

Mid Cap Growth Impact ETF

2023

IMPACT REPORT

This ETF is different from traditional ETFs.

Traditional ETFs tell the public what assets they hold each day. This ETF will not. **This may create additional risks for your investment. For example:**

- You may have to pay more money to trade the ETF's shares. This ETF will provide less information to traders, who tend to charge more for trades when they have less information.
- The price you pay to buy ETF shares on an exchange may not match the value of the ETF's portfolio. The same is true when you sell shares. These price differences may be greater for this ETF compared to other ETFs because it provides less information to traders.
- These additional risks may be even greater in bad or uncertain market conditions.
- This ETF will publish on its website each day a "Proxy Portfolio" designed to help trading in shares of the ETF. While the Proxy Portfolio includes some of the ETF's holdings, it is not the ETF's actual portfolio.

The differences between this ETF and other ETFs may also have advantages. By keeping certain information about the ETF secret, this ETF may face less risk that other traders can predict or copy its investment strategy. This may improve the ETF's performance. If other traders are able to copy or predict the ETF's investment strategy, however, this may hurt the ETF's performance.

For additional information regarding the unique attributes and risks of this ETF, see the additional risk discussion at the end of this material.

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While the world constantly rebalances itself around tectonic changes, so do our portfolio companies as they respond with strategy and innovation in an effort to tackle our most pressing problems and positively impact the communities of our ever-changing world.

Rob Brookby

Senior Portfolio Manager

Nalin Yogasundram

Portfolio Manager

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Letter to Shareholders

We are pleased to share our third annual Mid Cap Growth Impact ETF Impact Report. The past year brought many significant challenges to the planet. Those challenges include over a year of tragic fighting in Ukraine, more evidence of climate change, and stubborn supply chain frictions – all pushing disruption to economies and communities across the globe. Business leaders have redoubled efforts on innovation and resiliency, alternate sources of supply, and workforce management as part of their strategic response.

Thankfully, there was more good news as the COVID-19 pandemic came under control enabling a return to global travel – both personal and business. Jobs remain plentiful, with many choices available for people who want to work or change careers. And higher interest rates have begun to slow the rise in painful inflation affecting standards of living everywhere. While the world constantly rebalances itself around tectonic changes, so do our portfolio companies as they respond with strategy and innovation in an effort to tackle our most pressing problems and positively impact the communities of our ever-changing world.

Our investment philosophy has helped us chart a course through this turbulent environment and address many of these challenges head on with solutions. **We do this by investing in innovative businesses where we see a positive societal impact as the consequence of durable investment themes.** Those themes are matched to United Nations Sustainable Development Goals (U.N. SDGs) and guide our framework for assessing a company's impact.* In this report, you will find examples highlighting unique businesses contributing to these goals.

We also seek companies committed to environmental, social and governance (ESG) risk management practices. The confluence of ESG risk management practices and businesses supporting SDG goals provides fertile ground for creating the fundamental changes needed to support a more equitable, healthy and sustainable future.

Ultimately, we believe our investment decisions can offer compelling financial returns and make the world a better place. We are convinced those goals need not be mutually exclusive. We believe change and challenge can bring meaningful purpose to human lives and often are the engine powering growing businesses. Simply put, we endeavor to add long-term outperformance by investing in innovative companies at the nexus of profit and purpose.

Providing impactful investment solutions is innate to American Century Investments' corporate DNA. By distributing more than 40% of our dividends to the Stowers Institute for Medical Research, we enable our clients to directly support breakthrough medical research and contribute to the global fight against gene-based diseases. These solutions are how our firm and clients together become a powerful force for positive impact.

We will continue to seek and invest in innovative, disruptive companies that challenge the status quo, drive industry change and help lead us to a brighter future.

Thank you for partnering with us in this important undertaking.

Rob Brookby
Senior Portfolio Manager

Nalin Yogasundram
Portfolio Manager

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MAKES AN IMPACT

* Developed by a global team of industry and government leaders and adopted by all 193 U.N. member states, the SDGs include 17 goals and 169 attendant targets aimed at solving some of the world's most pressing problems by 2030. The goals include eradicating poverty, protecting environmental resources, and achieving gender and income equality.

HOW WE INVEST FOR IMPACT

Businesses with the resources and expertise to innovate and provide creative solutions to environmental and social issues can help bring about positive systemic change. By investing in these companies, we, too, can play a role in transformation.

Accepting the Challenge

Innovation Accelerates Impact

Delivering a sustainable and prosperous society for all demands committed collaboration among diverse stakeholder groups. The U.N. SDGs helps bring our challenges into focus. Launched in 2015, the 17 SDGs relate to areas where significant progress aligns with a more sustainable and prosperous planet.

We seek to invest in these areas as the U.N. estimates a staggering \$5 trillion to \$7 trillion annually is needed to attain the 17 SDGs. These goals are outlined in its 2015 publication, "Transforming Our World: The 2030 Agenda for Sustainable Development."

Achieving these global goals requires governments' human, technical and financial resources at all levels, and those of public and private businesses.

Innovation harnesses human ingenuity in a capital-efficient way to address these societal demands head-on. Small and midsize companies are attracting talent across various industries, from technology to energy. They combine them with advances in research and development to both disrupt and bridge old-world industries toward a more sustainable future.




















Innovation is often fostered and nurtured at mid-sized companies, where risk-taking often is ingrained in the organizational culture. Innovation can also be a powerful force in mid-sized companies as they mature. We believe mid-cap companies with durable business models at the foothills of impactful investment themes will help the world attain SDG goals while generating sustainable revenue and earnings growth.

We Believe Change Is Possible

The U.N. SDGs are broad goals that affect businesses, investors, governments, nonprofits and policymakers. It's our view that investors make the best contributions to these goals by focusing on areas in which their investment dollars can add meaningful value.

Through our mapping, investors can see how each security in the fund links to one or more SDGs and are part of the global effort for a sustainable future.

Using the Sustainable Development Investments (SDI) taxonomy developed by Dutch pension investors PGGM and APG, we group the SDGs into five specific investment themes that provide pathways to achieving impact.

HEALTH CARE	Provide access to affordable health care, medical innovation, and more productive and efficient equipment, services and software	
SUSTAINABLE LIVING	Achieve harmony with ecosystems, accelerate the circular economy transition and provide access to a better quality of life, food security, efficient energy and transportation options and basic services	     
TECHNOLOGICAL ADVANCEMENT	Develop paradigm-breaking technological innovation that could transform the global economy and improve society	 
EMPOWERMENT	Enable equitable growth by democratizing the technological advances and human ingenuity to empower billions of people and millions of small businesses	    
CLIMATE	Drive positive environmental impact from biodiversity loss prevention to climate change mitigation to the transition toward a lower-carbon energysystem	    

Impact Generation Framework

We believe an asset manager can offer both dedication to investment performance and an opportunity to impact the world positively. In our view, companies with enduring growth backed by impactful thematic drivers have the potential to outperform as they may compound shareholder value over long periods.

As these companies attain their fundamental growth objectives, they also tend to create meaningful social change. When we find companies that embody these characteristics, we consider them for our Mid Cap Growth Impact ETF.

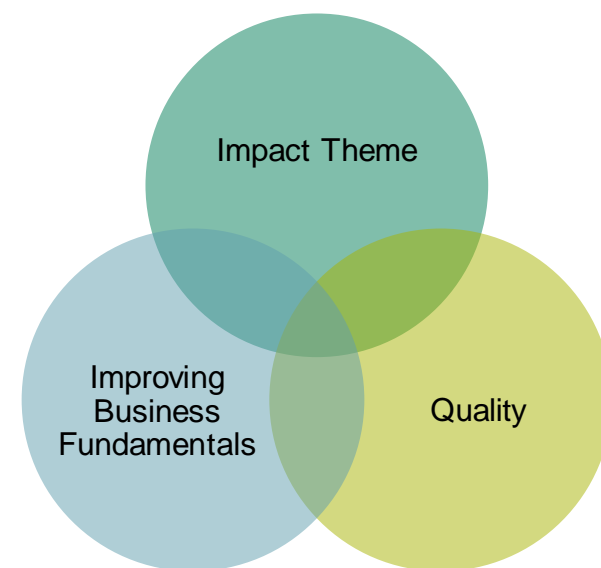
Our Core Philosophical Tenets

- Deploy a thematic approach focused on identifying durable growth themes driving positive social change. Investment candidates must exhibit projected revenue stream alignment with one or more SDGs underpinning the themes. Using a proprietary ESG scoring system, we evaluate each company to help identify and manage any potential risks to impact.
- Recognize that critical events or inflection points that result in business improvement can help indicate a shift in fundamentals (i.e., competitive advantages, business models, management changes, corporate governance).
- Focus on high-quality companies, which we define as businesses with durable franchises and strong management teams, leading products or what we believe to be superior business models.

To ensure proper SDG alignment, our portfolio managers reference the SDI taxonomy to help determine whether a company addresses one or more of the SDGs. Our analysts may also utilize various resources, including mapping tools and direct company engagement, to further validate SDG alignment.

Our process culminates in an impact thesis for each company that explains current or projected SDG alignment in combination with the company's fundamental growth profile.

Our goal is to invest in companies that not only generate a financial return but also fuel societal change by contributing to the U.N. SDGs.



Impact Thesis

Businesses with the resources and expertise to innovate and provide creative solutions to environmental and social issues can help bring about positive systemic change. By investing in these companies, we, too, can play a role in social transformation.

Investment Thesis



IDEA GENERATION AND FUNDAMENTAL ANALYSIS

- Identify durable growth companies tied to sustainability themes and at an inflection point in their business.
- Assess ESG risks and opportunities
- Validate the company's SDG exposure

Measuring Impact by Applying the Theory of Change*



INPUT

Identify company resources used to achieve impact



OUTPUT

Identify products or services that lead to impact



OUTCOME

Articulate or quantify impact enablers



IMPACT

Measure actual or projected contribution to SDGs

Measuring impact continues to be a challenge. Mid-cap companies may limit sustainability disclosure. This challenge offers an opportunity for investors to conduct extensive impact research and pursue active engagement with companies. As part of our focus on continuous improvement, we will continue to review our impact approach against industry standards and best practices to ensure alignment with our processes. We will also continue to work with our investee companies to improve the availability and quality of their reporting.

*The Theory of Change is a methodology for impact evaluation under IRIS+, a generally accepted system for impact investors to measure, manage and optimize impact.

IMPACT RESULTS

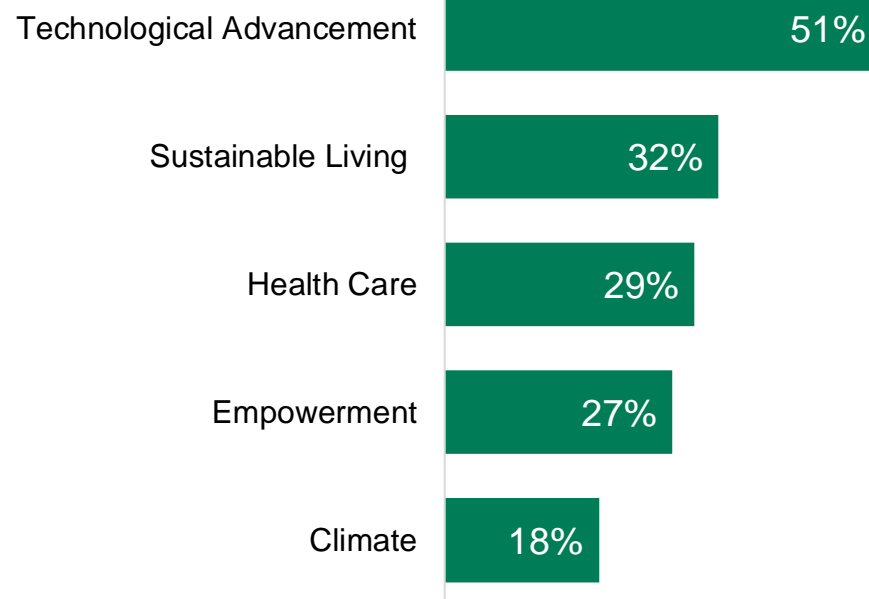
We believe companies have the potential to generate a financial return and fuel positive societal change.

Total Portfolio Impact

By investing with the intention of helping advance the SDGs, our investors have played a critical role in creating a more inclusive society. Many of the portfolio holdings impact more than one SDG, so numbers will add up to more than 100%.

How the Portfolio Impacts Each Theme

Based on portfolio allocation to each company and its primary themes



Data as of 06/30/2023. Source: American Century Investments, FactSet.



HEALTH CARE

THESIS

Good health is key to leading a happy and productive life. Per U.N. SDG 3—ensuring healthy lives and well-being—we have identified four health care themes that can benefit diverse global populations:

- New or innovative treatments for diseases, including cancer.
- More productive medical equipment, services and software.
- Greater access to medicine and health care services.
- New solutions for lowering health care costs.

Health care is a natural area of investment focus for American Century Investments since 40% of our profits fund life-changing medical research.

CRITICAL CHALLENGES

- Almost 8 million youth died globally of preventable disease in 2019, and the pandemic accelerated this trend.¹
- Nearly 2 billion people still have no access to basic medicines, and more than half the global population lacks access to essential health care.²
- Nearly 150 million people have been pushed into extreme poverty due to health expenses, and 800 million people spend at least 10% of their household budgets on health-related costs.³

Viking Therapeutics

Viking Therapeutics is a clinical-stage biopharmaceutical company focused on the development of novel first-in-class or best-in-class therapies for the treatment of metabolic and endocrine disorders. They have three compounds currently in clinical trials. Their therapeutic areas include obesity and non-alcoholic steato-hepatitis (NASH).

Viking Therapeutics holds exclusive worldwide rights to a portfolio of five therapeutic programs, including VK2809 and VK0214, which are based on small molecules licensed from Ligand Pharmaceuticals Incorporated.

The company's clinical programs include VK2809, a novel, orally available, small molecule selective thyroid hormone receptor beta agonist for the treatment of lipid and metabolic disorders. It is currently being evaluated in a Phase 2b study for the treatment of biopsy-confirmed non-alcoholic steatohepatitis (NASH) and fibrosis.

Epidemiology studies vary, but some estimate NASH diagnosed patients in the US to be as high as 5 million people. Many key opinion leaders estimate the actual incidence rate could be as high as 10-12% of the US population. This is expected to grow given the high growth rate of obesity and diabetes. Currently, there is no FDA approved treatment option.

Obesity/NASH are areas of high unmet need, social stigma, and traditionally have lacked proper reimbursement. VKTX's therapies can help reduce economic costs and burden to the healthcare system. Oral therapies can improve patient compliance, reduce hospitalizations and improve overall health and well-being.



COMPANY

INPUT

OUTPUT

OUTCOME

IMPACT

DexCom, Inc.

Dexcom designs, develops and sells continuous glucose monitors (CGMs) that help patients better manage their diabetes.

Dexcom has 7,600 global employees and has spent nearly \$2.5 billion on research and development since 2010.

The company collaborates exclusively with Verily Life Science LLC (a Google company) to continue improving its CGM designs.

CGMs provide around-the-clock monitoring of glucose levels, removing the need for traditional fingerstick solutions.

Dexcom's next-generation G7 wearable sensor/transmitter is expected to be 60% smaller than the current G6 device. The G7 will also be cheaper to manufacture, making the technology more affordable and broadening access to additional populations, such as pregnant women, hospital patients and prediabetics.

Approximately 1.7 million people globally use Dexcom CGM to manage their diabetes. Dexcom maintains a class-leading Net Promoter Score® in the high-60s, a customer loyalty metric commonly associated with future business growth.

Dexcom's CGM technology is helping patients and payers realize better health outcomes and lower medical costs through lower A1c levels, lower BMIs, fewer ER and primary care visits, and less demand for lab tests.

Dexcom provides tools for people with diabetes to improve their health and well-being by improving the efficiency of diabetes management.



Portfolio holdings are subject to change.
Sources: American Century Investments, company reports.



SUSTAINABLE LIVING

THESIS

We believe the key to sustainable living is attaining growth and development while responsibly improving quality of life. This theme seeks to find ways to replace existing and outdated systems with more environmentally friendly, efficient and cost-effective alternatives.

- Electric vehicles, power-storing infrastructure and pooling services.
- Efficient and more resilient infrastructure that enables a better quality of life.
- Smarter, sustainable materials that reduce the carbon footprint of existing systems.
- Increased recycling of products to reduce waste and energy usage.

CRITICAL CHALLENGES

- Transport accounts for nearly 30% of end-use energy consumption.⁴
- At this pace, we will need three planet earths' worth of resources to meet our needs by 2050.⁵
- About one-third of all food produced for human consumption is lost or wasted annually, costing \$1 trillion.⁶
- Estimates show that only 5% to 15% of plastic waste is recycled.⁷

Element Solutions Inc.

ESI provides a broad range of chemical technology that enhances the performance of products people use every day.

The company has 5,300 employees of which approximately 40% are research and development chemists and experienced technical service and technical sales personnel. ESI operates in more than 50 countries.

In 2022, ESI spent \$49 million (2% of sales) on R&D, with a growing portion dedicated to developing innovative, environmentally friendly solutions.

Net sales related to sustainable products in 2022 totaled more than \$700 million (28% of net sales). Sales from products designed for use-phase efficiency came to \$280 million. Removing hazardous chemicals in new products or products in which they are currently used through green chemistry while retaining the functionality of incumbent processes. 10 new innovations to product offerings which met ESI sustainable chemistry criteria.

Over time, ESI products have helped recover or recycle 8 million metric tons of PET or 400 billion plastic drink bottles. ESI's novel plastic pre-treating products contain ZERO hexavalent chromium and ZERO bioaccumulative perfluoro octane sulfonate (PFOS). ESI's oceanic hydraulic fluids are 100% biodegradable in seawater within 28 days. Its circuit board solutions use processes that help reduce hazardous materials while reducing water consumption by 76%, waste generation by 69% and power consumption by 57%.

ESI reduces environmental impact with innovation that enables its customers to reduce their water withdrawal and waste generation and optimize their energy use.



COMPANY

INPUT

OUTPUT

OUTCOME

IMPACT

Jacobs Solutions

Jacobs is professional services firm offering consultancy and advisory services across a broad range of domains including: infrastructure, national security, energy & environment, life sciences, space, and advanced manufacturing.

With a talent force of approximately 60,000 people, Jacobs provides a full spectrum of professional services including consulting, technical, scientific, and project delivery for the government and private sector.

"PlanBeyond" is Jacob's business model for sustainability, social, and economic progress with goals to protect the environment and improve resilience. It also means being the employer of choice for people and being the go-to solutions provider.

Net sales related to activities aligned with UN SDG's was estimated by Jacobs in FY2022 to be \$7.7B or approximately 56% of total sales.

Recognition by Environment Analyst and Engineering News Record as the Global No.1 Environmental Consultancy in 2022

Environment Analyst's Sustainability Consulting Awards for 2022: - Sustainability Delivery Award - Net Zero Accelerator Award - Sustainable Infrastructure Award

Integrated delivery partner on SuedLink, Germany's new 700km underground cable connection project to better integrate renewable sources, such as wind and solar power, into Germany's electricity grid.

Engineering design services for the multi-decade Delta Conveyance Program which will secure clean water for 27 million people and three million acres of agricultural lands.

Port of San Francisco Waterfront Resilience Program fortifying 100-year-old Embarcadero Seawall for earthquake safety, flood protection, and sea level rise adaptation.

As a purpose-led company, with solutions for addressing water scarcity and biodiversity loss; transitioning to clean energy sources; decarbonizing transportation; building long-term resilience into critical infrastructure assets; and improving the health and wellbeing of individuals and communities.



Portfolio holdings are subject to change.
Sources: American Century Investments, company reports.



TECHNOLOGICAL ADVANCEMENT

THESIS

We believe technological innovation is the backbone of economic growth and a critical element for achieving several U.N. SDGs. This theme lays the groundwork for many other themes by leveraging innovative technologies to rethink or replace aging, outdated infrastructure. The ability to commercialize these solutions has the potential to impact society in a meaningful way.

- Commercialize innovative technologies to enable electric vehicles and reduce battery costs.
- Leverage smarter materials and efficient equipment to reduce building and construction carbon footprint.
- Enable more power efficient computing technology such that the benefits of data centers and automobiles can be realized without impacting the environment further.
- Deliver faster and cheaper communications to democratize the broad technological impact ranging from finance to education.

CRITICAL CHALLENGES

- Over two-thirds of the global economy has committed to carbon neutrality, but achieving it will require massive investment in solutions, such as renewable energy.⁸
- More than 40% of the world's population lacks regular access to the internet.⁹
- Over 2.6 billion people globally lack access to constant electricity.¹⁰
- In 2020, malware incidents increased by 358%, and ransomware increased by 435% compared to 2019.¹¹

Aptiv PLC

Aptiv is a technology company that develops safer, greener and more connected solutions for automotive and industrial applications. These products provide the backbone for power distribution, safety systems and internet connectivity.

Aptiv employs more than 160,000 people worldwide, including 22,000 scientists, engineers and technicians focused on product development.

R&D spending has averaged \$1.4 billion annually over the past three years.

The company is innovating for the future of mobility. Aptiv has developed a leading advanced driver-assistance system (ADAS) that is laying the technological foundation for delivering safe, autonomous vehicles. It has given more than 100,000 driverless taxi rides through Motional, its autonomous joint venture with Hyundai Motor Group.

The company also delivers integrated electrical solutions that provide safe, cost-effective power management systems for electric vehicles (EVs).

The company believes its products will enable a world with zero automobile accidents and zero carbon emissions.

Approximately 94% of accidents are a result of driver error. Aptiv's ADAS system reduces frontal collisions by nearly 50% and rear collisions by 78%.

Its EV solutions help minimize a vehicle's total life cycle environmental impact. At a corporate level, Aptiv has committed to full carbon neutrality by 2040.

Aptiv improves energy efficiency by helping reduce energy usage, facilitating renewable energy use and reducing the effects of climate change.

The company also promotes improved industry, innovation and infrastructure.



COMPANY

INPUT

OUTPUT

OUTCOME

IMPACT

Monolithic Power Systems

Monolithic Power (MPS) makes chips that lower power consumption in devices ranging from data centers to cars. It enables the adoption of innovative technology at a lower carbon footprint.

MPS employs 3,300 globally across 15 countries with 41% of employees globally being women and 68% minority workforce in the US.

MPS stated company mission is to increase power efficiency by 10%-20% every generation.

MPS innovation allows power devices to be denser and provide the same or more benefits with lower power consumption. MPS technology has become crucial for ever-growing technology products to lessen their carbon footprints.

In data centers, MPS power supply devices can help reduce overall power consumption by 17%. MPS has committed to improving the Data Center rack power efficiency by 4x with their products by 2027.

MPS products to Data Center and Auto markets are now 31% of the company, up from 27% of the mix in 2021 and 22% in 2020.

These products are also the fastest growing and with 100% share of the Artificial Intelligence workloads in design today, MPS products will be a key enabler of AI with a lower carbon footprint.

MPS enables the proliferation of impactful tech devices at lower energy use.

The company also promotes improved industry, innovation and infrastructure.

Data centers deliver impactful technology and use 1% of global energy growing 20%-30%. MPS mitigates this impact.



Portfolio holdings are subject to change.
Sources: American Century Investments,
Company reports.



EMPOWERMENT

THESIS

Enabling equitable growth is crucial to helping nearly half the world to escape poverty. Technological advances that democratize what the developed world takes for granted requires empowering almost 3 billion people and 65 million small businesses with the tools to succeed.

- Enable access to capital and financial services.
- Leverage technology and digital transformation to bring decent work, education and economic growth.
- Achieve gender equality by helping women achieve fuller integration into society.

CRITICAL CHALLENGES

- More than 470 million people were unemployed or underemployed globally in 2019, which accelerated throughout the pandemic.¹²
- Nearly 50% of individuals globally do not use the internet.¹³
- As of 2017, 1.7 billion adults were unbanked, and 2.9 billion adults did not borrow from a financial institution.¹⁴
- Losing an employee costs a business an average of 33% of that employee's salary, depending on skill level and seniority.¹⁵

CAE, Inc.

CAE is the worldwide partner of choice in civil aviation and defense training with digitally immersive solutions to elevate safety, efficiency and readiness.

CAE anticipates a global need for 1.18 million individuals to be recruited and trained for the commercial aviation industry, and 106,000 people for business aviation, to fill vacancies due to retirement and attrition, and the expansion of the aviation industry.

CAE employs 13,000 people at over 250 training sites in 40 countries. Over 300 full-flight CAE simulators are employed globally.

Regional operations in the United States, Canada, United Kingdom and Europe, Indo-Pacific and the Middle East conduct the training.

CAE's 2,500 engineers and technical experts offer leading digital training solutions, leveraging advancements in AI, cloud computing, immersive synthetic environments, and adaptive learning. Recent innovations such as the CAE Trax Academy are helping transform and streamline military pilot training.

CAE graduates 1,000+ cadets every year and trains 220,000+ airline pilots, business aviation pilots, maintenance technicians and cabin crew.

Expanded the CAE Women in Flight program to create a movement that encourages young women to pursue a career as a commercial pilot.

CAE's immersive training solutions and experiences enhance performance and safety. They build skills for aviation personnel to take safer actions and make better decisions - while addressing the current pilot shortage.



COMPANY

INPUT

OUTPUT

OUTCOME

IMPACT

Airbnb Inc.

Airbnb is an online short-term rental marketplace that connects hosts with guests. Airbnb's user-friendly platform provides individuals with an alternative to traditional hotel lodgings. Alternative accommodations run the gamut, including apartments, beach side villas, suburban homes, and others.

Airbnb employs ~6,000 people in over 15 countries. Airbnb continuously improves its apps and website with two major releases a year, including initiatives to make becoming a host on Airbnb easier. This includes free one-on-one guidance from a Super Host and increasing its insurance program, AirCover for Hosts, to include up to \$3 million of damage protection.

Demand growth and supply growth occur hand in hand. As a result of improvements to both experiences, Airbnb has been able to grow Nights and Experiences booked by over 30% in 2022. The marketplace's success has been evidenced by Airbnb's ability to grow active listings by almost 1 million over the course of 2022, resulting in a total of 6.6 million active listings.

Over 40% of female hosts can make ends meet due to hosting on the platform. Hosting has enabled 44% of female hosts to meet the costs of staying in their home. Nearly 30% of female hosts and members of their household were able to avoid working a second job due to the money they earned hosting on Airbnb.

Airbnb's alternative accommodation marketplace enables over 4 million hosts to list their properties on Airbnb with women representing over half (55%) of the global host community. Aided by continuous technology improvements, Airbnb ensures that its marketplace is thriving allowing for the platform to promote empowerment of women.



Portfolio holdings are subject to change.
Sources: American Century Investments,
Company reports.



CLIMATE

THESIS

Climate change and renewable energy sources are pillars of investing in the environment. This theme focuses on renewable energy but also offers diverse ways to reduce our environmental footprint:

- Deploy renewable energy products like solar, wind and LED with higher efficiency and lower costs.
- Address biodiversity protection.
- Improve energy efficiency.
- Work toward achieving the circular management of resources.
- Address opportunities in environmental control and negative-emissions technology, renewable energy and bio-based plastics and materials.

CRITICAL CHALLENGES

- The energy sector accounts for almost 75% of carbon emissions, but renewable resources generate only 23% of electricity worldwide.⁸
- Building and construction sectors account for 40% of energy emissions while building stock is forecasted to double by 2050.¹⁵
- Some 29% of the world's population lacks access to safe drinking water.¹⁶
- About one-quarter of the world faces extreme water stress, and over 800,000 people die yearly from inadequate water supplies.¹⁷
- Deforestation and forest degradation account for nearly 20% of global carbon emissions.¹⁸
- The WEF ranked biodiversity loss among the top five global risks in terms of likelihood and impact.¹⁹

Trane Technologies

Trane Technologies provides efficient and sustainable heating, ventilation and air conditioning (HVAC) solutions to buildings, homes, and transport vehicles.

The company employs approximately 37,000 people globally and has spent nearly \$1 billion on R&D over the last five years developing innovative HVAC products.

Trane estimates that 15% of global annual GHG emissions relate to heating and cooling buildings and homes, and nearly another 10% comes from food lost in transport or never consumed.

Trane worked with the State of New Mexico to modernize and decarbonize 32 aging government buildings through its State Buildings Green Energy Project. The project is expected to offset 7,400 mtCO₂ e, conserve 5.1 million gallons of water, and save \$1.1 million for taxpayers

Innovative products like the Thermo King Advancer refrigeration unit, which operates with a 30% reduction in CO₂ compared to previous units, are changing the game for trucking customers worldwide.

Approximately 38% of Trane's 2022 revenue is "clean revenue." Trane Technologies defines clean revenue as products and services facilitating energy or emissions reductions. Those products and services aid the transition to next-generation refrigerants and increase energy efficiency in built environments and refrigerated transport.

The company's Gigaton Challenge commits to reducing its customers' carbon footprints by 1 billion metric tons by 2030, equivalent to 2% of the world's annual emissions. The challenge has reduced CO₂e by 93M metric tons since 2019.



COMPANY

INPUT

OUTPUT

OUTCOME

IMPACT

Enphase Energy, Inc.

Enphase sells smart, easy-to-use solutions that manage solar generation, storage and communications on a single platform.

Enphase employs 2,821 people globally, with 8,376 installers having deployed 3+ million systems in 145 countries.

Since its founding in 2006, Enphase has shipped 58 million microinverters globally, which amounts to 19 GW of energy equivalent deployed.

Enphase has also shipped 815+ MWh of storage enabling a much more reliable and efficient grid that can lay the foundation for more renewable energy in the future.

The company's products have offset 45 million metric tons of carbon dioxide and other greenhouse gases (CO₂e)—the equivalent of providing 5.7 million households with electricity annually.

Similarly, its EV-related products have offset 115 billion car miles driven and 5.1 billion gallons of gas, equivalent to cumulative CO₂e avoidance.

Enphase delivers reliable access to clean energy at more affordable rates.

The company also promotes improved industry, innovation and infrastructure.

Storage systems help communities become more resilient to natural disasters and grid outages.



Portfolio holdings are subject to change.
Sources: American Century Investments.

CLIMATE CHANGE

While several key issues related to sustainability themes are important to investors, climate change remains at the forefront.

In addition to having enormous financial consequences, climate change impacts many aspects of sustainable investing. We expect asset owners to increasingly assume that climate change poses risks to the global economy, financial systems and their portfolios.

A Closer Look at Carbon Emissions

Asset managers are under increasing pressure to demonstrate how they assess and integrate the impacts of climate change into their investment processes — both physical risks (e.g., rising sea levels, more frequent and severe storms and wildfires) and risks arising from the transition to a low-carbon economy.

While developing and expanding alternative energy sources may help to mitigate climate change risk, the world continues to rely heavily on fossil fuels to meet much of its energy needs. Though many asset owners pursue fossil fuel divestment to reduce climate change-related investment risk, our approach focuses on decarbonization rather than full-fledged divestment.

We favor energy players that are working toward carbon neutrality and are making solutions-driven investments in clean tech (e.g., negative-emissions technologies and bioenergy) to combat climate change.

Climate change is an important topic for engagement and proxy voting; therefore, we dialogue with firms that still have room for improvement. We believe that emphasizing clean tech as well as engagement will contribute to better-informed investment decisions relating to specific companies and the relative attractiveness of the overall energy sector over time.

OUR AFFILIATIONS

CDP (formerly Carbon Disclosure Project)

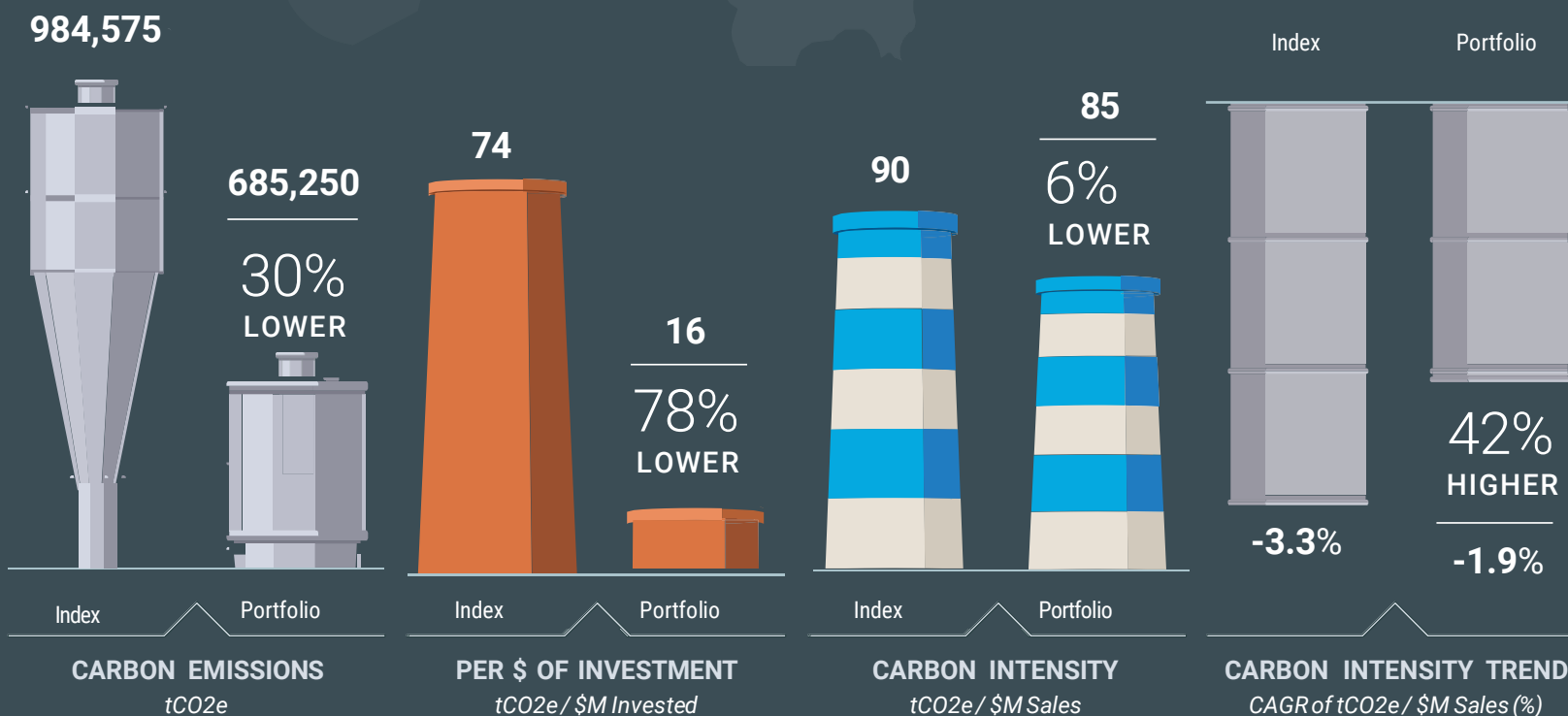
The firm is a member of CDP, a global disclosure system that encourages companies and local, state and regional governments to measure and manage their environmental impacts.

Task Force on Climate-Related Financial Disclosures (TCFD)

American Century Investments is a supporter of TCFD, a global organization that develops voluntary, consistent, climate-related financial risk disclosures that companies, banks and investors use to share such information with stakeholders.

Portfolio Carbon Footprint Results

Our portfolio carbon footprint tool measures the portfolio's carbon exposure in four key dimensions and compares these measures to the Russell Midcap® Growth Index*.



The three-year simple average carbon emissions for all the holdings in the portfolio (unweighted). Methodology: We determine each holding's three-year average carbon emissions by first tallying its scope 1 (direct) and scope 2 (indirect) emissions (metric tons of CO₂) from the most recent three fiscal years and then dividing that total by the number of fiscal years. To determine the three-year simple average carbon emissions for the portfolio, we tally all holdings' three-year average carbon emissions and divide that sum by the number of holdings.

The sum of the portfolio's share of holdings' three-year average carbon emissions based on participation rights, divided by the total current market value of the portfolio, per million dollars invested.

Ratio of the portfolio's weighted-average three-year carbon emissions per \$1 million of sales.

Compound annual growth rate (CAGR) of portfolio holdings' three-year average carbon emissions per \$1 million of sales, unweighted.**

*The Russell Midcap Growth Index measures performance of those Russell Midcap Index companies (the 800 smallest of the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with higher price-to-book ratios and higher forecasted growth values.

**CAGR is the rate of return needed for an investment to grow from its beginning balance to its ending balance.

Data as of 6/30/2023

Source: American Century Investments based on data sourced from MSCI. The carbon emissions intensity figure is solely a result of a mathematical calculation based on the MSCI data, with no additional inputs.

STEWARDSHIP

Building relationships with the companies in which we invest helps us gain insight and promote changes that benefit investors.

Engagement

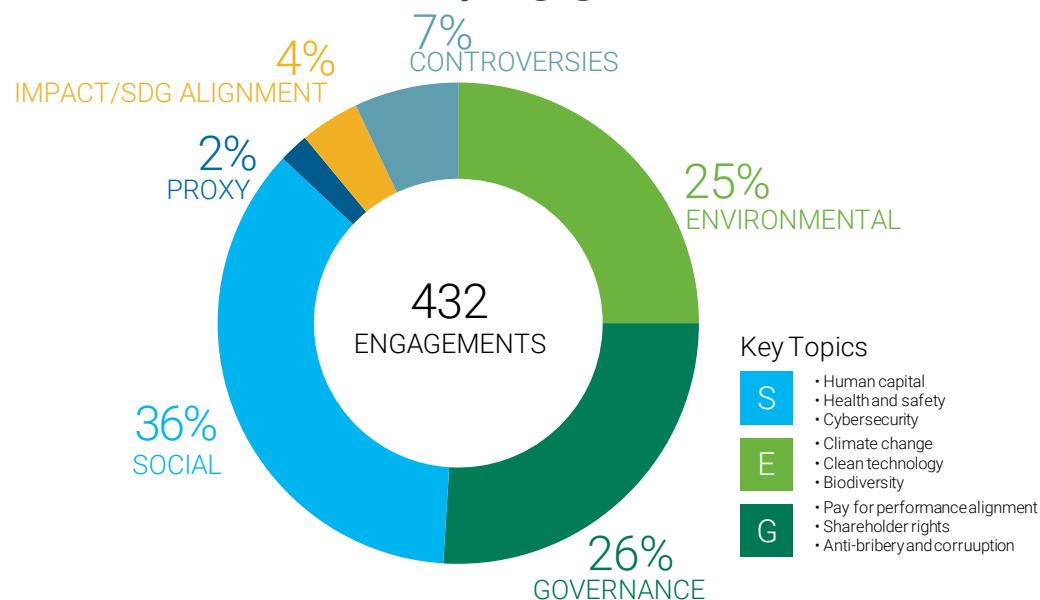
Our engagement is focused on material sustainability-related risks and opportunities that we believe could potentially impact the value of a company. We use in-person meetings, conference calls, written communication and industry forums to:

- Gain a more thorough understanding of a company's approach to managing sustainability-related opportunities and risks, evolving market dynamics and potential controversial activities.
- Encourage increased transparency around and disclosure of material issues related to sustainability and associated risks.
- Discuss best practices and industry standards with regard to sustainability.
- Establish expectations about a company's sustainability practices.
- Inform the positions we take on shareholder proposals.

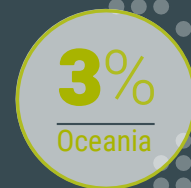
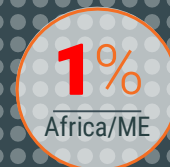
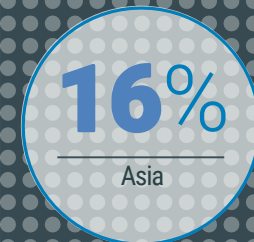
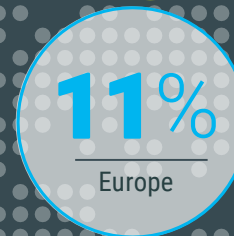
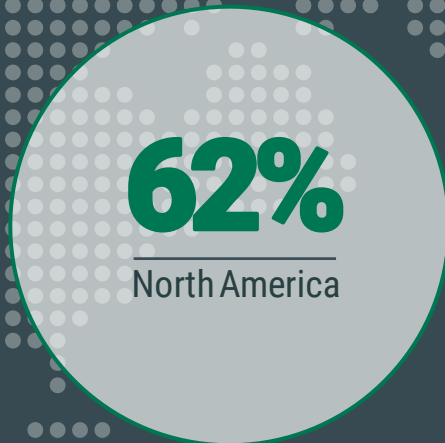
Through these interactions, we gain insights into how companies manage risks and opportunities related to ESG issues that may not be otherwise disclosed.

This information is a key input for decisions to maintain, increase decrease or divest our position in a company.

2022 American Century Engagement Activities



Based on the total number of firm engagements in 2022. Source: American Century Investments.



ESG Engagements by Region Across the Firm

Percentage represents portfolio engagement across the firm, including MID.
Based on number of total firm engagements in 2022. Source: American Century Investments.



ENGAGEMENT CASE STUDIES

We engage with our portfolio companies regularly to understand their risk management processes and procedures. We also communicate with these companies to better capture the scope of their impact.

Engagement Case Studies

Element Solutions

COMPANY Based in Miami, Florida, Element Solutions Inc is a leading global specialty chemicals company whose businesses supply a broad range of solutions that enhance the performance of products people use every day. Developed in multi-step technological processes, these innovative solutions enable customers' manufacturing processes in several key industries, including consumer electronics, power electronics, semiconductor fabrication, communications and data storage infrastructure, automotive systems, industrial surface finishing, consumer packaging and offshore energy.

OBJECTIVE Share our views on failed 2022 say-on-pay proxy vote.

TOPICS Seeking change and accountability for pay practices with which we disagree.

OUTCOME We addressed our rationale for voting NO on the annual say-pay-proxy item this year. We spoke directly to Investor Relations and the CEO of the company. Excessive Chairman of the Board compensation, unusual discretion for incentive compensation, and stretch executive equity awards were all strongly addressed. Next steps involve speaking with the company's lead independent director should we fail to see changes in the next 6 months.

KEY RISKS **Human Capital.** We recognize challenges in identifying key employee stakeholders and rewarding and retaining them. While the Covid-19 pandemic created numerous difficulties including inventory swings and order volatility, ESI's management and Board must balance flexibility with accountability in the company's incentive programs. We also insist that outdated perspectives and practices be modernized to meet our expectations relative to where a company is in its maturity. We are enthusiastic about ESI's business prospects, but we are insisting the company re-visit its senior leadership and Chairman of the Board compensation policies. If we do not see constructive change, we are prepared to take additional steps at the Board level.

MSCI Inc

MSCI is a leading data and analytics provider to financial institutions and corporations. The company helps investors build better portfolios by providing index data, analytical and risk management tools, private markets and real assets data, and ESG/climate solutions.

Review MSCI's SDG goals and discuss the firm's CSR and ESG practices.

Human capital management, DE&I, corporate governance, environmental impact, and MSCI's SDG goals.

We spoke with nine MSCI representatives which included members of the Board of Directors and executive leadership team. We learned more about MSCI's human capital goals, specifically with respect to DE&I. Executive compensation now has 10% tied to DE&I performance objectives. We also addressed MSCI's executive compensation performance-based target adjustments for M&A activity to ensure proper alignment between shareholders and executives. MSCI also shared that they now have 8,500 companies covered (of ~14,000 issuers) through their MSCI ESG Rating and 8,600 companies through their SDG Alignment Tool. They serve >2,200 clients through ESG products/services and have >\$500 billion in AUM benchmarked to their ESG and Climate Indexes.

Execution. MSCI's tools help investors assess and track progress against the SDGs. They provide metrics, analytics, and indexes to promote gender equality. They drive awareness and provide data associated with key climate issues to investors, companies, and policymakers globally. They bring to light ESG controversies. As a leading provider of ESG and SDG data, MSCI will be held to the best-practices they measure other companies against. It's important to review and assess MSCI's policies, procedures, and processes to ensure they are best-in-class on the ESG, SDG, and climate alignment so that they can remain a trusted partner of institutions across the globe.

As long-term stewards of our clients' capital, we view engagement and proxy voting as helpful tools in driving future returns.

Proxy Voting

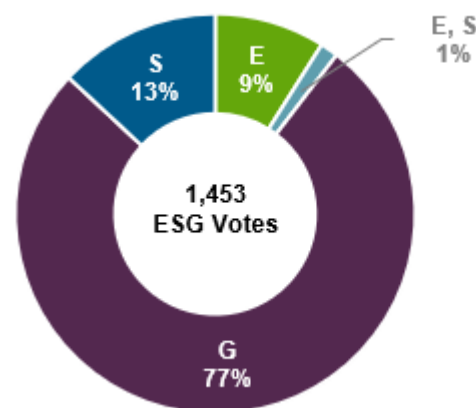
We believe that certain ESG factors can potentially impact an issuer's long-term financial performance. Our Sustainable Research team reviews proposals that have been identified as having potential underlying ESG-related issues.

With a range of inputs, including the Institutional Shareholder Services (ISS) proxy recommendations, the Sustainable Research team assesses the financial materiality of ESG issues underpinning proxy proposals and makes voting recommendations to portfolio managers.

The Sustainable Research team will generally recommend support for well-targeted ESG proposals if they believe there is a material linkage between a proposal, its economic impact, and its potential to maximize long-term shareholder value.

The following chart includes examples of our ESG proxy votes in support of ESG shareholder resolutions and votes against management.

2022 American Century ESG Proxy Votes



Based on total firm ESG proxy votes in 2022. Source: American Century Investments.

2022 Key ESG Proxy Issues

Environmental

- Climate-related Disclosure
- GHG Emissions
- Community – Environmental Impact

Social

- Human Rights
- Board Diversity
- Racial Equity and/or Civil Rights Audit

Governance

- Executive Compensation
- Director Election
- Independent Board Chairman

Our Affiliations and Collaborative Initiatives

United Nations Principles of Responsible Investing (UNPRI)

As a signatory to UNPRI, the world's leading proponent of responsible investing, we publicly demonstrate our commitment to including ESG factors into investment decisions and asset ownership.

Investor Stewardship Group (ISG)

As a signatory to the ISG, we commit to the six stewardship principles for institutional investors as outlined by the ISG framework.

International Corporate Governance Network (ICGN)

We are a member of ICGN's global initiative and network that promotes effective standards of corporate governance and investor stewardship to advance efficient markets and sustainable economies worldwide.

Responsible Investment Association Australasia (RIAA)

The firm is a member of RIAA, whose mission is to promote, advocate for, and support approaches to responsible investment that align capital with achieving a healthy and sustainable society, environment and economy.

Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC)

American Century is a founding member of IAST APAC, an investor-led initiative that engages with companies in the APAC region to help "find, fix and prevent modern slavery, labor exploitation and human trafficking in their value chains."

Access to Medicine Foundation

The firm is a signatory to the Access to Medicine Index Investor Statement, working with investors to improve the knowledge of how pharmaceutical companies manage risks and opportunities related to access-to-medicine and antimicrobial resistance (AMR) and utilizing Access to Medicine Foundation research in investment analysis and engagements with companies.

CDP (formerly known as the Carbon Disclosure Project)

The firm is a member of CDP, a global disclosure system that encourages companies and local, state and regional governments to measure and manage their environmental impacts.

Task Force Climate-Related Financial Disclosures (TCFD)

American Century is a supporter of TCFD, a global organization that promotes voluntary, consistent climate-related financial risk disclosures.

Task Force on Nature-Related Financial Disclosures (TNFD)

American Century is a supporter of TNFD, a coalition aimed at developing and delivering a risk management and disclosure framework for organizations to report and act on evolving nature-related risks.

ShareAction (Healthy Markets Initiative)

We are part of this coalition of investors that engages with companies to promote public health and sustainable growth.

Human Capital Management Coalition

The firm is a member of a diverse group of asset owners to further elevate human capital management as a critical component in company performance.

Ellen MacArthur Foundation Community

We are a part of this community that works with businesses, academia, policymakers and institutions across the globe to develop and promote the idea of a circular economy.

Affiliations as of 6/30/2023.

MEET OUR PEOPLE

We strive to build portfolios that align with your investment, ESG and impact objectives.

Investment Team

PORTFOLIO MANAGERS



Rob Brookby
Senior Portfolio Manager
*B.A. Economics, Northwestern University
M.B.A. Harvard University*



Nalin Yogasundram
Portfolio Manager
*B.S. Electrical Engineering, University of Arkansas
M.S. Electrical Engineering, Southern Methodist University
M.B.A. University of Pennsylvania*

INVESTMENT ANALYSTS



Rahul Jadhav, CFA
Senior Investment Analyst
*B.T. Electrical Engineering, Indian Institute of Technology
P.G.D. Management, Indian Institute of Management
M.B.A. Columbia University*



Mark Krutty
Investment Analyst
*B.S. Mechanical Engineering, University of Kansas
M.B.A. Cornell University*



Yusuf Anwar, M.D., CFA
Senior Investment Analyst
*B.A. CUNY Brooklyn College & Macaulay
M.D. SUNY Downstate College of Medicine*

CLIENT PORTFOLIO MANAGER



Jonathan Bauman, CFA
Senior Client Portfolio Manager
*B.A. Business Administration,
Illinois Wesleyan University*

Sustainable Research Team

The Sustainable Research team is part of the investment organization and serves as the center of expertise supporting those investment teams that seek to incorporate sustainability issues into fundamental analysis and portfolio decision-making. The Sustainable Research team is responsible for expanding issuer-specific and thematic research and training, developing sustainability assessment tools, managing stewardship practices, publishing thought leadership, and innovating client solutions.



Sarah Bratton Hughes
Head of Sustainable Investing
Innovation



Hannah Herold
Director of Sustainable Research
Empowerment



Sharvari Johari
Senior Sustainable Research Analyst
Climate



Jake Hense
Sustainable Research Analyst



Aditi Pai
Senior Sustainable Research Analyst
Sustainable Living



Mikaela Steutermann
Sustainable Research Analyst



Christian Caillaux
Sustainable Research Analyst

EVERY CLIENT MAKES AN IMPACT

When done right, sustainable investing has the potential to yield financial success and positively impact society. Through our unique ownership structure, generating results for clients also supports research that can improve health and save lives.

Jonathan Thomas

President
Chief Executive Officer

Stowers Institute for Medical Research

Our Unique Ownership Structure Impacts Society in a Meaningful Way

Investing in health care innovation is part of American Century's DNA. Our founder James E. Stowers Jr. and his wife Virginia used much of their net worth to establish a not-for-profit biomedical research organization focused on investigating gene-based diseases.

Given our ownership structure, American Century now directs more than 40% of our annual dividends to fund the work done by the [Stowers Institute for Medical Research](#). Since 2000, dividend distributions to the Institute have exceeded \$1.9 billion, all aimed at enhancing the world's understanding of the causes and mechanisms of disease.

To complement the Institute's research focus, James and Virginia Stowers also established BioMed Valley Discoveries (BVD), a for-profit clinical-stage biotechnology company that seeks to address patients' unmet therapeutic and diagnostic needs in various medical specialties, including cancer, inflammation and infectious diseases. BVD is wholly owned by a supporting organization of the Institute, and 100% of its profits accrue to the Institute.

These strategic relationships enable our investors to directly support crucial research and contribute to the global fight against cancer and other gene-based diseases.

SUSTAINABILITY: IT'S IN OUR GENES[®]

Sustainability isn't just something we practice; it is part of who we are as a company and as global citizens.

With an ownership structure that directs over 40% of our profits to fund medical research, we attract employees motivated to make a difference and develop investment teams who weigh more than just traditional financial criteria in their analyses.

\$1.9B
Supporting
Medical Research

OWNERSHIP STRUCTURE

Enduring, meaningful societal impact

6000+
Employee Volunteer
Hours A Year

CORPORATE RESPONSIBILITY

Uniquely motivated to give back

**Integrated,
Focused
& Impact
Solutions**

ESG AND INVESTMENT STEWARDSHIP

Decisions shaped by ESG considerations

Many of American Century's investment strategies incorporate the consideration of environmental, social and/or governance (ESG) data into their investment processes in addition to traditional financial analysis. However, when doing so, the portfolio managers may not consider ESG data with respect to every investment decision and, even when such data is considered, they may conclude that other attributes of an investment outweigh ESG considerations when making decisions for the portfolio. The consideration of ESG data may limit the investment opportunities available to a portfolio, and the portfolio may perform differently than those that do not incorporate ESG considerations. ESG data used by the portfolio managers often lacks standardization, consistency, and transparency, and for certain companies such data may not be available, complete or accurate. Data as of 6/30/2023.

Stowers Institute for Medical Research

Highlights of Ground-Breaking Medical Research From 2022

Discovering ways to fight diseases by understanding how a “selfish” gene functions and survives. Building on past research on a gene found in yeast that can replicate quickly but provides no benefit to the organism, new findings that show the selfish gene produces a poison protein that can destroy its offspring could eventually be used to fight diseases, especially those that can be transferred between insects, animals and humans.

Potentially explaining why Alzheimer’s medications have had little success. This research showed that genetically altered snails, fruit flies and mice forgot where to find food, while different alterations improved memories in fruit flies. The flies with better memories were modified to have more protein clumping in their brains, while the animals modified to have less protein clumping were more forgetful. This may shift the paradigm for tackling Alzheimer’s disease and dementia.

Inspiring the design of minuscule drug-delivery devices. Stowers researchers used cutting-edge imaging technology to study jellyfish, sea anemones and corals, which sting with tiny, pressurized capsules that fire poisonous darts at explosive speeds. Understanding the biophysics of “one of nature’s most exquisite biological micromachines” could help in creating new ways of delivering drugs in the human body.

Uncovering the causes of inflammatory and age-related diseases. Stowers researchers demonstrated that mechanisms involved in invoking an immune response are connected to the potential for a specific protein complex to come together when a pathogen is encountered. The findings have broad implications for uncovering the causes and progression of inflammatory illness in humans and understanding age-related diseases such as Alzheimer’s.

Improving our understanding of metabolism. Evolution drives genetic adaptations that enable survival during periods of feast or famine. Stowers researchers’ studies of cave fish under unique circumstances has improved our understanding of this process, with important implications for tackling health problems associated with metabolism, including diabetes, heart disease and stroke.

Determining why some species can regenerate organs, limbs, or even heads. Humans and many other species, cannot regrow lost organs or limbs, but some can. Researchers at Stowers studied a type of white blood cell called macrophages in zebrafish that undergo a three-step, sequential change to enable cell regeneration in sensory organs that moves us closer to someday understanding how this process might be triggered in other animals.

End Notes

Health Care

¹"Child mortality and causes of death," World Health Organization, accessed June 18, 2021.

²"Access to medicines: making market forces serve the poor," World Health Organization, accessed June 18, 2021.

³"COVID-19 to Add as Many as 150 Million Extreme Poor by 2021," World Bank Press Release, October 7, 2020.

Sustainable Living

⁴"Sources of Greenhouse Gas Emissions," U.S. Environmental Protection Agency, last modified April 14, 2021.

⁵"Investing in the Sustainable Development Goals," GS SUSTAIN, Goldman Sachs, February 12, 2021.

⁶Amy Quinton, "Why is one-third of our food wasted worldwide?" UC Davis, October 1, 2019.

⁷Anelia Milbrandt, Kamyria Coney, Alex Badgett, and Gregg T. Beckham, "Quantification and evaluation of plastic waste in the United States," *Resources, Conservation and Recycling* 183 (2022): 106363

Technological Advancement

⁸"Investing in the Sustainable Development Goals," GS SUSTAIN, Goldman Sachs, February 12, 2021.

⁹"With nearly 4 billion people still offline, UN forum to tackle 'digital divide,'" United Nations Sustainable Development Goals, last modified December 7, 2016.

¹⁰"Tracking SDG7: The Energy Progress Report," 2021, International Energy Agency, June 2021.

¹¹ Help Net Security, "Malware increased by 358% in 2020," February 17, 2021.

Empowerment

¹²"World Employment and Social Outlook: Trends 2020," International Labour Organization, January 20, 2020.

¹³"The State of Mobile Internet Connectivity 2020," Groupe Speciale Mobile Association (GSMA), September 2020.

¹⁴ Asli Demircuc-Kunt, et al., "Chapter 2: The Unbanked," *The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution*, World Bank Group, April 19, 2018.

¹⁵ Terra Staffing Group, "The Real Cost of Employee Turnover in 2021," November 4, 2020.

Climate

¹⁶"2019 Global Status Report for Buildings and Construction," Global Alliance for Buildings and Construction, December 2019.

¹⁶ Hannah Ritchie and Max Roser, "Clean water: What Share of people have access to safe drinking water?" *Our World in Data*, June 2021.

¹⁷"Drinking-water," World Health Organization, June 14, 2019.

¹⁸ Gregory P. Asner, Ph.D., "Measuring Carbon Emissions from Tropical Deforestation: An Overview," Environmental Defense Fund, 2009.

¹⁹ World Health Organization, "WHO-convened global study of origins of SARS-CoV-2: China Part," April 6, 2021

Exchange-Traded Funds (ETFs) are bought and sold through an exchange trading at market price (not NAV) and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns.

You should consider the investment objectives, risks, and charges and expenses carefully before you invest. The prospectus or summary prospectus, which can be obtained at americancentury.com, contains this and other information about the fund, and should be read carefully before investing.

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than the original cost. Past performance is no guarantee of future results.

The fund is an actively managed ETF that does not seek to replicate the performance of a specified index.

MID is classified as non-diversified. Because it is non-diversified, it may hold positions in a small number of securities. To the extent it maintains such positions, a price change in any one of those securities may have a greater impact on the fund's share price than if it were diversified.

Many of American Century's investment strategies incorporate the consideration of environmental, social, and/or governance (ESG) factors into their investment processes in addition to traditional financial analysis. However, when doing so, the portfolio managers may not consider ESG factors with respect to every investment decision and, even when such factors are considered, they may conclude that other attributes of an investment outweigh ESG considerations when making decisions for the portfolio. The consideration of ESG factors may limit the investment opportunities available to a portfolio, and the portfolio may perform differently than those that do not incorporate ESG considerations. ESG data used by the portfolio managers often lacks standardization, consistency, and transparency, and for certain companies such data may not be available, complete, or accurate.

Proxy Portfolio Risk: The goal of the Proxy Portfolio is to track closely the daily performance of the Actual Portfolio. The Proxy Portfolio is designed to reflect the economic exposures

and the risk characteristics of the Actual Portfolio on any given trading day.

- ETFs trading on the basis of a published Proxy Portfolio may exhibit wider premiums and discounts, bid/ask spreads, and tracking error than other ETFs using the same investment strategies that publish their portfolios on a daily basis, especially during periods of market disruption or volatility. Therefore, shares of the fund may cost investors more to trade than shares of a traditional ETF.
- Each day the fund calculates the overlap between the holdings of the prior Business Day's Proxy Portfolio compared to the Actual Portfolio (Proxy Overlap) and the difference, in percentage terms, between the Proxy Portfolio per share NAV and that of the Actual Portfolio (Tracking Error).
- Although the fund seeks to benefit from keeping its portfolio information secret, market participants may attempt to use the Proxy Portfolio to identify a fund's trading strategy, which if successful, could result in such market participants engaging in certain predatory trading practices that may have the potential to harm the fund and its shareholders.

Premium/Discount Risk: Although the Proxy Portfolio is intended to provide investors with enough information to allow for an effective arbitrage mechanism that will keep the market price of the fund at or close to the underlying net asset value (NAV) per share of the fund, there is a risk (which may increase during periods of market disruption or volatility) that market prices will vary significantly from the underlying NAV of the fund.

Trading Issues Risk: Trading halts may have a greater impact on this fund compared to other ETFs due to the fund's non-transparent structure.

Authorized Participant/Authorized Participant Representative Concentration Risk: Only an authorized participant may engage in creation or redemption transactions directly with the fund. The fund may have a limited number of institutions that act as authorized participants. The fact that the fund is offering a novel and unique structure may affect the number of entities willing to act as Authorized Participants. During times of market stress, Authorized Participants may be more likely to step away from this type of ETF than a traditional ETF.

The information is not intended as a personalized recommendation or fiduciary advice and should not be relied upon for investment, accounting, legal or tax advice.

The opinions expressed are those of the portfolio team and are no guarantee of the future performance of any American Century Investments portfolio. This information is for an educational purpose only and is not intended to serve as investment advice.

References to specific securities are for illustrative purposes only and are not intended as recommendations to purchase or sell securities.

Opinions and estimates offered constitute our judgment and, along with other portfolio data, are subject to change without notice.

ESG Definitions:

ESG Integrated: An investment strategy that integrates ESG factors aims to make investment decisions through the analysis of ESG factors alongside other financial variables in an effort to deliver superior, long-term, risk-adjusted returns. Therefore, ESG factors may limit the investment opportunities available, and the portfolio may perform differently than those that do not incorporate ESG factors. Portfolio managers have ultimate discretion in how ESG issues may impact a portfolio's holdings, and depending on their analysis, investment decisions may not be affected by ESG factors.

ESG Focused: An investment strategy that focuses on ESG factors seeks to invest, under normal market conditions, in securities that meet certain ESG criteria or standards in an effort to promote sustainable characteristics, in addition to seeking superior, long-term, risk-adjusted returns. This investment focus may limit the investment opportunities available to a portfolio. Therefore, the portfolio may underperform or perform differently than other portfolios that do not have an ESG investment focus. ESG-focused investment strategies include but are not limited to impact, best-in-class, positive screening, exclusionary, and thematic approaches.

Sustainability: Sustainability focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. There are many different approaches to Sustainability, with motives varying from positive societal impact, to wanting to achieve competitive financial results, or both. Methods of sustainable investing include active share ownership, integration of ESG factors, thematic investing, impact investing and exclusion among others.



Signatory of:



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The Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000® Index. The Russell Midcap® Growth Index measures the performance of those Russell Midcap® companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000® Growth Index. Created by Frank Russell Company, indices are not investment products available for purchase.

Top 10 Holdings (%)			
IQVIA Holdings Inc	6.43	Dexcom Inc	4.48
Manhattan Associates Inc	5.96	Keysight Technologies Inc	4.41
Monolithic Power Systems Inc	5.45	Trane Technologies PLC	4.17
Cadence Design Systems Inc	5.23	Enphase Energy Inc	3.99
Aptiv PLC	4.67	Airbnb Inc	3.92

As of June 30, 2023, holdings listed should not be considered recommendations to purchase or sell a particular security.