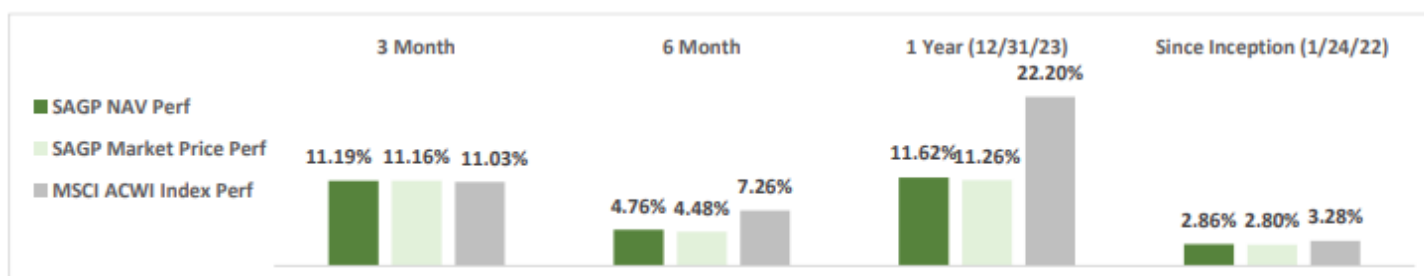


## *Management’s Discussion of 2023 Year-End Fund Performance:*

### Strategas Global Policy Opportunities Fund (NYSE: SAGP)

The Strategas Global Policy Opportunities ETF (SAGP) is an actively managed fund which combines Strategas Securities’ proprietary super-cyclical ‘lobbying intensity’ analytical framework with Strategas’ recommended global asset allocation. The Fund invests in 100 companies with domestic constituents across the cap spectrum and international large cap constituents. SAGP’s utilization of lobbying, a factor not traditionally incorporated in financial analysis, is designed to identify companies that can produce positive earnings benefits through successful policy outcomes. Public policy’s super-cyclical nature, combined with companies adjusting their lobbying activities for the policy environment at hand, creates a durable and adaptive strategy.

For the quarter ending December 31, 2023, the Fund returned +11.16%, narrowly outperforming its benchmark the ACWI Index by 13 basis points. For the full year, the strategy returned +11.26% while the benchmark ACWI returned +22.20%. Since inception of the fund in late January 2022, SAGP has returned +2.80%, underperforming its benchmark by 48 basis points.



Performance as of 12/31/2023. Fund expense ratio .65%

The performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment returns 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. Performance data for the most recent quarter-end is available above. For most recent data please call (855) 457-3637 or visit [strategasetfs.com](http://strategasetfs.com).

SAGP consists of three large asset allocation buckets: 1) US Large-Cap; 2) US Small and Mid-Cap (SMID); and 3) Non-US companies with a US lobbying presence. In November 2023, consistent with a reduction in the small and mid-cap weighting of Strategas’ asset allocation, the target weight (excluding cash) for the SMID bucket of the strategy was reduced from 11 percent to 10 percent. Due to the reduction in SMID weighting, the US Large Cap Bucket target weight was increased from 45 percent to 46 percent, while the Non-US Large Cap Bucket remained stagnant at 44 percent.

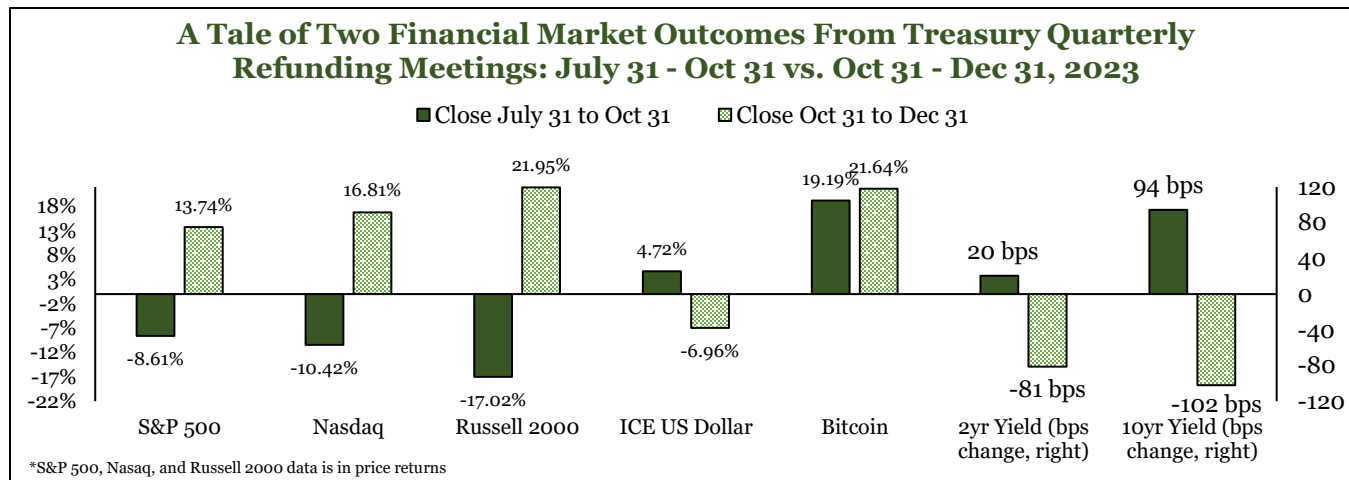
All three buckets of the strategy returned an absolute positive return in the fourth quarter, and both the US Large-Cap bucket and Non-US bucket outperformed their benchmarks. For the full year, all three buckets had a positive absolute return, although only the SMID bucket outperformed its benchmark.

On October 30 and November 1 there were key announcements made by Treasury Secretary Janet Yellen and Fed Chair Jerome Powell which we believe played a significant role in the market’s performance this quarter – and will continue to be important in the coming quarters.

On October 30, the Treasury Borrowing Advisory Committee announced lower marketable borrowing estimates than expected – a reversal from the last meeting where borrowing needs were higher than expected. On November 1, Secretary Yellen announced plans to issue more short-term debt than expected. The combination of these announcements helped ease liquidity concerns from investors, as Treasury issuing less debt and at the

shorter end of the curve would continue to allow it to attract funds from the Reverse Repo Facility and inject liquidity into the market. This sentiment was further buoyed by a dovish interpretation of Fed Chair Powell's remarks later in the day on November 1, as investors began to price in rate cuts and sent the market rallying.

As such, we saw a risk-on trade from November through December of the quarter, reversing negative sentiment coming out of the last Treasury announcements at the end of July – as seen in the charts below. Actions from Treasury and the Fed over the coming months and year will continue, in our view, to be critical for markets.



Within SAGP itself, the Fund hit relative lows around November 10 and rallied through year-end. This was particularly visible in the US Large Cap and Non-US buckets in Industrials, Discretionary and Technology – along with the strategy's single large-cap Financials name.

Looking at sector attribution for the entirety of the fourth quarter, the Fund's Industrials holdings generated the largest alpha and largest contribution to return. Industrials now exceed Health Care for the largest target weight sector in the Fund. Defense continued to weigh on the sector despite geopolitical conflicts and headlines that emerged and escalated over the quarter. We believe this is in part due to uncertainty over US funding. However, Congress increased spending 9 percent for 2023 and another 3 percent increase is possible for 2024 depending on Congressional negotiations. We expect this funding to punch through in 2024.

Discretionary, the Fund's third largest weight, generated positive alpha in the fourth quarter. The sector was a beneficiary of the November turnaround in sentiment, with leisure and retail names performing better. Disinflationary pressures are a big driver of real incomes, which help the consumer portion of the budget.

Health Care had the worst attribution to portfolio performance for the second consecutive quarter. The sector is now the second largest weight in SAGP. The Fund's foreign Health Care holdings, particularly from Japan, weighed on performance. On the positive side, SAGP holds Novo Nordisk which is a leader for the growing weight-loss drugs. But the benefit of these drugs has weighed on stocks that have historically helped kidney disease included in SAGP. Notably, towards the back half of the quarter, we saw marked improvement in performance for these kidney-related holdings, such as DaVita and Fresenius Medical, as concerns over obesity drugs' impact on these stocks eased.

**Holdings Information**

<u>TOP 5 COUNTRY EXPOSURE</u>	<u>as of 12/31/2023</u>	<u>TOP 5 SECTOR EXPOSURE</u>	<u>as of 12/31/2023</u>
United States	55.47%	Industrials	30.84%
United Kingdom	12.16%	Health Care	29.66%
Canada	3.64%	Consumer Discretionary	10.16%
Ireland	3.51%	Materials	10.01%
Germany	3.48%	Information Technology	7.83%

Holdings are subject to change. Current and future holdings are subject to risk.

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## Important Disclosures

This represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding the fund or any security in particular. This research is provided for educational purposes only. Strategas claims no responsibility for its accuracy or the reliability of the data provided. This information is not intended to provide legal and/or tax advice. Please consult your financial advisor for further information.

**Carefully consider the Fund's investment objectives, risk, and charges and expenses. This and other information can be found in the Fund's summary or full prospectus which can be obtained by calling (855) 457-3637 or by visiting [strategasetfs.com](http://strategasetfs.com). Please read the prospectus, carefully before investing.**

An investment in the fund involves risk, including possible loss of principal. In addition to the normal risks associated with investing, the Strategas Global Policy Opportunities ETF (SAGP) is subject to lobbying focused investment risk. The advisor's investment process utilizes lobbying intensity as the primary input when selecting investments for the Fund's portfolio and does not consider an investment's traditional financial metrics. The Fund may underperform other funds that select investments utilizing more traditional investment metrics. The Fund may also focus its investments in a particular country or geographic region outside the U.S. and may be more susceptible to economic, political, regulatory or other events or conditions affecting issuers and countries within that country or geographic regions well as risks of increased volatility and lower trading volume. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume.

Strategas Asset Management, LLC serves as the investment advisor of the Fund and Vident Investment Advisory, LLC serves as a sub advisor to the Fund. The Fund is distributed by SEI Investments Distribution Co. (SIDCO), which is not affiliated with Strategas Asset Management, LLC or any of its affiliates.

## Benchmark Descriptions

The MSCI All Country World Index (MSCI AC World Index) is a stock index designed to track broad global equity-market performance. Maintained by Morgan Stanley Capital International (MSCI), the index is composed of the stocks of about 3,000 companies from 23 developed countries and 26 emerging markets. It is not possible to invest directly in an index.