

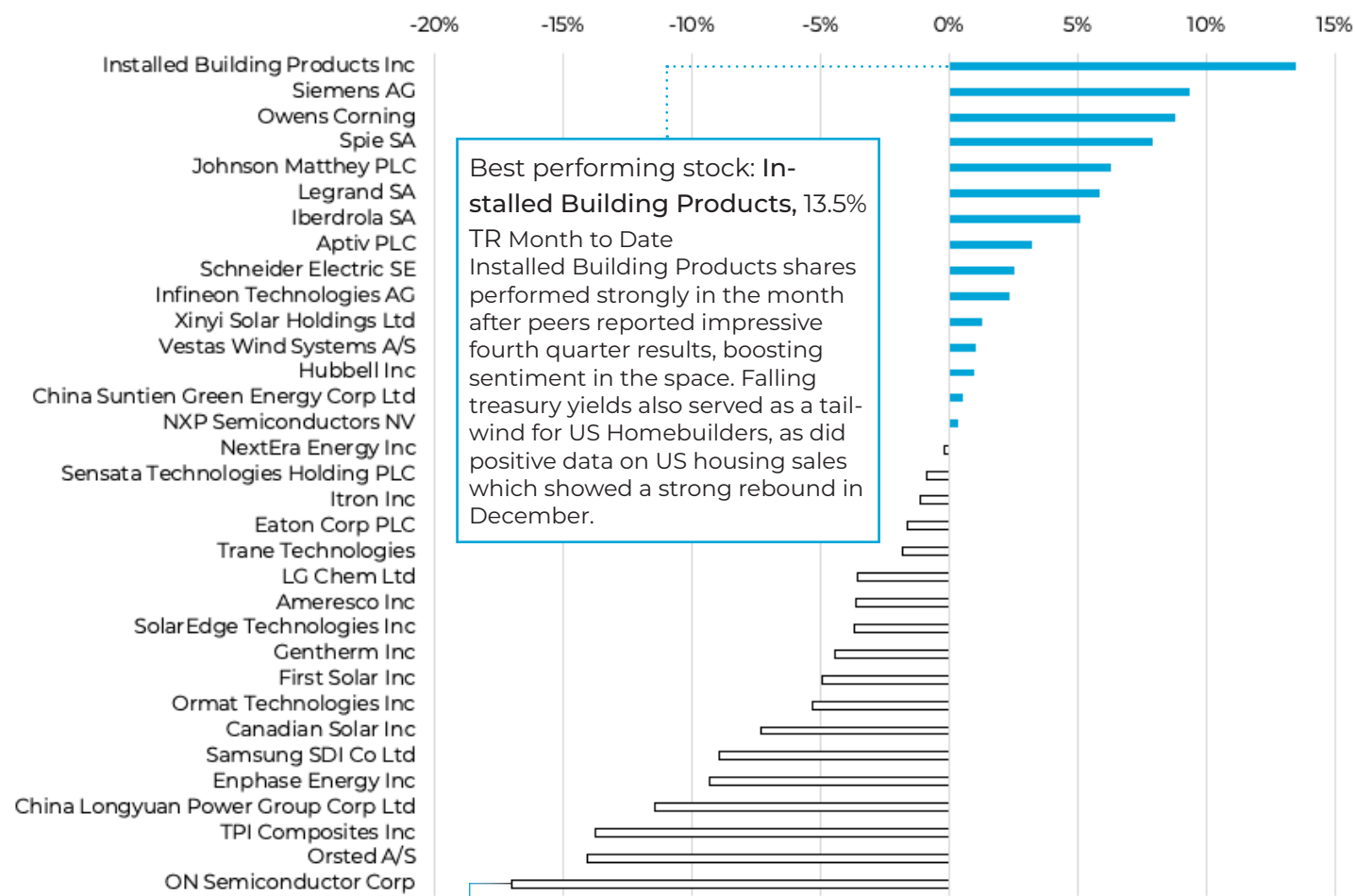


#### Portfolio Performance

as of 01/31/2025

SOLR underperformed its index in January, with the MSCI World Index benchmark delivering 3.53% while SOLR delivered -0.04% on NAV basis, and 0.00% on a market price basis. Global investments in the energy transition hit a record \$2 trillion in 2024, driven by power grids, renewables, and electrified transport, with China leading the way at \$818 billion. China's fossil fuel consumption for power is set to decline for the first time in a decade as the country accelerates wind and solar installations, while global EV sales grew 25% despite a temporary slowdown in Europe. The U.S. announced \$500 billion in private investments for AI-driven power demand, and major M&A deals continue in the sustainable energy sector, signaling long-term growth opportunities. Read the full SOLR Fund update for more insights into these key developments.

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



**Best performing stock: In-  
stalled Building Products, 13.5%  
TR Month to Date**  
Installed Building Products shares  
performed strongly in the month  
after peers reported impressive  
fourth quarter results, boosting  
sentiment in the space. Falling  
treasury yields also served as a tail-  
wind for US Homebuilders, as did  
positive data on US housing sales  
which showed a strong rebound in  
December.

**Worst performing stock: ON Semiconductor Corp., -17.0% TR Month to Date**  
Shares in Onsemi underperformed in the month after the company announced a softer than expected outlook for 2025 at the Consumer Electronics Show event. The company was more pessimistic than peers and pointed to a lack of visibility in the space. Broadly, it was a volatile month for semiconductor stocks as the market digested the news of Deep Seek's unexpected progress and the implications this might have on long-term demand.

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://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.

# SOLR

## The SmartETFs Sustainable Energy II ETF

February 2025 Update



**SmartETFs**  
by Guinness Atkinson

### Portfolio Performance

| As of 01/31/2025     | 1 Month | YTD    | 1 Year | 3 Years | Since Inception (11/11/20) |
|----------------------|---------|--------|--------|---------|----------------------------|
| SOLR at NAV          | -0.04%  | -0.04% | -2.36% | -4.33%  | 0.54%                      |
| SOLR at Market Price | 0.00%   | 0.00%  | -3.22% | -4.80%  | 0.79%                      |
| MSCI World NR        | 3.53%   | 3.53%  | 21.40% | 9.53%   | 12.04%                     |

| As of 12/31/2024     | 1 Month | YTD     | 1 Year  | 3 Years | Since Inception (11/11/20) |
|----------------------|---------|---------|---------|---------|----------------------------|
| SOLR at NAV          | -8.28%  | -11.31% | -11.31% | -8.29%  | 0.56%                      |
| SOLR at Market Price | -8.95%  | -12.40% | -12.40% | -8.51%  | 0.80%                      |
| MSCI World NR        | -2.61%  | 18.67%  | 18.67%  | 6.33%   | 11.36%                     |

Expense Ratio: 0.79% (net) | 3.18% (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, 2027.

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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

Data from BNEF shows that global investments into the energy transition grew 11% in 2024, reaching a record \$2 trillion. Growth was driven by power grids, renewable energy, and electrified transport, all of which attracted record investment. Investment in China reached \$818 bn in the year, with impressive growth also seen in the EU and US.

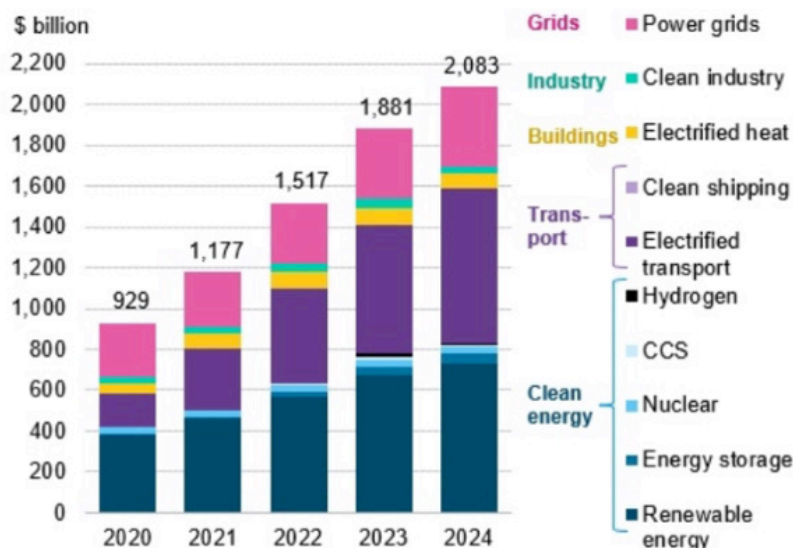
Analysts from LSEG, the Centre for Research on Energy and Clean Air, and a US Bank have forecast that China's fossil fuel consumption for power, which is primarily coal-based thermal power generation, is set to fall for the first time in a decade. This follows the hottest year on record in 2024, highlighting the importance of continued investment into the energy transition.

China's power sector accounts for 60% of the country's emissions, and significant investment into renewables is required to meet the country's internal goal of peak emissions before 2030 and net zero by 2060. In 2024, China broke its own record for new wind and solar power installations, growing 45.2% and 18% respectively.

Global electric vehicle (EV) sales rose 25% in 2024, according to Rho Motion, with 17.1 million units sold. China continues to see the fastest rate of adoption with CPCA data indicating that 11 million EVs were sold in 2024, increasing 40% year-over-year and representing a penetration rate of 48%. European EV volumes fell 3% in 2024 due to the withdrawal of government support in key markets. However, 2025 is expected to be better due to a step up in EU emissions standards. Meanwhile, plug-in sales in the US & Canada reached 1.8 million in 2024, growing 10% on the back of consumer related subsidies. Penetration was highest in Norway at 89%, driven by generous and consistent subsidies, and the country aims to ban ICE sales in 2025.

The Trump administration announced up to \$500 billion in private investments into datacenters and AI infrastructure, with the first \$100 billion committed for immediate deployment. The adoption of AI alongside reshoring and electrification is expected to deliver a step change in US power demand. Goldman Sachs estimate that datacenters will account for as much as 8% of US power demand by 2030, up from 2-3% today, and will result in electricity consumption increasing from 0-0.5% to 2-3% per annum until 2030. The recently announced funding is expected to target generation and transmission investment in order to meet this growing demand.

Global Energy Transition Investment  
by Sector



Source: BNEF. Data as of January 2025.

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#### Interesting News (continued)

- Comments from President Trump have weighed on the near-term outlook for the US wind sector, hurting sentiment in the space and impacting the wind exposed names in our portfolio, namely Orsted and Vestas. Despite what is likely to be a near term slowdown in the US, on the other side of the Atlantic we continue to see progress being made with the announcement from the Portuguese government of their intention to create a cluster of wind farms of the coast with capacity of up to 10 gigawatts.
- In January, we continued to see significant merger & acquisition activity within the sustainable energy space. Constellation Energy agreed to purchase Calpine Corp for \$16.4 billion, creating the largest coast-to-coast power generator in the country. Constellation will now have almost 60 gigawatts of zero or low-carbon nuclear, geothermal and natural gas generation capacity. In China, Zijin Mining agreed to purchase 25% of lithium miner Zangge Mining for \$1.9 billion. Oversupply has resulted in low lithium prices, leading to a period of consolidation in the sector. These follow a series of transactions last year that include Brookfield's purchase of Neon and KKR's offer for Encavis.

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

Join our newsletter at [SmartETFs.co/newsletter](https://SmartETFs.co/newsletter) or follow us on Instagram [@SmartETFs](https://www.instagram.com/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.