

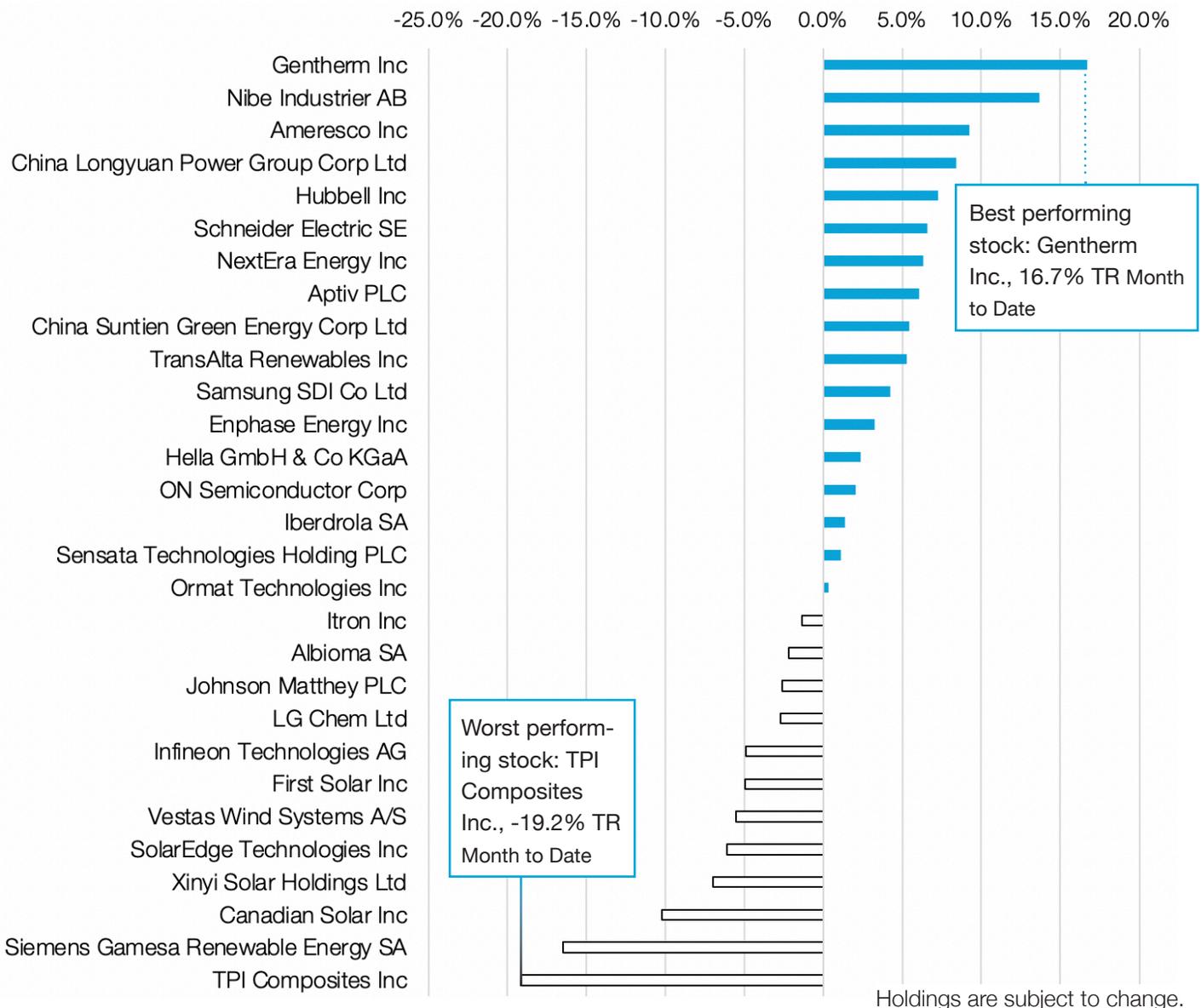


Portfolio Performance

as of 07/31/2021

Sustainable energy equities underperformed global stock markets during May. Over the month, SULR delivered a return of 1.42% on (NAV basis), which was behind the MSCI World at 1.80%. Year to date, SULR has delivered a return of 8.85% (NAV basis) which was behind the MSCI World at 15.10%.

Within the portfolio, the efficiency sector was the strongest performer in July, with the installation sector being weakest. Gentherm was the strongest individual performer, rising 17% thanks to strong quarterly results amidst a recovering auto market. Our wind sector holdings were among the weakest performers as Siemens Gamesa and TPI Composites cut full-year profit guidance due to raw material cost inflation.





Portfolio Performance

| As of 7/31/2021 | 1 Month | 3 Months | YTD | Since Inception (11/11/20) |
|----------------------|---------|----------|--------|----------------------------|
| SULR at NAV | 1.42% | 6.07% | 8.85% | 28.85% |
| SULR at Market Price | 1.14% | 6.17% | 8.60% | 31.40% |
| MSCI World NR | 1.79% | 4.80% | 15.07% | 23.55% |

| As of 6/30/2021 | 1 Month | 3 Months | YTD | Since Inception (11/11/20) |
|----------------------|---------|----------|--------|----------------------------|
| SULR at NAV | 3.78% | 4.96% | 7.33% | 27.04% |
| SULR at Market Price | 3.97% | 5.18% | 7.37% | 29.92% |
| MSCI World NR | 1.37% | 7.74% | 13.05% | 21.38% |

Expense Ratio: 1.91% (gross) | 0.79% (net)

The Adviser has contractually agreed to reduce its fees and/or pay ETF expenses in order to limit the Fund's total annual operating expenses to 0.79% through June 30, 2025.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance data quoted. Performance data current to the most recent month-end may be obtained by visiting SmartETFs.com, or calling (866) 307-5990. The returns shown are cumulative for the period, not annualized. Market prices return is based on the market price of Fund shares as of the close of trading on the exchange where the shares are listed.

Interesting News

- Brussels set out its “Fit for 55” policy package, outlining sweeping plans for the EU targeting all sectors of the economy and trade. The European Commission unveiled 13 policies designed to address climate change by ensuring the continent meets its goal of reducing average GHG emissions by 55% in 2030 and net zero by 2050, compared to 1990 levels.
- The most powerful tidal turbine started generating electricity via the grid in Orkney, UK. The Orbital O2 has the capacity to meet the annual electricity demand of 2,000 homes for the next 15 years. The 680-ton turbine is now anchored in the Fall of Warness where a subsea cable connects the 2MW offshore unit to the local onshore electricity network.
- Orbital Marine Power said its first commercial turbine, which will be powered by the fast-flowing waters, is a “major milestone”. It is also providing power to an onshore electrolyzer to generate green hydrogen.

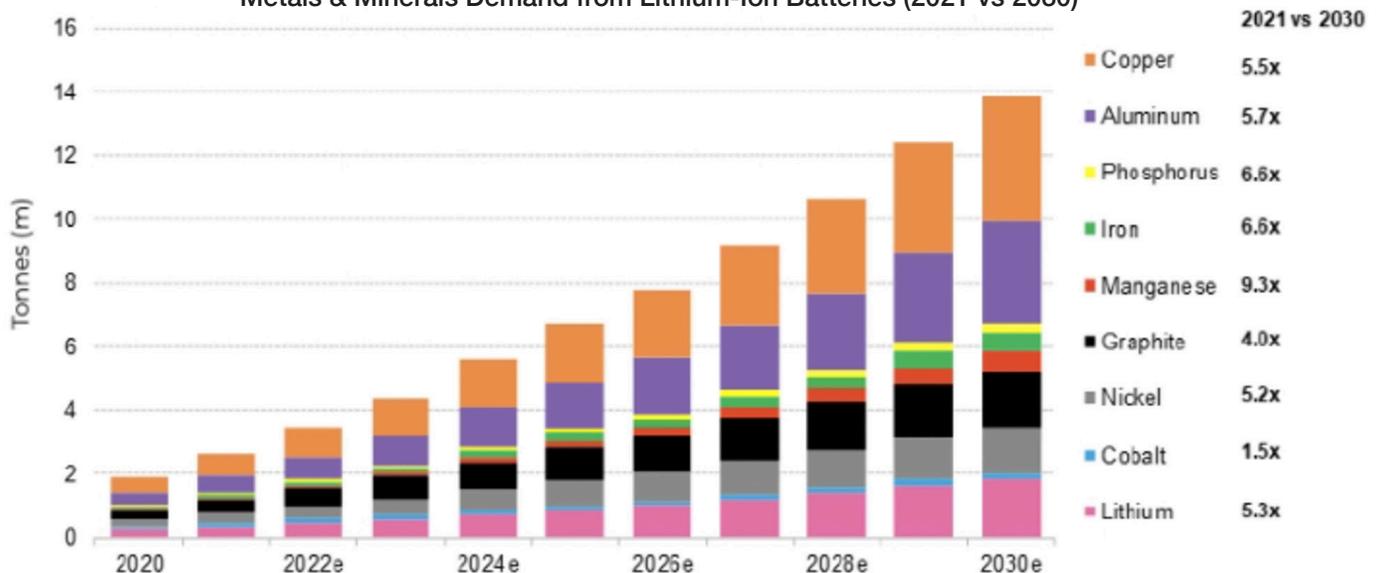
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Interesting News

- Democratic lawmakers are drawing up plans for a tax on imports from carbon-polluting countries to help pay for a \$3.5tn package in new government spending on everything from universal childcare to an expansion of public healthcare benefits. While details of the tariffs are scant, news of Democrats' proposals came on the same day as the EU published its plans to impose a levy on imports based on their CO2 footprint.
- China's national emissions trading scheme (ETS) officially entered operation on July 16th, with an opening price of 48 yuan (\$7.40) per ton of CO2. Despite only including the power sector in its initial phase, it is already the world's largest ETS, covering 12% of global CO2 emissions. The national ETS is viewed as a key policy instrument for China to achieve its targets of carbon peaking by 2030 and carbon neutrality by 2060.
- The IEA reported that a mere 2% of pandemic recovery spending is going towards clean energy measures, and energy-related carbon emissions were likely to climb to record levels in 2023 with "no clear peak in sight".
- Governments worldwide have made commitments to fostering "green" recoveries and using pandemic support measures to accelerate the shift away from fossil fuels. But researchers have consistently found such spending to have fallen well short of what is needed to limit global warming beyond catastrophic levels.
- According to Bloomberg New Energy Finance (BNEF), annual demand for lithium-ion batteries will pass 2.7 TWh per year by 2030, with 72% of demand coming from passenger vehicles. Total metals demand from lithium-ion batteries under BNEF's least-cost Economic Transition Scenario, will reach 13.5m tons, up 26% compared to their previous forecast. This includes cobalt demand from batteries growing by 1.5x by 2030 compared to 2021, and lithium and nickel demand growing 5x.

Metals & Minerals Demand from Lithium-Ion Batteries (2021 vs 2030)



Source: BloombergNEF

SULR

The SmartETFs Sustainable Energy II ETF

August 2021 Update



SmartETFs

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Disclosure

Investing involves risk, including possible loss of principal.

The Fund's focus on the energy sector exposes it to greater market risk than if its assets were diversified among various sectors. Sustainable energy businesses are subject to various industry risks such as rapid and evolving changes in technology, demand for energy and economic factors as well as governmental policies and regulations. The Fund may invest in multiple countries including emerging markets and international companies which involves different and additional political, social, legal and regulatory risks. The global interconnectivity of industries and companies can be negatively impacted by economic uncertainties, environmental conditions and global pandemics or crises. These events can contribute to volatility, valuation and liquidity issues which could cause the value of the Fund to decline.

Consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. For a prospectus or summary prospectus with this and other information, please call (866) 307-5990 or visit our website at www.SmartETFs.com. Read the prospectus or summary prospectus carefully before investing.

Shares of the Fund are distributed by Foreside Fund Services, LLC.