

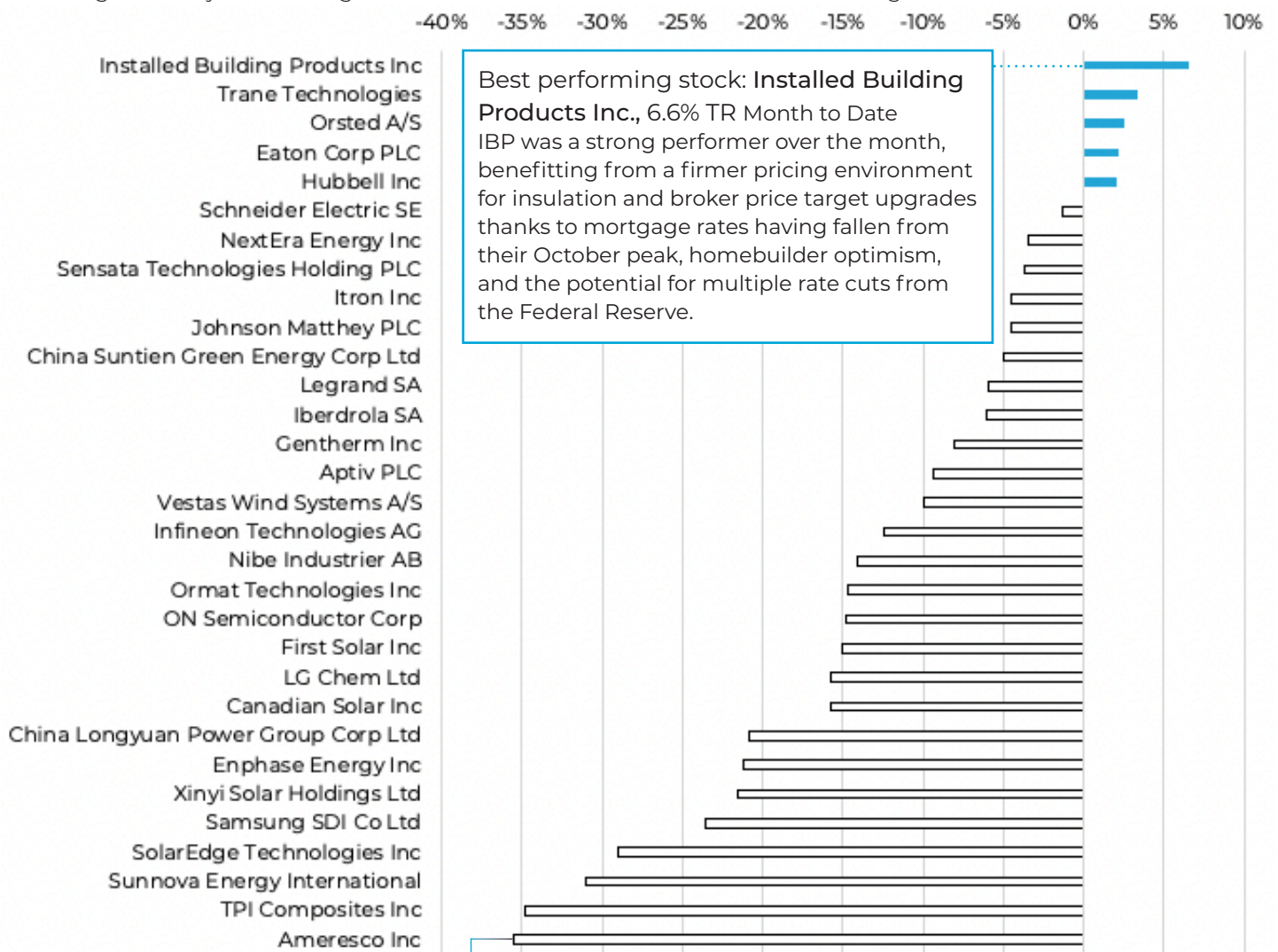


### Portfolio Performance

as of 01/31/2024

SOLR underperformed its index in January, with the MSCI World Index benchmark delivering 1.20% while SOLR delivered -9.20% on NAV basis, and -9.48% on a market price basis. Installed Building Products led the pack this month, gaining from better insulation prices, lower mortgage rates, homebuilder confidence, and expected Federal Reserve rate cuts. Conversely, Ameresco lagged behind due to project delays and other financial concerns. This month in sustainable energy saw ups and downs, with wins for wind power and renewable sources, but a dip in lithium prices. Dive in for the details!

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



**Best performing stock: Installed Building Products Inc., 6.6% TR Month to Date**  
 IBP was a strong performer over the month, benefitting from a firmer pricing environment for insulation and broker price target upgrades thanks to mortgage rates having fallen from their October peak, homebuilder optimism, and the potential for multiple rate cuts from the Federal Reserve.

**Worst performing stock: Ameresco Inc., -35.5% TR Month to Date**  
 Ameresco was weak in the month after project delays and changes to debt covenants led to concerns around the company's financial position. Further, a lack of visibility around the progression of a key battery storage project with Southern California Edison also weighed on investor concerns.

# SOLR

## The SmartETFs Sustainable Energy II ETF

February 2024 Update



SmartETFs

### Portfolio Performance

As of 01/31/2024	1 Month	YTD	1 Year	3 Years	Since Inception (11/11/20)
SOLR at NAV	-9.20%	-9.20%	-18.17%	-5.67%	1.45%
SOLR at Market Price	-9.48%	-9.48%	-18.37%	-5.79%	2.06%
MSCI World NR	1.20%	1.20%	16.99%	8.06%	9.29%

As of 12/31/2023	1 Month	YTD	1 Year	3 Years	Since Inception (11/11/20)
SOLR at NAV	10.08%	-0.95%	-0.95%	-0.85%	4.66%
SOLR at Market Price	9.87%	-0.81%	-0.81%	-0.84%	5.42%
MSCI World NR	4.91%	23.79%	23.79%	7.27%	9.14%

Expense Ratio: 0.79% (net) | 3.29% (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, 2026.

*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](https://www.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.*

A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded.



#### Interesting News

- In its Renewables 2023 report, the International Energy Agency reported that renewable energy capacity increased by almost 50% to around 510 GW (gigawatts) in 2023, the fastest growth rate in two decades and a rate which leaves the global industry not far off the pace required to achieve a tripling of renewable energy capacity by 2030. China dominated the increase in capacity, nearly doubling its solar capacity in 2023 and increasing its wind capacity by two thirds.
- Lithium prices continue to fall, reaching lows of \$10-15k per tonne at the end of January 2024, having previously peaked at over \$80k per tonne in early 2023. The weakness in price reflects growth in supply and a weaker growth outlook for the global EV market. Reacting to the price weakness, the world's largest lithium producer Albemarle announced it was cutting around 330 employees (4% of its global workforce), reducing capital expenditure to \$1.6bn in 2024 (versus \$2.1bn in 2023) and delivering \$95mn of annual cost savings. Goldman Sachs estimate a surplus of 200k tonnes of lithium carbonate equivalent, or 17% of global demand, this year, which will require "substantial supply cuts" to balance the market.
- The outlook for EV demand growth in 2024 continued to weaken, with EV manufacturers such as Tesla and Ford as well as battery manufacturers such as LG Energy Solutions warning that growth will be less than prior expectations. Allowing for the slow down, we estimate global EV sales of around 16m units in 2024, still up substantially on the 14m units sold in 2023. In reaction to the weakness, Chinese officials said that the country would take "forceful measures" to address "blind" construction of new EV projects by some local authorities and enterprises. This follows an EU anti-dumping investigation into the Chinese EV industry that was launched last year, following complaints that the Chinese EV industry was fueled by subsidies.
- Delays and cost overruns continue in the nuclear industry. In January, EDF announced that the cost of the 3.2 GW Hinckley Point C nuclear power plant would increase to as much as £46bn (approximately \$49.57bn USD) (from an original estimate of £18bn (approximately \$19.4bn USD)) with the anticipated start date slipping to 2029 (from an original start date of 2025). Elsewhere, EDF has experienced long delays on recent parallel projects in Finland and France that use the same reactor technology. The UK government continues to focus on nuclear, announcing a plan to speed up the sanctioning of new nuclear power plants in order to allow capacity to increase from the current level of around 6 GW to around 24 GW by mid-century.
- Despite inflation and supply chain issues for the wind industry in 2023, European wind assets generated a record 193 TWh (terawatt hours) of electricity in Q4 2023 (up 20% since Q4 2022 and greater than the electricity generated by coal fired plants). For the year, wind represented 19% of total European electricity generation and the industry had a record year for construction with European wind capacity increasing by 17 GW in 2023, slightly higher than that installed in 2022.

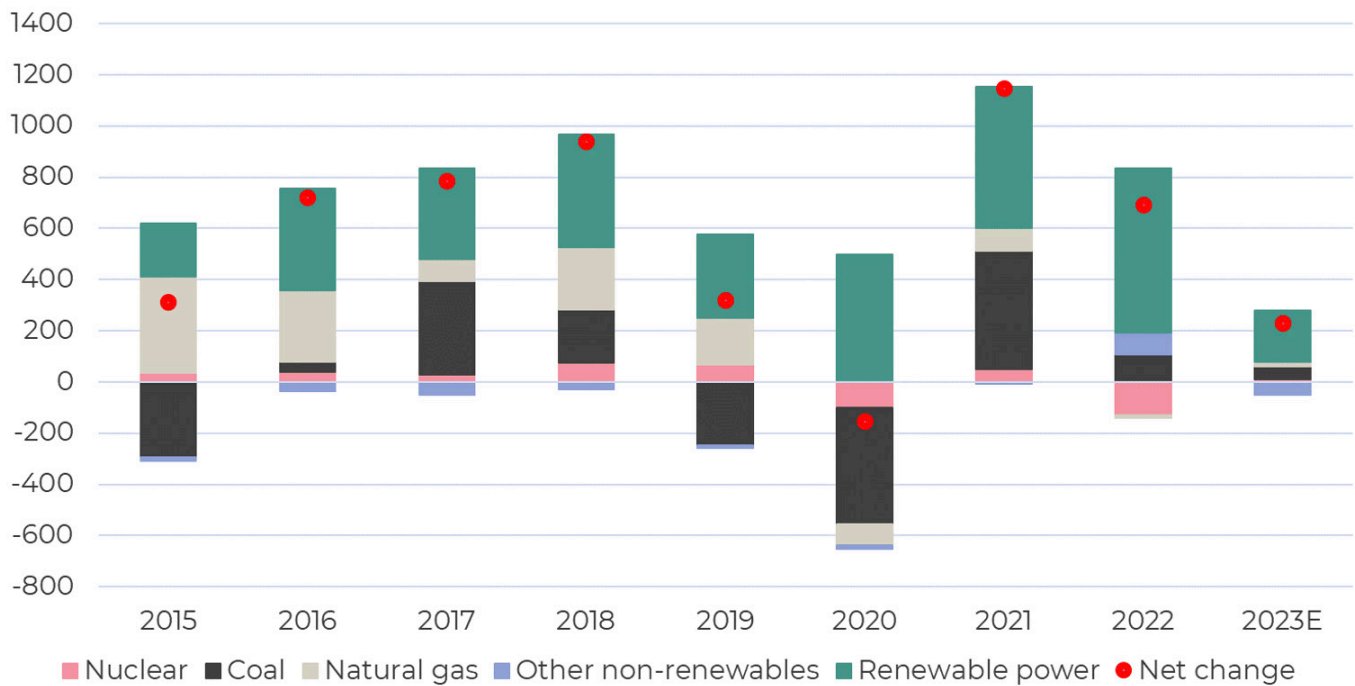
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#### Interesting News (continued)

In 2023, the production of electricity from renewable sources is expected to have grown by about 2.5%, surpassing 9,200 TWh. This growth in renewable energy is faster than the overall increase in electricity demand, which is estimated at 1% for the same year. The main drivers behind this surge in renewable energy are the expansions in solar and wind power installations.

Change in Electricity Generation (TWh)  
2015 - 2023E



Source: International Energy Agency, EMBER, Guinness Atkinson Asset Management.  
Data as of January 31, 2024.

#### There's more where that came from!

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# SOLR

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SmartETFs

### 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.

Earnings per Share is a company's net profit divided by the number of common shares it has outstanding. It indicates how much money a company makes for each share of its stock and is a widely used metric for estimating corporate value.

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

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