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Ecofin Global Energy Transition Fund (EETIX/EETAX)

Q2 2023 QUARTERLY COMMENTARY

Represents the aggregate ranking of the Fund's holdings as of 6/30/2023. Certain information ©2023 MSCI ESG Research LLC. Reproduced by permission; no further distribution.

The fund's NAV increased by 2.0% in Q2 while the MSCI ACWI increased by 6.2% over the same period.

Performance Total returns before taxes

	Class	3 Month	1 Year	3 Year	Since inception*
		as of 6/30/2023			
EETIX	Institutional	1.96%	16.42%	10.32%	9.76%
EETAX	A Class (excluding load)	1.89%	15.98%	10.02%	9.47%
EETAX	A Class (maximum load)	-3.69%	9.63%	7.98%	7.99%
M1WD	MSCI ACWI Index (Net TR)	6.18%	16.53%	10.99%	8.40%

**5/1/2019. Performance shown in the table above for periods longer than 3 months is performance of the predecessor fund; see ** on page 4. The inception date of the Ecofin Global Energy Transition Fund was October 15, 2021 and October 18, 2021 for the Institutional shares and A Class shares, respectively. Note: For periods over one year, performance reflected is for the average annual returns.*

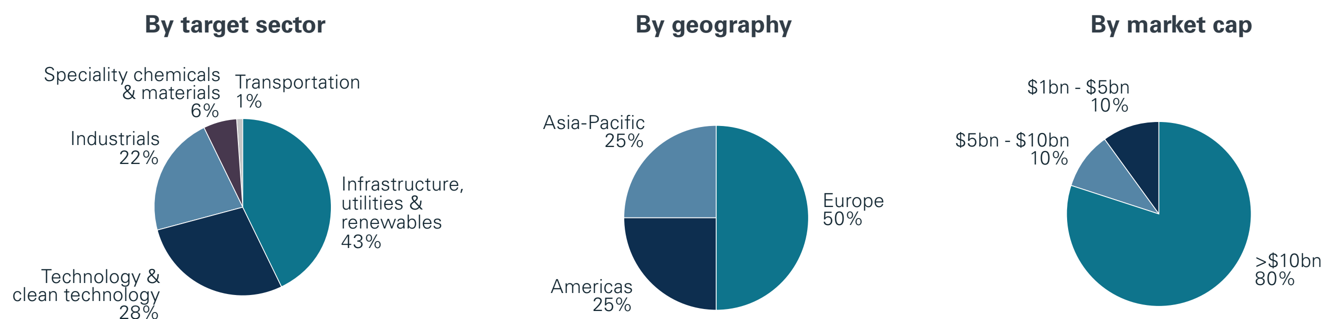
The fund's gross expense ratios are 1.42% and 1.67% and the fund's net expense ratios are 0.90% and 1.15% for the Institutional and A Class Shares, respectively.

TCA Advisors (the "Adviser") has contractually agreed to reimburse the Fund for its operating expenses, in order to ensure that Total Annual Fund Operating Expenses (excluding Rule 12b-1 fees, front-end or contingent deferred loads, taxes, leverage/borrowing interest, interest expense, brokerage commissions, acquired fund fees and expenses, expenses incurred in connection with any merger or reorganization, or extraordinary expenses) do not exceed 0.90% of the average daily net assets of the Fund. Expenses reimbursed by the Adviser may be recouped by the Adviser for a period of 36 months following the month during which such reimbursement was made if such recoupment can be achieved without exceeding the expense limit in effect at the time the expense reimbursement occurred and at the time of the recoupment. The Operating Expenses Limitation Agreement will be in effect and cannot be terminated through at least March 31, 2024. The net expense ratio is as of the most recent prospectus and is applicable to investors.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment 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 quoted. Performance data current to the most recent month end may be obtained by calling 855-822-3863. Performance data shown reflecting the A Class (maximum load) reflect a sales charge of 5.50%. Performance data shown "excluding load" does not reflect the deduction of the maximum sales load. If reflected, the load would reduce the performance quoted.

At the end of Q2 2023, the fund had 27 positions and by region was invested 25% in North America, 50% in Europe and 25% in Asia. Circa 42% of the position weights had primary exposure to the electrification master theme while 25% were exposed to clean transportation and 27% to industrial & building efficiency.

Portfolio (as of 6/30/2023)



Due to rounding, totals may not equal 100%.

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The second quarter was characterised by a greater degree of stability with regards to power prices and commodities while interest rates generally drifted higher in the U.S. and Europe. While the MSCI ACWI Index delivered mid-single digit positive returns in the period, there was a wide dispersion of returns between sectors, and utilities continued to significantly lag and was one of the worst performing sectors in the MSCI along with energy. As a reminder, utilities and renewable developers are a material component of the energy transition universe and portfolio, and over the medium term deliver attractive risk-adjusted returns. This year so far, they have weighed on performance. The headwinds for utilities have included rate increases, declining power prices on a year-over-year (YoY) basis (for merchant exposed utilities and developers), equipment cost inflation and concerns over some renewable project delays resulting from interconnection delays and some substation equipment shortages; overall a tricky operating environment for large users of capital for growth. The investment team has pivoted exposure within the utilities sector this year towards integrated utilities that can benefit from lower power prices, and utilities or developers with low merchant power exposure and/or more regulated transmission. Nevertheless, the utility sector exposure within the portfolio has still underperformed the more industrial and cyclical exposures.

While we have seen "big tech" industry growth recover this year with a handful of stocks driving the majority of stock market performance, more pureplay clean technology equities have largely underperformed. Much of this likely relates to their "borrow-to-grow" status which we discussed in the prior quarterly. Access to growth capital via debt, working capital and equity remains an area of concern both in terms of availability and cost of capital for the smaller businesses in particular that are currently free cash flow negative. For these companies, executing on margin expansion and free cash flow improvement trajectories will be important for enhancing both valuations and capital markets access.

The second quarter was fairly quiet from a policy perspective. Further IRS guidance emerged on the U.S. Inflation Reduction Act (IRA), with a notable inclusion that photovoltaic cells are an applicable project component for the domestic content adder eligibility. The implication being that just building module capacity alone in the U.S. (the lowest capital cost step) is likely to be insufficient for the product to qualify for domestic content tax credit adders, thereby increasing the investment hurdles for those solar companies looking to build U.S. capacity and reducing near term solar oversupply risk in the US. Europe meanwhile remains vulnerable, with a lack of clearly defined subsidies for renewables and clean technologies to match the U.S. and a lack of trade protections against low-cost (often state subsidised) product arriving from overseas. Such an environment results in corporates, to a considerable extent, holding off investment plans for Europe until further notice or redirecting those investments to the U.S..

While China's recent lacklustre economic data points have been well documented, it is worth noting that Japan has delivered significantly better performance. With three mid/large weight Japanese equities holdings, the fund has had a relatively oversized weight to Japan this year. Japan has been the best performing major equity market in local currency terms, albeit one of the drivers, the weakening Yen and thereby Japan's improving competitive position overseas, has detracted from the local currency performance figures in our unhedged portfolio. Interest rates remain low in Japan, unlike in most other developed countries, and the Bank of Japan maintained its yield curve control policy to anchor government bond yields. Wage hikes meanwhile have been the highest in many years which should also boost domestic consumption. Our exposure has been in the semiconductor, manufacturing automation and electric motor (industrial, consumer and automotive) markets. These are segments that have additional tailwinds from Chinese de-coupling, regionalisation of manufacturing, and electric vehicles (Japanese original equipment manufacturers are now pivoting more quickly to pure battery electric vehicles). Boosting Japan's domestic semiconductor industry has become a particular focus for the Japanese government and there have been a string of large subsidy awards to encourage further investment in Japan.

WHAT WORKED WELL THIS QUARTER

Constellation Energy Corp (CEG US), a U.S. utility, was the biggest contributor after delivering a strong quarterly update in terms of guidance and later in the quarter positively surprising the market with the acquisition of a nuclear plant in Texas.

Rohm Co Ltd (6963 JP), a Japanese power semiconductor manufacturer, performed well in quarter and has been a strong performer year to date. The company is building out silicon carbide manufacturing capacity and is likely to take a material market share in this fast-growing market. The company is also likely to get support from the Japanese government which is increasingly looking to strengthen its own domestic semiconductor industry.

Orsted AS (ORSTED DC), a large offshore wind asset developer and owner, benefitted from a capital markets day which removed the overhang concern of an equity raise to fund future growth.

WHAT DIDN'T WORK WELL THIS QUARTER

China Longyuan Power Group (916 HK), a large Chinese power producer with among the largest renewable asset base in China, was the biggest detractor in the quarter. While generally the operations and execution of the business remained in line with expectations in the quarter, the stock continued to de-rate, most likely a result of more macro related China concerns. One of the disappointments has been Longyuan's poor performance despite Chinese rates dropping which ought to be a tailwind, in contrast to the U.S. and Europe where the rate cycle has been a headwind to developers.

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Energias de Portugal (EDP PL), a Portuguese utility, underperformed in the quarter, likely on concerns relating to its renewables subsidiary EDPR and lower European power prices. The integrated utility business at EDP which includes retail should likely benefit from lower European power prices.

Sunrun (RUN US), the largest U.S. rooftop solar installer, also declined in the quarter. While the company performed well on most of its key performance indicators at Q1 results, there was concern about the cash burn level in the quarter. This cash burn is likely to improve in the second half and partly relates to the very high levels of demand the company saw in the quarter in California.

LOOKING AHEAD

The key policy drivers in upcoming months that may impact the portfolio could come from Europe and China. We are expecting to hear shortly of potential awards from the EU Innovation Fund that some portfolio companies have applied for – the results will provide subsidies for capital expenditure for regional solar manufacturing. Longer term we are expecting to hear of further developments regarding EU Power Reform which has been an area of contention in the last months, in particular between France and Germany concerning the future role of nuclear. In Germany, we are likely to get further country-specific subsidy programs for domestic manufacturing of renewable equipment supply chains which, if well structured, could positively impact some portfolio companies.

China policy is more macro and lower visibility. A step up in the magnitude of stimulus during the second half of the year, while broad-based, would serve to support supply/demand metrics and pricing power for a number of companies in the portfolio that sell into China and also compete with Chinese exports internationally. The nature and magnitude of future stimulus remains opaque and fraught with the risk of being too little or too much which in turn could drive global inflation higher for longer.

While the investment team anticipated the falling power price environment in Europe particularly and positioned accordingly, the incremental area of focus is now on possible bottlenecks to renewable project installation rates. These bottlenecks impact Europe and the U.S. and include shortages of utility scale substation equipment, permitting timelines, and the bigger issue longer term of grid congestion. While the equipment shortages and permitting issues (many of which are personnel shortages) are relatively simple to resolve, the grid congestion problem is more complex. In certain regions or nodes in Europe and the U.S., the overbuild of renewable energy, with similar dispatch characteristics and insufficient transmission infrastructure to distribute the power to demand centres, is resulting in increased levels of negative pricing during certain times of the day. This is reducing realised pricing for those power producers without firm power purchase agreements (PPAs) which, in turn, could result in fewer new projects being built by developers unless they are able to sign long-term PPAs more comprehensively or operate with a regulated utility model. Solutions to these problems include further buildout of grid and battery storage infrastructure and demand response. As is often the case, these complexities offer risks and opportunities within our investment universe.

Top 10 holdings (as of 6/30/2023)			
1. NextEra Energy Inc.	6.3%	6. Schneider Electric S.E.	4.7%
2. Infineon Technologies AG	6.2%	7. Orsted A/S	4.6%
3. Rohm Co Ltd	6.1%	8. EDP - Energias de Portugal, S.A.	4.5%
4. Constellation Energy Corporation	5.8%	9. Prysmian S.p.A.	4.3%
5. TE Connectivity Ltd	5.1%	10. Keyence Corporation	4.3%

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**As of the date of the Prospectus the Fund does not have a full calendar year of performance as a mutual fund. Prior performance shown at the top of this document for the period prior to the Fund's registration as a mutual fund in October 2021, is for a series of the Long Only sub-fund of the Ecofin Vista Master Fund Limited, established in May 2019 (the "Predecessor Fund"), an unregistered Cayman Islands limited liability company. The Predecessor Fund was reorganized into the Fund by transferring substantially all of the Predecessor Fund's assets to the Fund in exchange for Institutional Class shares of the Fund on October 15, 2021 (and for A Class shares of the Fund on October 18, 2021), the date that the Fund commenced operations (the "Reorganization"). The Predecessor Fund was managed in a materially equivalent manner as the Fund. The Sub-Adviser served as the investment adviser to the Predecessor Fund for the entire performance period shown and is responsible for the portfolio management and trading for the Fund. Each of the Fund's portfolio managers was a portfolio manager of the Predecessor Fund at the time of the Reorganization. The Fund's investment objective, policies, guidelines and restrictions are, in all materially equivalent respects, the same as those of the Predecessor Fund.

The above information shows the returns of the Class B3 Shares of the Predecessor Fund since its inception in May 2019. The Class B3 Shares are similar to the Fund's Institutional class but, at a point in time, were subject to performance and other fees. Although the management fee of the Fund is slightly higher than the Predecessor Fund, the Fund is not subject to the performance fee of the Predecessor Fund. From its inception through the date of the Reorganization, the Predecessor Fund was not subject to certain investment restrictions, diversification requirements and other restrictions of the Investment Company Act of 1940, as amended (the "1940 Act") or Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), which, if they had been applicable, might have adversely affected the Predecessor Fund's performance. The Predecessor Fund's performance was calculated using a methodology of timeweighted total returns from official net asset values. Since the Reorganization, the Fund's performance has been calculated using the standard formula set forth in rules promulgated by the SEC, which differs in certain respects from the methods used to compute total return for the Predecessor Fund.

Beta is a measure of a stock's volatility in relation to the overall market. Correlation is a statistical measure of how two securities move in relation to each other. A percentage point is one hundredth of a given value, used to measure the difference of two percentages. Basis point is a unit equal to 1/100th of 1% and used to denote the change in a financial instrument.

TCA Advisors is the adviser to the Fund and Ecofin Advisors Limited is the sub-adviser. Primary responsibility for the day-to-day management of the Fund's portfolio is the joint responsibility of Matthew Breidert and Max Slee, both of the Sub-Adviser. Mr. Breidert is a Senior Portfolio Manager and Managing Director of the Sub-Adviser. Mr. Slee is a Portfolio Manager and Managing Director of the Sub-Adviser. Each portfolio manager has managed the Fund since its inception in October 2021. Mr. Breidert and Mr. Slee were portfolio managers of the Predecessor Fund since its inception in May 2019.

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Disclaimers

The fund's investment objective, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectus contains this and other important information about the fund and may be obtained by calling 855-822-3863 or visiting www.ecofininvest.com. Read it carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the fund is more exposed to individual stock volatility than a diversified fund. Investing in specific sectors such as energy infrastructure and renewable energy infrastructure may involve greater risk and volatility than less concentrated investments. If for any taxable year the Fund fails to qualify as a RIC, the Fund's taxable income will be subject to federal income tax at regular corporate rates. The resulting increase to the Fund's expenses will reduce its performance and its income available for distribution to shareholders. Investments in foreign companies involve risk not ordinarily associated with investments in securities and instruments of U.S. issuers, including risks related to political, social and economic developments abroad, differences between U.S. and foreign regulatory and accounting requirements, tax risk and market practices, as well as fluctuations in foreign currencies. These risks are greater for investments in emerging markets. The fund invests in small and mid-cap companies, which involve additional risks such as limited liquidity and greater volatility than larger companies. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. The fund may also invest in derivatives including options, futures and swap agreements, which can be highly volatile, illiquid and difficult to value, and changes in the value of a derivative held by the fund may not correlate with the underlying instrument or the fund's other investments and can include additional risks such as liquidity risk, leverage risk and counterparty risk that are possibly greater than risks associated with investing directly in the underlying investments.

The fund applies ESG criteria to the investment process and may exclude securities of certain issuers for non-investment reasons and therefore the Fund may forgo some market opportunities available to funds that do not use ESG criteria.

Index performance reflects no deduction for fees, expenses, or taxes. The MSCI ACWI Index captures large and mid cap representation across 23 Developed Markets and 27 Emerging Markets countries. The index covers approximately 85% of the global investable equity opportunity set. MSCI Net Total Return (Net TR) indices reinvest dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. The MSCI ACWI Utilities Index captures large and mid cap representation across 23 Developed Markets and 26 Emerging Markets countries. All securities in the index are classified in the Utilities sector as per the Global Industry Classification Standard (GICS®). The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The Producer Price Index (PPI) measures the average change over time in the selling prices received by domestic producers for their output. The prices included in the PPI are from the first commercial transaction for many products and some services.

Fund holdings and sector allocations are subject to change.

MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 31,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

The MSCI ESG Fund Ratings is designed to assess the resilience of a fund's aggregate holdings to long term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks.

- AAA, AA: Leader- The companies that the fund invests in tend to show strong and/or improving management of financially relevant environmental, social and governance issues. These companies may be more resilient to disruptions arising from ESG events.
- A, BB, BB: Average- The fund invests in companies that tend to show average management of ESG issues, or in a mix of companies with both above-average and below-average ESG risk management.
- B, CCC: Laggard- The fund is exposed to companies that do not demonstrate adequate management of the ESG risks that they face or show worsening management of these issues. These companies may be more vulnerable to disruptions arising from ESG events.

The Fund ESG Rating is calculated as a direct mapping of "Fund ESG Quality Score" to letter rating categories.

- 8.6- 10: AAA
- 7.1- 8.6: AA
- 5.7- 7.1: A
- 4.3- 5.7: BBB
- 2.9- 4.3: BB
- 1.4- 2.9: B
- 0.0- 1.4: CCC

The "Fund ESG Quality Score" assesses the resilience of a fund's aggregate holdings to long term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks, based on a granular breakdown of each issuer's business: its core product or business segments, the locations of its assets or revenues, and other relevant measures such as outsourced production. The "Fund ESG Quality Score" is provided on a 0-10 score, with 0 and 10 being the respective lowest and highest possible fund scores.

The "Fund ESG Quality Score" is assessed using the underlying holding's "Overall ESG Scores", "Overall ESG Ratings", and "Overall ESG Rating Trends". The "Fund ESG Quality Score" is equal to the "Fund Weighted Average ESG Score". MSCI calculates the "Fund Weighted Average ESG Score" of the underlying holding's "Overall ESG Scores". The Overall ESG Scores represent either the ESG Ratings Final Industry-Adjusted Score or Government Adjusted ESG Score of the issuer. Methodology for the issuer level scores are available in the MSCI ESG Ratings Methodology document.

The stated rating only applies to the Institutional share class and other share class ratings may differ.

For more information please visit **ESG Fund Ratings**

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