Q1 2023 COMMENTARY

CROMWELL FORESIGHT GLOBAL SUSTAINABLE INFRASTRUCTURE FUND

Since its inception on January 31, 2023, the Fund has been fully invested in companies that own and operate physical infrastructure. In the commentary below, the Portfolio Managers review their investment focus, the case for sustainability, and the effect of tightening lending conditions on infrastructure companies.

Would you please summarize what the Fund invests in?

The Cromwell Foresight Global Sustainable Infrastructure Fund invests in public companies across the globe that are domiciled in developed countries that own and operate physical infrastructure, renewable energy or digital infrastructure assets. Importantly, each company must fit our sustainability criteria to align with the principles of the UN Global Compact and deliver a net social or environmental benefit in one or more of the following ways:

» **Low carbon transition.** The world is moving toward a low carbon environment, which is a fundamental transformation in the way societies and economies operate as it relates to technology, infrastructure, and policy.

» **Decarbonization.** Many developed countries around the world have a goal of reaching net-zero emissions by 2050.

» **Positive social impact.** We seek companies that provide outcomes for individuals and communities with a specific focus on high-quality healthcare and education services.

We believe these companies are positioned to succeed over time in a decarbonizing global economy.

The Fund focuses on three areas of sustainable infrastructure. What is the investment case for each real asset segment?

The Fund's portfolio invests in three primary infrastructure areas: renewables, core and social, and digital. The case for investing in these areas is as follows:

Renewable energy - According to the International Energy Agency, electricity demand could double and potentially triple by 2050. In addition, many governments around the world have ambitious carbon reduction targets with the U.K, the U.S., the European Union, Australia and Canada committing to achieve net-zero emissions by 2050. To reach these targets, the global investment in clean energy generation including wind, solar, hydro, and batteries is projected to total approximately $35 trillion by 2050.

Core and social infrastructure – By 2040, over $4 trillion needs to be invested in core and social infrastructure for a growing population and upgrades, according to the World Bank. To complete these public infrastructure projects, a considerable amount of this investment needs to

CROMWELL FUNDS

CLASS	INCEPTION	TICKER
Institutional	1/31/23	CFGIX

Fund Facts

Specialty: **Global Sustainable Infrastructure**

Benchmark: **S&P Global Infrastructure Index**

Sub-Advisor

Foresight
FOR A SMARTER FUTURE

Founded in 1984, Foresight Group is a leading listed infrastructure and private equity manager investing in innovation that drives progress. Foresight has a long-established focus on ESG and sustainability-led strategies, managing over 330 infrastructure assets across seven countries.

PORTFOLIO MANAGERS

Nick Scullion
Partner, Lead Portfolio Manager

Mark Brennan
Partner, Co-Manager

Eric Bright, CFA
Senior Investment Manager, Co-Manager

be funded by private capital. Many of these partnerships between private companies and governments have long-term contracted revenues.

Digital infrastructure – With 5G mobile subscriptions forecast to reach 5 billion people by 2028, there is a growing need for denser infrastructure to support the growing use of a 5G network. In addition, mobile data traffic is expected to grow exponentially.

As of the end of the first quarter of 2023, the Fund was invested approximately in 40% renewable companies, 40% core and social infrastructure, and 20% in digital infrastructure.

How could tightening lending conditions affect your investment candidates?

Following the banking crisis that unfolded in the first quarter of 2023, lending standards are expected to tighten. In anticipation of these tighter credit conditions, we have heightened our focus on companies with management teams who have deep experience in finding resourceful ways to access the capital markets, if needed. We particularly like those companies that have solid banking relationships and various access to credit.

In addition, companies with infrastructure assets have other financial and operating solutions available to them. They can divest lower yielding assets and reinvest the proceeds in higher yielding assets or they can engage in joint partnerships with large, institutional investors.

About Cromwell Funds

Headquartered in Baltimore, MD, the Cromwell Funds provide Financial Advisors with high-quality, differentiated and actively managed strategies in a mutual fund format. The Funds are sub-advised by asset managers who have built a national reputation managing their investment strategies.

Cromwell Funds' Sub-Advisors:

- CenterSquare Investment Management
- Foresight Group
- Marketfield Asset Management
- Tran Capital Management

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Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 855.625.7333 or visit thecromwellfunds.com for a prospectus. Read it carefully before investing or sending money.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. Environmental, Social and Governance (ESG) and Sustainable investing may take into consideration factors beyond traditional financial information to select securities, which could result in relative investment performance deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. Further, ESG and Sustainable investing strategies may rely on certain values-based criteria to eliminate exposures found in similar strategies or broad market benchmarks, which could also result in relative investment performance deviating. There is no assurance that employing ESG and Sustainable strategies will result in more favorable investment performance. The Sub-Adviser utilizes its own company research, additional external research and the portfolio manager's judgment to determine if a company is contributing positively to sustainable development. Infrastructure companies may be subject to a variety of factors that may adversely affect their business, including high interest costs, high leverage, regulation costs, economic slowdown, surplus capacity, increased competition, lack of fuel availability and energy conversation policies. The Fund is non-diversified and therefore a greater percentage of holdings may be focused in a small number of issuers or a single issuer, which can place the Fund at greater risk. The Fund is new with no operating history. Investing in Master Limited Partnerships (MLPs) involves certain risks related to investing in the underlying assets of the MLPs and risks associated with pooled investment vehicles. Investing in ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of the shares may trade at a discount to its net asset value (NAV), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a Fund's ability to sell its shares.

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