



# ORFN: Constrained Capital's ESG Orphans ETF

## Investment Strategy

The Constrained Capital ESG Orphans ETF (ORFN) seeks to track the performance of the ESG Orphans' Index, before fees and expenses. The Fund will invest all, or substantially all, of its assets in the components securities that make up the Index. The Index is comprised of US equity securities of publicly traded mid- and large-cap US-listed companies that are ESG Orphans (exclusions) that are defined by the Index.

## Constrained Capital ESG Orphans Index

The Index, which is based on a passive, rules-based methodology, represents the sectors systematically excluded from the ESG investment mandate and process. We believe these names are under significant capital constraints due to ESG investing. The only consistent thing we see in the ESG investing process is too many inconclusive factors combined with an inordinate number of ratings' agencies with starkly different criterion and methodologies. The only thing consistent in ESG investing is the names they exclude.

These six excluded sectors are:



**Fossil Fuel**



**Alcohol**



**Nuclear Energy**



**Tobacco**



**Weapons**



**Gambling**

From these groups, we composed the ESG Orphans' ETF derived from Constrained Capital's ESG Orphans Index.

## Key Features of ORFN

- \*Contrarian, reversion approach to markets.
- \*Portfolio balance, diversification, barbell strategy.
- \*Non-correlation to traditional market exposure.
- \*Inelastic goods (alcohol, tobacco) may help in inflation scenarios.
- \*Hedge potential risk of excessive ESG exposure.
- \*Capitalize on narrative shift as ESG incentives cloud actual performance benefits.

## Top 10 Holdings

COMPANY	TICKER	WEIGHTING
EXXON MOBIL CORP	XOM	8.02%
CHEVRON CORP	CVX	6.93%
PHILIP MORRIS INTERNATIONAL	PM	6.58%
RAYTHEON TECHNOLOGIES CORP	RTX	5.53%
NEXTERA ENERGY INC	NEE	4.81%
LOCKHEED MARTIN CORP	LMT	4.68%
DIAGEO ADR	DEO	4.19%
ALTRIA GROUP INC	MO	3.91%
ANHEUSER BUSCH INBEV ADR	BUD	3.89%
BRITISH AMERICAN TOBACCO ADR	BTI	3.81%

*Holdings/weightings are subject to change.*

## Fund Details

Inception ..... 5/18/22  
 Ticker..... ORFN  
 Primary Exch ..... NYSE  
 Cusip..... 886364538  
 NAV Symbol.....ORFN.NV  
 Expense Ratio .....0.75%

## Fund Data

Shares Outstanding...100,000  
 Number of Holdings .....50  
 Distribution ..... Quarterly

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus. A prospectus may be obtained by calling 800-794-1485 or visiting [constrainedcapital.orfn.com](http://constrainedcapital.orfn.com). Please read the prospectus carefully before you invest.

As of 08/31/2022

AS OF 6/30/2022

Fund Ticker	1 Month	3 Month	6 Month	YTD	Since Inception (Cumulative)	1 Year	3 Year	5 Year	Since Inception (Annualized)
ORFN NAV	-0.13%	-3.00%	-%	-%	-6.43%	-%	-%	-%	-%
ORFN MKT	-0.01%	-3.04%	-%	-%	-6.40%	-%	-%	-%	-%

The 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 sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance current to the most recent month-end can be obtained by calling (800) 794-1485. Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. Returns beyond 1 year are annualized. 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.

### Important Information

**Fund Risks:** An investment in the Fund is subject to risk including the possible loss of principal. The Fund is new with a limited operating history to evaluate.

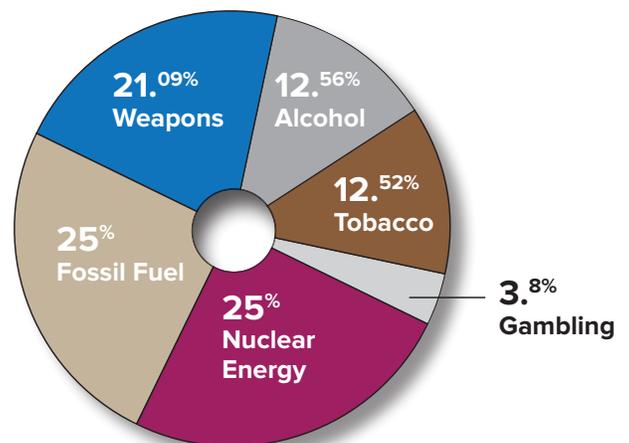
ETF shares may be bought and sold in the secondary market at market prices. The market price normally should approximate the Fund's net asset value per share (NAV), but the market price sometimes may be higher or lower than the NAV.

The Fund is non-diversified and may be concentrated in certain industries or sectors to the extent the Index is concentrated. In adverse events, the value of fund shares may rise and fall more than if invested in a broader range of industries. The Fund and the Index may differ from each other (known as tracking error) due to fund operating expenses and portfolio transaction costs not incurred by the Index. In addition, the Fund may not be fully invested in the securities of the Index at all times or may hold securities not included in the Index.

The Index is comprised of stocks whose primary business is in a sector or sub-sector (each, an "Orphaned Sector") that is commonly "orphaned", discarded, or excluded by Environmental, Social, and Governance ("ESG") criteria. Companies in these sectors such as, Alcohol, Tobacco, Fossil Fuel, Weapons, Nuclear Energy and Gambling are particularly vulnerable to potential obsolescence due to technological advances and global competition. A company's profitability may also be affected by pricing pressure, government regulation, environmental factors and unpredictable changes in consumer demand.

The fund is distributed by Foreside Fund Services.

### Portfolio allocation sector weightings in ORFN\*



\*Sector allocations are subject to change.

### About the Firm

Constrained Capital was created to capitalize on opportunities in the public markets where investment methodologies and theses have distorted prices of securities due to capital constraints. The bubble of ESG investing has put constraints on Fossil Fuels, Nuclear Energy, Weapons, Alcohol, Tobacco, and Gaming.

Constrained Capital approaches these opportunities from the fiduciary angle of maximizing economic returns with each unit of capital invested. Our research and investments seek to capitalize on risk-adjusted returns in higher expected return securities.