grade and high-yield securities, corporate credit and securitized credit, fixed and floating rate, and domestic and foreign bonds (including developed and emerging markets). Non-investment grade exposure is permitted up to 30% of the Fund's assets but is broadly represented by higher-quality BBs.

Q. What is the investment philosophy behind CPLB?

CPLB blends the investment philosophies of MacKay Shields' Global Fixed Income and High Yield teams. The Global Fixed Income approach combines top-down macroeconomic analysis with rigorous fundamental research, using macro views to guide portfolio exposures and bottom-up research to identify relative value opportunities. The High Yield approach emphasizes disciplined credit selection, appropriate risk compensation while seeking to manage downside participation through securities with a strong margin of safety, including asset coverage and free cash flow generation.

Q. How is CPLB's asset allocation determined?

CPLB uses a fluid, iterative four-step process. First, the macroeconomic environment is reviewed to assess the economic cycle and overall risk backdrop. Second, sector outlooks are developed based on macroeconomic conditions, credit fundamentals and valuations. Third, the Investment Committee forms the strategic allocation between investment grade and high yield investments and evaluates duration positioning relative to the blended benchmark. Fourth, each investment team implements the allocation through individual security selection within the strategic framework.

Q. What role does high yield play in CPLB?

High yield is a strategic part of CPLB's core plus allocation, with non-investment grade exposure capped at 30%. The high yield process focuses on security selection, risk compensation, and managing downside risk. The team begins with a universe of more than 1,000 issuers and applies a margin-of-safety framework that includes minimum yield or spread requirements, minimum 1.5x asset coverage, and free cash flow generation. Additional analysis focuses on business quality, capital structure, covenant terms, management assessment, credit improvement potential, event catalysts and default-adjusted spread analysis.

Q. How does CPLB manage risk?

CPLB uses a layered risk management framework. At the investment-team level, risk controls include guardrails on sector weights, position sizes and duration; scenario analysis across adverse and favorable environments; tracking error analysis; attribution analysis; issuer and sector monitoring; and daily review of rating changes and large price movements. Compliance provides an additional layer through pre- and post-trade monitoring of investment guidelines and restrictions. Independent risk oversight further supports the process by helping identify investment risks, assess controls and strengthen the broader risk-management framework.

Note from NYSE Arca:

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Note from New York Life Investment Management:

There is no guarantee the Fund will achieve high income or any particular level of total return; bond prices fluctuate with interest-rate and credit movements and investors may lose money.

Default-adjusted spread analysis is a credit-analysis method that evaluates whether a bond's yield adequately compensates investors for the risk of potential defaults. Unlike a simple yield or credit spread comparison, it considers the likelihood that an issuer could default and the amount investors might recover if a default occurs. This analysis is one of many tools used by portfolio managers when assessing the relative value and risk of fixed-income investments. It does not guarantee investment performance or predict future defaults.

A **margin-of-safety** investment approach seeks to reduce risk by purchasing investments that appear to be priced below their estimated value. However, this approach cannot eliminate the risk of loss or guarantee positive investment results. Investments in **high-yield ("junk") bonds** involve greater credit, default, and price volatility than investment-grade bonds. During periods of economic stress or adverse market conditions, these investments may decline significantly in value, and investors could lose money.

High-yield securities carry a higher risk of default and price volatility; while the margin-of-safety framework seeks to mitigate these risks, it cannot eliminate them, and investors may still experience significant losses, particularly in stressed market conditions.

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The Bloomberg U.S. Aggregate Bond Index is a broad-based benchmark tracking the U.S. dollar-denominated, investment-grade, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, various mortgage-backed securities, asset-backed securities, and commercial mortgage-backed securities.

Before investing, investors should carefully consider the investment objectives, risks, charges, and expenses of the investment company. This and other important information are contained in the prospectus and, if available, the summary prospectus, which may be obtained by visiting https://dfinview.com/NYLIM or by contacting your financial professional. Investors should read the prospectus and, if available, the summary prospectus carefully before investing.

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