

CITY DIFFERENT INVESTMENTS +
CHANGE FINANCE

ESG CARBON NEUTRAL STRATEGY

1Q2024



**ANDREW
RODRIGUEZ**

Portfolio Manager

andrew@change-finance.com



**DORRIT
LOWSEN**

Co-CEO, Change Finance, PBC

dorrit@change-finance.com

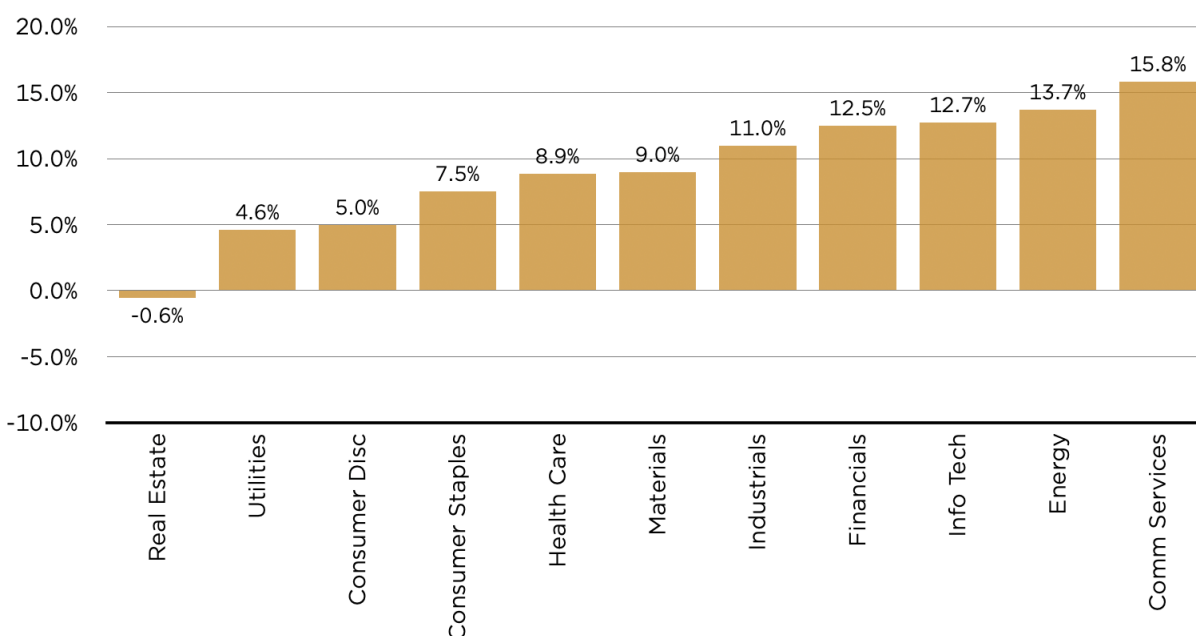


DEAR FELLOW INVESTORS,

The stock market surged in early 2024, with gains exceeding 10% in Q1. This strong performance defied expectations of higher interest rates. Technology stocks, particularly those in AI, led the rally, while value stocks also rose. The bond market, however, struggled as Fed rate cuts seemed less likely. This positive momentum followed a strong 2023 fueled by hopes of a dovish Fed. Large-cap growth stocks were 2023's champions, with some gains exceeding 40%. Overall, most asset classes saw double-digit returns, except commodities which fell nearly 8%. We remain cautiously optimistic for a strong market in 2024.

The City Different + Change Finance ESG Carbon Neutral Strategy in the first quarter of 2024, performance was nearly identical to that of the benchmark S&P 500 index, with City Different + Change Finance ESG Carbon Neutral Strategy gaining 10.46% and the benchmark gaining 10.56%. Consumer Discretionary and Consumer Staples continue to perform strongly, with Healthcare also having a strong quarter, offset by weaker performance in Communications Services and Financials.

Q1 Performance of US Sectors



*SOURCE: S&P Dow Jones Indices LLC and/or its affiliates. Data as of March 31, 2024. Past performance is no guarantee of future results. You may not invest directly in an index.

1Q 2024 RESULTS

PERFORMANCE, NET	1Q 2024	1-YEAR	ANNUALIZED SINCE INCEPTION
Carbon Neutral ESG	10.46%	28.64%	31.80%
S&P 500	10.56%	29.88%	31.14%

Source: Bloomberg, City Different Investments. Inception date of the strategy is October 1, 2022. Past performance is no guarantee of future results.



IMPACT AND ADVOCACY

Change Finance achieved impactful results in Q1 2024 through collaborative engagement with companies. At Marvell Technologies, working alongside The Center for Political Accountability, we negotiated a win for transparency, with Marvell agreeing to disclose political spending in accordance with the Center's model code.

With another long-standing partner, Rhia Ventures, we achieved another win with a major retailer which agreed to expand healthcare coverage for women, including offering doula benefits in the coming year as well as enhancing disclosure of existing benefits which include a full spectrum of reproductive healthcare.

We're also thrilled to announce a successful resolution with AMEX where we refiled last year's proposal related to data privacy in the context of increasing criminalization of reproductive healthcare. This year constructive dialogue led to a positive outcome. AMEX agreed to update its privacy policies, ensuring stronger data protection for its customers.

These victories exemplify the power of utilizing capital markets to drive positive change. By engaging companies in constructive dialogue, Change Finance demonstrates that investors can, and do, have a significant influence. We remain committed to leveraging shareholder engagement to build a more just and sustainable world.

SUSTAINABILITY AND ESG

The recent SEC ruling in March 2024 mandating climate-related disclosures for public companies represents a significant milestone in achieving transparency within capital markets. For over two decades, Ceres and others have championed this cause, recognizing the crucial role clear and consistent information plays in mitigating climate risk and seizing opportunities presented by the transition to a sustainable economy.

We believe and hope this rule will empower investors with better tools to make informed investment decisions. Companies will be required to disclose material climate risks, mitigation strategies, and oversight practices within their boardrooms. This fosters a data-driven approach that allows investors to accurately assess a company's carbon footprint and its preparedness for a changing climate.

However, the path to a truly sustainable financial system continues. Absent from the ruling is a mandate for Scope 3 greenhouse gas (GHG) emissions disclosure. Scope 3 emissions encompass all indirect emissions from a company's supply chain, often representing the largest portion of its overall footprint. While the rule encourages voluntary disclosure of these emissions, a lack of mandatory reporting creates an information gap that will continue to leave investors with incomplete information.

We continue to support Ceres's on-going commitment to advocating for both voluntary and mandatory Scope 3 disclosure. By working together, we can ensure investors have a comprehensive picture of a company's climate impact, ultimately accelerating the transition towards a sustainable future.



LOOKING FORWARD

We believe 2024 is shaping up to be a banner year for ESG investing. The winds of change are blowing in its favor from multiple directions. The implementation of the SEC's climate disclosure rule will provide investors with a clearer picture of companies' environmental performance, fostering more informed investment decisions. Major asset managers are recognizing the growing demand for sustainable investing options, leading to a wider range of ESG-focused products becoming readily available to all investors. The narrative around ESG investing is also shifting. Studies are increasingly demonstrating that companies prioritizing ESG factors can deliver competitive returns, putting to rest the idea that sustainability comes at the cost of financial performance. Finally, as climate change concerns escalate, investors are placing a premium on companies that demonstrate environmental leadership and resilience in the face of climate risks. With these converging forces, 2024 is poised to witness significant growth and innovation in ESG investing, solidifying its position as a core investment strategy for the future.

PARTING WORDS

ESG isn't just our mission, it's our advantage. We're building on our success in 2024, driven by strong returns and positive impact. By staying true to our values, we'll make even greater strides this year.

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Portfolio Manager
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andrew@change-finance.com

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Change Finance, PBC

dorrit@change-finance.com



CITY DIFFERENT INVESTMENTS + CHANGE FINANCE
INVESTING IN SERVICE TO LIFE

PHONE: [+1 505 416 4550](tel:+15054164550)

EMAIL: INFO@CITYDIFFERENTINVESTMENTS.COM

WEBSITE: CITYDIFFERENTINVESTMENTS.COM



IMPORTANT DISCLOSURES

The City Different + Change Finance Carbon Neutral ESG Composite includes all discretionary portfolios that are managed to City Different Investments' Change Finance Carbon Neutral ESG strategy (the "Strategy"). The objective of the Strategy is to invest in a diversified, equal-weighted portfolio of 100 mid and large cap US companies, seeking to maximize performance while promoting a more just and sustainable world. The Strategy seeks to achieve this through a rigorous, proprietary ESG process, active shareholder engagement, and a first-of-its-kind approach to carbon neutrality through grassland restoration. Inception date of the Strategy is October 1, 2022.

The basis for the Strategy is the AXS Change Finance ESG ETF (ticker CHGX), which serves as the model for holdings. At any given time, holdings and weightings in the portfolio will vary from those of CHGX. Statements made in this letter are specific to efforts and opinions of Change Finance and the ESG Carbon Neutral strategy and are not intended to imply that City Different Investments applies the same views and approach to all the firm's investment strategies. More information available at axsinvestments.com/axs-change-finance-esg-etf/.

Environmental, Social, and Governance (ESG): Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how the company manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. ESG Investing Risk: The Strategy's ESG policy could cause it to make or avoid investments that could result in the portfolio underperforming similar strategies that do not have such policies.

An investment in the Strategy is subject to certain risks. ESG investing can be highly personal and reflective of an individual investor's beliefs on sustainability. As a result, the securities deemed eligible may not reflect the beliefs and values of any particular investor and may not exhibit positive or favorable ESG characteristics. The evaluation of companies for ESG screening is dependent on the reporting of ESG data by the companies. Successful application of the screens will depend on the data provider and analysis of ESG data. The value of an investment, and income generated (if any) may fall as well as rise and is not guaranteed. Equities may decline in value due to both real and perceived general market, economic and industry conditions. The Strategy could be more volatile than the performance of more diversified portfolios. Change Finance has functioned as the sub-advisor for the Strategy since composite inception and is responsible for the Strategy's methodology, security selection, commentary, carbon neutral certification, proxy voting and shareholder advocacy efforts. City Different Investments offers clients separately managed accounts with the Strategy's holdings that can be tailored, initiates all trades and provides performance reporting amongst other administrative duties.

Carbon Neutral Certification: Ethos performs an independent analysis of the Strategy's carbon footprint and carbon credits (offsets) to verify whether the Strategy is carbon neutral during a specified period. The carbon footprint consists of verified Scope 1 and Scope 2 emissions of every holding of the Strategy. Ethos defines the carbon footprint of a strategy as the total tons of Scope 1 and Scope 2 CO₂ emissions of its holdings multiplied by the strategy's percentage ownership of those holdings. Percentage ownership is based on the market value of the strategy's shares divided by the total market value of the holdings. While Ethos researches and models Scope 3 emissions for every holding, the company does not consider Scope 3 for fund-level certification. This is due to limitations with Scope 3 data, including: lack of standardized reporting methodology by companies; low coverage of companies reporting Scope 3 emissions; and, likely overlap of Scope 3 emissions across company value chains. As part of the Carbon Neutral Certification, Ethos requires funds to submit proof of purchase of carbon credits from a list of approved providers of carbon credits. When information is not available the following modeling formula used is: Expected emissions = peer-average carbon intensity (CO₂ per \$M revenue) * \$M revenue. EthosESG audits this estimation and will address discrepancies should they arise. Emissions data is limited by the voluntary disclosure by individual companies and is not independently audited. Change Finance and EthosESG make every effort to ensure data is accurate but cannot guarantee absolute carbon neutrality.

Carbon Sequestration: Change Finance utilizes Grassroots Carbon to purchase Carbon Sequestration Credits for its Carbon Neutral Certification. Carbon sequestration numbers are updated quarterly and reflect carbon offset credits purchased year to date. Verity analyzes the Strategy's carbon footprint quarterly and that analysis is used to purchase credits. Grassroots Carbon certifies and audits carbon capture by taking measurements performed by an unaffiliated third party based on actual 3 feet deep measurements conducted after rigorous stratification in accordance with Verra VMD0021. More information available from buildgrassroots.com

Returns presented are reduced by all transaction costs and management fees. Certain accounts are charged management fees in arrears and those fees are reflected when fees are paid. Actual fees may vary depending upon, among other things, the applicable fee schedule and portfolio size. Performance of any particular client account may differ from the strategy presented depending on size of the account, timing of funding of the account, contributions or withdrawals to the account, and custodian chosen. Client portfolios are managed with individual tax considerations in mind.

The S&P 500 is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization. The underlying exposures, and specifically the securities in the selected benchmark index or indices, may vary substantially from that of the strategy presented.

The securities discussed in this presentation may not be suitable for all investors. Past performance is not an indication of future performance and is no guarantee that losses will not occur in the future. The value of an investment, and income generated (if any) may fall as well as rise and is not guaranteed. Investors may not get back the full amount invested and may lose the entire amount invested. Diversification does not assure a profit or protect against loss. Data herein is reflected in USD unless specified otherwise.

The views expressed herein are solely the opinions of Change Finance and City Different Investments (the "Managers"). Although the statements of fact and data in this report have been obtained from, and are based upon, sources that we believe to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. The Managers have not independently verified third-party sourced information and data. This communication is intended for informational purposes only and does not constitute a solicitation to invest money nor a recommendation to buy or sell certain securities and should not be relied upon for, accounting, legal, or tax advice.

Opinions and statements of financial market trends that are based on market conditions constitute our judgment and are subject to change without notice. Historic market trends are not reliable indicators of actual future market behavior. This material may contain projections or other forward-looking statements regarding future events, targets or expectations, and is only current as of the date indicated. There is no assurance that such events or targets will be achieved and may be significantly different than that shown here. The information presented, including statements concerning financial market trends, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Although the assumptions underlying the forward-looking statements that may be contained herein are believed to be reasonable, they can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. The Managers assume no duty to update any analysis contained herein.

JURISDICTIONAL LIMITATIONS

City Different Investments may only transact business or provide investment advice in those states and jurisdictions where it is authorized to do so. The information contained herein does not represent personal or customized investment advice. City Different will only render investment advice under the terms of a legal agreement between parties.

A principal and officer of City Different Investments holds a non-controlling minority interest in the sub-advisor that City Different appoints for the Carbon Neutral ESG strategy. Further, advisory fees are shared between City Different and the sub-advisor. When a client is shown and agrees to employ this strategy, this specific conflict of interest is disclosed to the client.

A copy of City Different's current written disclosure statement discussing our advisory services and fees is available upon request. Disclosures may also be found on our website at citydifferentinvestments.com/terms-privacy/.