

ALPS Clean Energy ETF

Monthly Insights | January 2021

Key Takeaways

- The ALPS Clean Energy ETF (ACES) gained 14.90% in January 2021 as clean energy continued its momentum in to the New Year as more stimulus details emerge.
- Fuel Cell was the best performing segment, with both underlying names gaining over 45% this month.
- SunPower Corp. (SPWR; 3.54% weight*), a Solar name, was the top performer in ACES, +110.65% with the new administration sparking high hopes for residential solar growth.

Performance

- The ALPS Clean Energy ETF (ACES) gained 14.90% in January 2021, trailing the WilderHill Clean Energy Index (ECO) due in part to ECO's allocation to solar companies in Asia (ACES invests in only U.S. & Canadian based companies). ACES, however, did outpace the S&P 1000 Index (SPK) by 11.97%.
- President Biden took office in January and immediately enacted a host of executive actions targeting climate change issues, including re-joining the Paris Climate Agreement and revoking the permit for the Keystone XL pipeline and pausing permits on drilling on federal lands. The US special envoy on climate, John Kerry, signaled intentions to announce a greenhouse gases (GHG) reduction by 2030 ahead of a Biden-hosted climate summit in April, and the administration has signaled a plan to target net zero GHG emissions by 2050. Further, climate and environmental justice will become a key pillar of policy going forward.

	Jan-21	Year to Date	1 Year
ACES (NAV)	14.90%	14.90%	155.88%
NACEXT-CIBC Atlas Clean Energy Index	14.94%	14.94%	156.93%
ECO-WilderHill Clean Energy Index	15.73%	15.73%	234.19%

As of 1/31/2021

Performance data quoted represent past performance. Past performance is no guarantee of future results so that shares, when redeemed may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For the most current month-end performance data please call 844.234.5852. Performance includes reinvested distributions and capital gains. For standard performance, please see page 3

Strategy

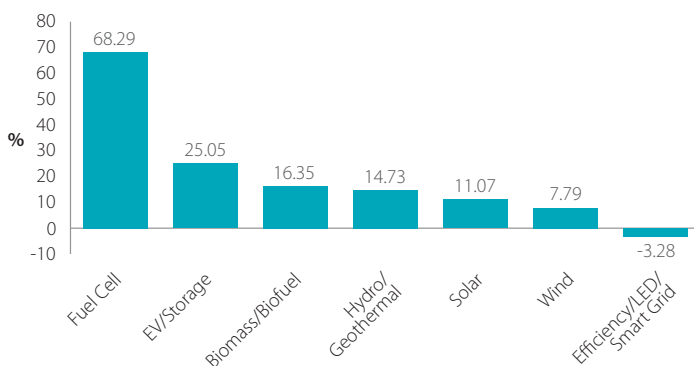
- 7 thematic segments across 2 categories (Renewables and Clean Technology)
- Pure Play: Constituent companies derive a majority of their value from clean energy businesses
- U.S. and Canadian based companies for increased business transparency and reduced volatility
- Incorporates sustainability guidelines into the portfolio management process to meet ESG standards.**



Attribution

- Fuel Cell was ACES best performing segment for the third straight month, gaining 68.29%, while Efficiency/LED/Smart Grid was the only segment in the red, -1.28%.
- Fuel Cell names Plug Power Inc. (PLUG; 9.59% weight*) and Ballard Power Systems Inc. (BLDP; 6.08% weight*) continued their momentum from 2020 into the New Year. Positive sentiment around fuel cells with the new democratic leadership led the space higher. PLUG also received a \$1.5 billion investment from SK Group, a South Korean conglomerate that aims to increase hydrogen energy use in Asia.
- Residential Solar name, SunPower Inc. (SPWR; 3.54% weight*), led all names this month, +110.65%. On top of favorable policy, the company received analyst price target upgrades and expanded residential solar installations across six states, including California and Florida.

ACES Thematic Segment Performance - January 2021



Source: Bloomberg, as of 1/31/21.

Past performance does not guarantee future results

* Weight in ACES as of 1/31/2021

** ESG: Investments that consider environment, social, and governance impact.

ALPS Clean Energy ETF

Valuation

- ACES's underlying index, the CIBC Atlas Clean Energy Index, has a price-to-earnings ratio (P/E ratio) of 50.05x and a price-to-cashflow ratio of 15.12x.
- ACES ~29% weight to utilities is within more expensive Yieldco's, which garner higher P/E's but lower P/CF (Price to Cash flow) metrics.

ACES Top/Bottom Performers January 2021

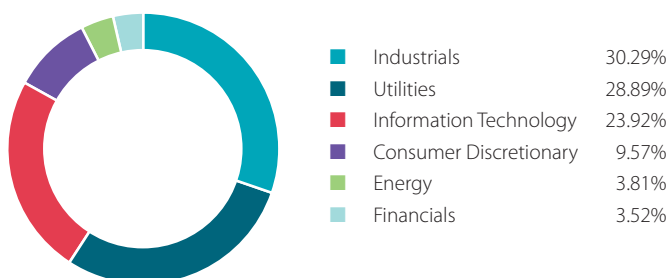
Leaders	Performance	Sub Segment
SUNPOWER CORP (SPWR US)	110.65%	Solar
PLUG POWER INC (PLUG US)	86.29%	Fuel Cell
WORKHORSE GROUP INC (WKHS US)	73.51%	EV/Storage

Laggards	Performance	Theme
BEAM GLOBAL (BEEM US)	-23.04%	EV/Storage
ITRON INC (ITRI US)	-10.30%	Efficiency/LED/ Smart Grid
CLEANSARK INC (CLSK US)	-9.16%	Efficiency/LED/ Smart Grid

ALPS as of 1/31/2021.

Past performance is not indicative of future results.

Sector Allocations



Price Multiples

	NACEXT Index	ECO index	CELS index
Price/Earnings Ratio	50.05x	33.93x	51.32x
Price/Cash Flow Ratio	15.12x	16.68x	23.82x
Price/Sales Ratio	5.02x	2.52x	5.68x
Average Market Capitalization (in Mil, \$)	\$47,570	\$24,175	\$82,654

Source: Bloomberg, as of 1/31/2021

January 2021 Company Snapshot

Company: **Workhorse Group Inc.**
(WKHS; 3.03% weight*)

 Segment:
EV/Storage

- Workhorse, based in Ohio, designs and manufactures electric vehicles (EVs), including Trucks and Vans.
- Workhorse, which gained over 550% in 2020, started 2021 by announcing a 6,320 vehicle order from Pride Group Enterprises for its C-Series all-electric delivery vehicles. "Our new agreement with Pride marks our largest individual order to-date and expands our sales channel internationally into Canada for the first time"- Workhorse CEO¹.
- The company also benefitted from President Biden announcing he will replace the fleet of government vehicles with electric vehicles made in America, and contending for a USPS contract to replace their aging fleet of delivery vehicles, of which Workhorse is the only electric manufacturer of the three remaining candidates.
- WKHS gained 73.51% in January 2021.

* As of 1/31/2021 in ACES

¹ <https://ir.workhorse.com/news-events/press-releases/detail/162/workhorse-receives-purchase-order-from-pride-group>

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ACES Performance as of 1/31/2021

Total Returns	Cumulative as of 1/31/2021				Annualized as of 12/31/2020	
	1 Mo.	3 Mo.	YTD	S.I.	1 Yr.	S.I. ¹
ALPS Clean Energy ETF (Net Asset Value)	14.90%	66.55%	14.90%	281.12%	139.96%	61.25%
ALPS Clean Energy ETF (Market Price)	14.61%	66.20%	14.61%	280.79%	139.56%	61.36%
CIBC Atlas Clean Energy Index (Benchmark)	14.94%	66.81%	14.94%	287.85%	140.98%	62.36%
S&P 1000 Total Return Index	2.93%	27.15%	2.93%	23.97%	12.98%	7.69%

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. You can obtain performance data current to the most recent month end by calling (866)759-5679 or www.alpsfunds.com. The investment return and principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost.

Gross Expense Ratio: **0.65%**

¹ Fund inception date of 6/28/2018

² Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

Top 10 Holdings (%)^

PLUG POWER INC	9.59%
BALLARD POWER SYSTEMS INC	6.08%
ENPHASE ENERGY INC	5.27%
TESLA INC	5.00%
NEXTERA ENERGY PARTNERS LP	4.81%
SUNRUN INC	4.53%
BROOKFIELD RENEWABLE PARTNER	4.35%
FIRST SOLAR INC	4.19%
ORMAT TECHNOLOGIES INC	4.15%
CREE INC	4.08%

^ Source: Bloomberg, as of 1/31/21.

Holdings subject to change.

Daily holdings are available on the Alpsfunds.com website.

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Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus which contain this and other information call 866.759.5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

ALPS Clean Energy ETF Shares are not individually redeemable. Investors buy and sell shares of the ALPS Disruptive Technologies ETF on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 50,000 shares.

There are risks involved with investing in ETFs including the loss of money. Additional information regarding the risks of this investment is available in the prospectus.

An investment in the Fund is subject to investment risk including the possible loss of the entire principal amount that you invest.

Clean Energy Sector Risk. Obsolescence of existing technology, short product cycles, falling prices and profits, competition from new market entrants and general economic conditions can significantly affect companies in the clean energy sector. In addition, intense competition and legislation resulting in more strict government regulations and enforcement policies and specific expenditures for cleanup efforts can significantly affect this sector. Risks associated with hazardous materials, fluctuations in energy prices and supply and demand of alternative energy fuels, energy conservation, the success of exploration projects and tax and other government regulations can significantly affect companies in the clean energy sector. Also, supply and demand for specific products or services, the supply and demand for oil and gas, the price of oil and gas, production spending, government regulation, world events and economic conditions may affect this sector. Currently, certain valuation methods used to value companies involved in the clean energy sector, particularly those companies that have not yet traded publicly, have not been in widespread use for a significant period of time. As a result, the use of these valuation methods may serve to increase further the volatility of certain clean energy company share prices.

Concentration Risk. The fund seeks to track the underlying index, which itself may have concentration in certain regions, economies, countries, markets, industries or sectors. Underperformance or increased risk in such concentrated areas may result in underperformance or increased risk in the fund.

Canadian Investment Risk. The fund may be subject to risks relating to its investment in Canadian securities. The Canadian economy may be significantly affected by the U.S. economy, given that the United States is Canada's largest trading partner and foreign investor. Any negative changes in commodity markets could have a great impact on the Canadian economy. Because the fund will invest in securities denominated in foreign currencies and the income received by the fund will generally be in foreign currency, changes in currency exchange rates may negatively impact the fund's return.

Micro-Capitalization Company Risk. Micro-cap stocks involve substantially greater risks of loss and price fluctuations because their earnings and revenues tend to be less predictable (and some companies may be experiencing significant losses), and their share prices tend to be more volatile. The shares of micro-cap companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the future ability to sell these securities.

Small- and Mid-Capitalization Company Risk. Smaller and mid-size companies often have narrower markets, less liquidity, more limited managerial and financial resources and a less diversified product offering than larger, more established companies. As a result, their performance can be more volatile, which may increase the volatility of the Fund's portfolio.

Large Capitalization Company Risk. The large capitalization companies in which the Fund invests may underperform other segments of the equity market or the

equity market as a whole. **NACEX Index** – The CIBC Atlas Clean Energy Index is an adjusted market cap weighted index designed to provide exposure to a diverse set of U.S. or Canadian based companies involved in the clean energy sector including renewables and clean technology.

One cannot invest directly in an index.

The fund is new and has limited operating history.

There is no assurance that the market developments and sector growth discussed in this Insight will come to pass.

The Fund's investments in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers, including, among others, less liquidity generally, greater market volatility than U.S. securities and less complete financial information than for U.S. issuers. In addition, adverse political, economic or social developments could undermine the value of the Fund's investments or prevent the Fund from realizing the full value of its investments. Finally, the value of the currency of the country in which the Fund has invested could decline relative to the value of the U.S. dollar, which may affect the value of the investment to U.S. investors.

Price/Earnings Ratio - A valuation ratio of a company's current share price compared to its per-share earnings.

Price/Book Ratio - The weighted average of the price/book ratios of all the stocks in a portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value.

Price/Cash Flow Ratio - This represents the weighted average of the price/cash-flow ratios of the stocks in a portfolio. Price/cash-flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Price/Sales Ratio - This represents the weighted average of the price/sales ratios of the stocks in a portfolio. Price/sales represent the amount an investor is willing to pay for a dollar generated from a particular company's operations.

The NASDAQ Clean Edge U.S. Liquid Series Indexes are modified market capitalization weighted indexes designed to track the performance of clean-energy companies that are publicly traded in the U.S.

The WilderHill Clean Energy Index is a modified equal dollar weighted index comprised of publicly traded companies whose business's stand to benefit substantially from societal transition toward the use of cleaner energy and conservation. The index benchmark value is 100.00 at the close of trading on December 30, 2002. * Disseminated by AMEX *

The S&P Global Clean Energy Index provides liquid and tradable exposure to 30 companies from around the world that are involved in clean energy related businesses. The index is comprised of a diversified mix of Clean Energy Production and Clean Energy Technology and Equipment Providers companies.

The Fund employs a "passive management" - or indexing - investment approach and seeks to track the investment results of an index composed of global companies that enter traditional markets with new digital forms of production and distribution, and are likely to disrupt an existing market or value network. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell a security because the security's issuer was in financial trouble unless that security is removed from the CIBC Atlas Clean Energy Index. Similarly, the Fund does not buy a security because the security is deemed attractive unless that security is added to CIBC Atlas Clean Energy Index.

The inclusion or exclusion of a company in the CIBC Atlas Clean Energy Index is not a recommendation to buy or to sell securities, and not an offer to buy or sell securities.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the ALPS Clean Energy ETF

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