

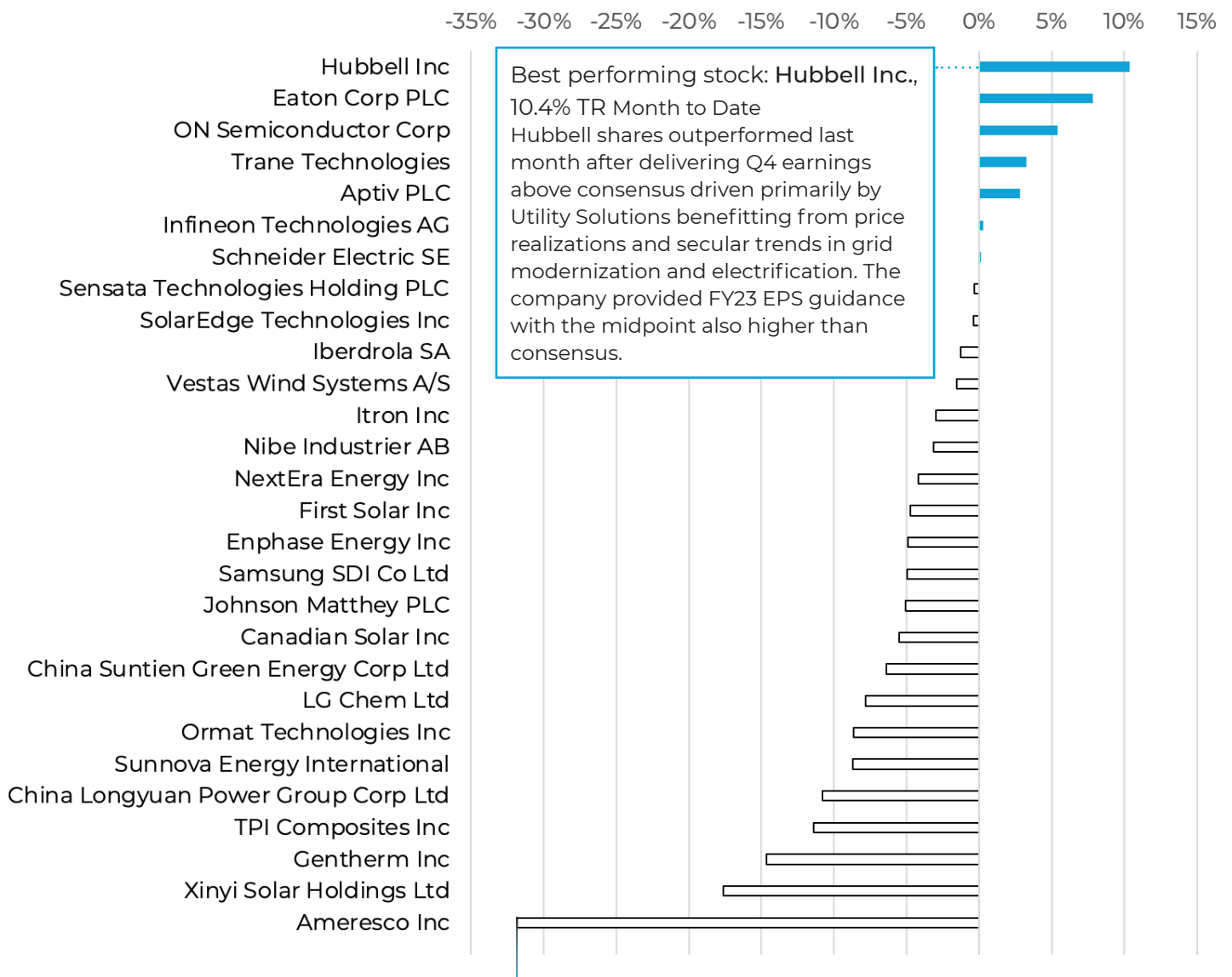


### Portfolio Performance

as of 02/28/2023

Over the month, SOLR was down -3.73% (NAV basis), while the MSCI World Index benchmark was down -2.40%. Global stock markets were weaker in February. In the portfolio, the strongest performers included our electrification-biased installation companies, Hubbell and Eaton, following good full year 2022 results. Hubbell outperformed in both its Power and Electrical divisions in Q4 and delivered 2023 guidance ahead of consensus. The weakest performer in the fund was Ameresco, which missed Q4 results and provided weaker than expected Q1 2023 guidance, reflecting timing delays for both its Projects and Assets segments.

Holdings are subject to change. Go to [SmartETFs.com/SOLR](https://SmartETFs.com/SOLR) for current holdings.



**Best performing stock: Hubbell Inc., 10.4% TR Month to Date**  
 Hubbell shares outperformed last month after delivering Q4 earnings above consensus driven primarily by Utility Solutions benefitting from price realizations and secular trends in grid modernization and electrification. The company provided FY23 EPS guidance with the midpoint also higher than consensus.

**Worst performing stock: Ameresco Inc., -31.8% TR Month to Date**  
 Ameresco shares were weak in February after reporting weak Q4 2022 results due to project delays which are expected to normalize in 2H 2023.



#### Portfolio Performance

As of 02/28/2023	1 Month	6 Months	YTD	1 Year	Since Inception (11/11/20)
SOLR at NAV	-3.73%	6.11%	5.81%	3.77%	9.52%
SOLR at Market Price	-3.72%	6.50%	5.90%	4.01%	10.57%
MSCI World NR	-2.40%	4.04%	4.50%	-7.33%	4.67%
As of 12/31/2022	1 Month	6 Months	YTD	1 Year	Since Inception (11/11/20)
SOLR at NAV	-6.68%	12.33%	-12.20%	-12.20%	7.39%
SOLR at Market Price	-7.08%	12.52%	-11.86%	-11.86%	8.46%
MSCI World NR	-4.25%	2.97%	-18.14%	-18.14%	7.07%

Expense Ratio: 0.79% (net) | 2.84% (gross)

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

In Europe, the carbon price briefly exceeded Eur100 (\$107 USD) /tonne for the first time during February reflecting tighter EU emission rules. While the price receded later in the month (closing February at Eur96.6 (\$104 USD) /tonne) it is around 4x higher than it was three years ago, just prior to the onset of COVID.

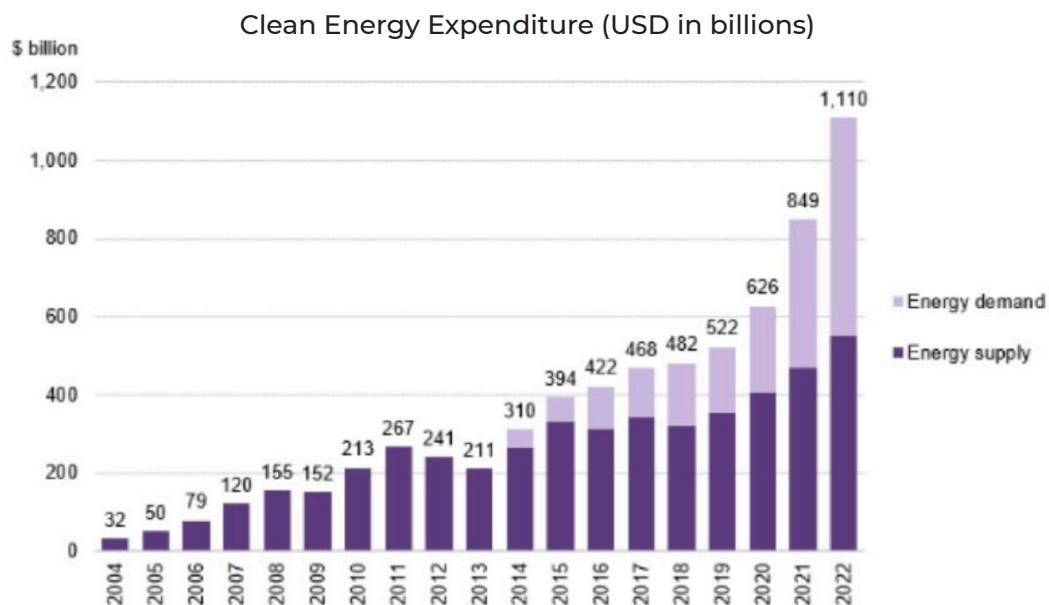
In its 4th quarter results, BP received media attention for scaling back its 2030 targets for reducing oil and gas production (from a 40% cut to a 25% cut) but little attention around its announced \$8bn increase in low carbon expenditure. This increase brings planned total low carbon expenditure to \$30bn by 2030. BP guided to expectations of "double-digit" returns from its green hydrogen projects compared with 6% to 8% for straight renewable power projects and more than 15% for biogas, retail convenience, and vehicle charging.

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Interesting News

- According to a new report from the Centre for Research on Energy and Clean Air and the Global Energy Monitor, Chinese permits for coal plants in 2022 reached their highest levels since 2015. China began construction on 52 gigawatts(GW) of coal plants in 2022, up 50% from 2021 and six times the capacity under construction in the rest of the world. At the gathering of parliament, the National Development and Reform Commission (NDRC) highlighted that coal would be used to improve the reliability and security of its energy system, “we will strengthen the basic supporting role of coal (and) take orderly steps to increase advanced coal production while ensuring safety.”
- According to Bloomberg, Chinese lithium carbonate prices have fallen nearly 50% from highs in November 2022 as result of weaker Chinese EV demand. The weakness appears to reflect the removal of Chinese electric vehicle subsidies at the start of 2023 as well as general low household confidence. Lithium prices have been very volatile and, even after this pullback (to around CNY320k per tonne), are still around 6x higher than the average between 2018-2020.
- A report from the International Energy Agency (IEA) has predicted that renewable energy and cleaner sources of electricity generation are set to provide almost all the new global electricity demand in the three years up to 2025. Overall electricity demand is expected to grow at around 3% per annum over the period and will be met 90% by renewables and nuclear. This will allow greenhouse gas emissions from global power generation to plateau by 2025, according to the IEA.
- According to Bloomberg New Energy Finance, expenditure on clean energy exceeded one trillion dollars in 2022. Expenditure has grown sharply in recent years, up 77% on the level seen in 2020 and up 16% per annum on average since 2010. In 2022, overall expenditure was split broadly equally between supply and demand activities, having been biased more significantly towards supply-based activities in previous years.



Source: Bloomberg. Data as of February 28, 2023

# SOLR

## The SmartETFs Sustainable Energy II ETF

March 2023 Update



SmartETFs

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### Disclosure

MSCI World Index captures large and mid cap representation across 23 Developed Markets countries. With 1,583 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

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](https://www.SmartETFs.com). Read the prospectus or summary prospectus carefully before investing.**

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