



US VEGAN CLIMATE ETF

July 31, 2024

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US VEGAN CLIMATE ETF
SCHEDULE OF INVESTMENTS
July 31, 2024

	<u>Shares</u>	<u>Value</u>		<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 99.7%					
Communications - 13.6%					
Airbnb, Inc. - Class A ^(a)	2,023	\$ 282,330	Watsco, Inc.	156	\$ 76,360
Alphabet, Inc. - Class A	12,207	2,093,989	W.W. Grainger, Inc.	184	179,733
Alphabet, Inc. - Class C	12,093	2,093,903			<u>6,907,836</u>
Arista Networks, Inc. ^(a)	1,113	385,710	Consumer, Non-cyclical - 9.3%		
AT&T, Inc.	33,234	639,754	Automatic Data Processing, Inc.	1,909	501,342
Booking Holdings, Inc.	156	579,542	Avis Budget Group, Inc.	137	13,838
CDW Corporation	622	135,664	Beyond Meat, Inc. ^(a)	2,801	17,590
Charter Communications, Inc. - Class A ^(a)	443	168,216	Block, Inc. ^(a)	2,566	158,784
Cisco Systems, Inc.	41,987	2,034,270	Celsius Holdings, Inc. ^(a)	701	32,828
Comcast Corporation - Class A	18,243	752,889	Centene Corporation ^(a)	2,480	190,762
DoorDash, Inc. - Class A ^(a)	1,449	160,433	Cigna Group	1,310	456,758
eBay, Inc.	2,403	133,631	Elevance Health, Inc.	1,078	573,528
Expedia Group, Inc. ^(a)	605	77,240	elf Beauty, Inc. ^(a)	251	43,318
FactSet Research Systems, Inc.	176	72,704	Equifax, Inc.	572	159,800
Gen Digital, Inc.	2,862	74,383	Ginkgo Bioworks Holdings, Inc. ^(a)	56,269	21,382
GoDaddy, Inc. - Class A ^(a)	623	90,615	Global Payments, Inc.	1,191	121,053
Interpublic Group of Companies, Inc.	1,755	56,458	H&R Block, Inc.	640	37,082
Okta, Inc. ^(a)	741	69,610	HCA Healthcare, Inc.	899	326,382
Omnicom Group, Inc.	912	89,412	Hertz Global Holdings, Inc. ^(a)	6,341	25,871
Palo Alto Networks, Inc. ^(a)	1,486	482,549	Humana, Inc.	559	202,140
Pinterest, Inc. - Class A ^(a)	2,756	88,054	Ingredion, Inc.	303	37,684
Robinhood Markets, Inc. - Class A ^(a)	2,307	47,455	IQVIA Holdings, Inc. ^(a)	825	203,140
T-Mobile US, Inc.	2,399	437,290	McKesson Corporation	610	376,382
Trade Desk, Inc. - Class A ^(a)	2,050	184,254	Molina Healthcare, Inc. ^(a)	269	91,802
Uber Technologies, Inc. ^(a)	9,317	600,667	Moody's Corporation	732	334,143
VeriSign, Inc. ^(a)	404	75,552	Natera, Inc. ^(a)	509	52,117
Verizon Communications, Inc.	43,829	1,775,951	Omnicell, Inc. ^(a)	1,015	29,648
		<u>13,682,525</u>	PayPal Holdings, Inc. ^(a)	4,887	321,467
			Robert Half, Inc.	477	30,619
			S&P Global, Inc.	1,487	720,794
			TransUnion	902	81,415
			United Rentals, Inc.	311	235,458
			UnitedHealth Group, Inc.	6,476	3,731,212
			Verisk Analytics, Inc.	663	173,540
			Waters Corporation ^(a)	274	92,141
					<u>9,394,020</u>
Consumer, Cyclical - 6.8%					
AutoNation, Inc. ^(a)	123	23,459	Energy - 0.2%		
CarMax, Inc. ^(a)	729	61,557	Enphase Energy, Inc. ^(a)	610	70,217
Copart, Inc. ^(a)	3,967	207,593	First Solar, Inc. ^(a)	470	101,515
Cummins, Inc.	658	192,004	Plug Power, Inc. ^(a)	3,735	9,225
D.R. Horton, Inc.	1,386	249,383	Sunrun, Inc. ^(a)	1,818	31,870
Fastenal Company	2,656	187,912			<u>212,827</u>
Genuine Parts Company	634	93,268	Financial - 18.1%		
Lennar Corporation - Class A	1,119	197,985	Aflac, Inc.	2,407	229,580
Lithia Motors, Inc.	125	34,541	Allstate Corporation	1,219	208,595
Live Nation Entertainment, Inc. ^(a)	681	65,505	American Express Company	2,670	675,617
LKQ Corporation	1,176	48,804	American International Group, Inc.	3,128	247,831
National Vision Holdings, Inc. ^(a)	1,564	22,615	American Tower Corporation	2,168	477,827
NVR, Inc. ^(a)	14	120,505	Ameriprise Financial, Inc.	464	199,552
O'Reilly Automotive, Inc. ^(a)	274	308,617	Aon plc - Class A	911	299,273
PACCAR, Inc.	2,403	237,080	Arch Capital Group, Ltd. ^(a)	1,671	160,048
Planet Fitness, Inc. - Class A ^(a)	403	29,701	Arthur J. Gallagher & Company	997	282,640
Pool Corporation	177	66,205			
PulteGroup, Inc.	979	129,228			
Rivian Automotive, Inc. - Class A ^(a)	3,174	52,085			
Tesla, Inc. ^(a)	18,631	4,323,696			

The accompanying notes are an integral part of these financial statements.

US VEGAN CLIMATE ETF
SCHEDULE OF INVESTMENTS
July 31, 2024 (Continued)

	Shares	Value		Shares	Value
COMMON STOCKS - (Continued)					
Financial - (Continued)					
AvalonBay Communities, Inc.	658	\$ 134,837	Visa, Inc. - Class A	11,767	\$ 3,126,139
Bank of New York Mellon Corporation	3,506	228,135	Welltower, Inc.	2,643	294,034
Brown & Brown, Inc.	1,113	110,666	Willis Towers Watson plc	475	134,083
Capital One Financial Corporation	1,754	265,556	W.P. Carey, Inc.	1,011	58,446
Cboe Global Markets, Inc.	487	89,369	W.R. Berkley Corporation	1,405	77,458
CBRE Group, Inc. - Class A ^(a)	1,414	159,372			<u>18,322,208</u>
Chubb, Ltd.	1,878	517,689	Industrial - 5.2%		
Cincinnati Financial Corporation	715	93,393	Advanced Drainage Systems, Inc.	309	54,705
Citizens Financial Group, Inc.	2,122	90,546	Builders FirstSource, Inc. ^(a)	554	92,723
CME Group, Inc.	1,667	322,915	Carrier Global Corporation	3,889	264,880
CoStar Group, Inc. ^(a)	1,882	146,834	Crown Holdings, Inc.	556	49,317
Crown Castle, Inc.	2,010	221,261	Deere & Company	1,182	439,680
Discover Financial Services.	1,160	167,028	Dover Corporation	635	117,005
Equinix, Inc.	438	346,125	Eaton Corporation plc	1,848	563,252
Equity Residential	1,590	110,712	EMCOR Group, Inc.	216	81,095
Essex Property Trust, Inc.	296	82,395	Energizer Holdings, Inc.	811	24,971
Everest Group, Ltd.	153	60,109	Expeditors International of Washington, Inc.	664	82,880
Extra Space Storage, Inc.	972	155,151	FedEx Corporation	1,050	317,362
Fifth Third Bancorp.	3,168	134,133	Graco, Inc.	774	65,829
First Horizon Corporation	2,561	42,846	Graphic Packaging Holding Company	1,413	42,531
Hartford Financial Services Group, Inc.	1,376	152,626	Hubbell, Inc.	249	98,517
Huntington Bancshares, Inc.	6,736	100,703	IDEX Corporation.	351	73,176
Intercontinental Exchange, Inc.	2,632	398,906	Jabil, Inc.	544	61,292
Invitation Homes, Inc.	2,658	93,748	Johnson Controls International plc	3,146	225,065
Iron Mountain, Inc.	1,351	138,559	Keysight Technologies, Inc. ^(a)	808	112,773
KeyCorp.	4,327	69,794	Lennox International, Inc.	146	85,191
Kimco Realty Corporation	3,055	66,385	Mettler-Toledo International, Inc. ^(a)	97	147,540
LPL Financial Holdings, Inc.	344	76,203	Otis Worldwide Corporation	1,883	177,943
M&T Bank Corporation	770	132,571	Owens Corning	401	74,738
Markel Group, Inc. ^(a)	59	96,692	Parker-Hannifin Corporation	594	333,329
Marsh & McLennan Companies, Inc.	2,280	507,460	Rockwell Automation, Inc.	531	147,963
Mastercard, Inc. - Class A	6,581	3,051,675	Saia, Inc. ^(a)	123	51,396
MetLife, Inc.	2,812	216,102	Silgan Holdings, Inc.	371	19,081
Mid-America Apartment Communities, Inc.	538	75,196	Simpson Manufacturing Company, Inc.	196	37,650
Nasdaq, Inc.	1,583	107,137	Snap-on, Inc.	241	69,174
Progressive Corporation	2,714	581,122	Stanley Black & Decker, Inc.	707	74,673
Prologis, Inc.	4,289	540,628	Toro Company	483	46,238
Prudential Financial, Inc.	1,666	208,783	Trane Technologies plc.	1,052	351,663
Public Storage	733	216,909	Trex Company, Inc. ^(a)	502	41,982
Raymond James Financial, Inc.	876	101,616	Trimble, Inc. ^(a)	1,138	62,067
Realty Income Corporation	3,996	229,490	United Parcel Service, Inc. - Class B . . .	3,383	441,042
Regions Financial Corporation	4,264	95,386	Vertiv Holdings Company - Class A . . .	1,601	125,999
SBA Communications Corporation	496	108,892	Westinghouse Air Brake Technologies Corporation	813	131,015
Simon Property Group, Inc.	1,499	230,007	XPO, Inc. ^(a)	529	60,777
Sun Communities, Inc.	572	72,490			<u>5,246,514</u>
Synchrony Financial	1,879	95,434	Technology - 46.4%^(b)		
Travelers Companies, Inc.	1,060	229,426	Accenture plc - Class A	6,523	2,156,634
Truist Financial Corporation	6,188	276,542	Adobe, Inc. ^(a)	4,480	2,471,392
Ventas, Inc.	1,865	101,531	Advanced Micro Devices, Inc. ^(a)	14,907	2,153,763

The accompanying notes are an integral part of these financial statements.

US VEGAN CLIMATE ETF
SCHEDULE OF INVESTMENTS
July 31, 2024 (Continued)

	Shares	Value		Shares	Value
COMMON STOCKS - (Continued)					
Technology - (Continued)					
Akamai Technologies, Inc. ^(a)	691	\$ 67,911	Seagate Technology Holdings plc	907	\$ 92,668
ANSYS, Inc. ^(a)	404	126,707	ServiceNow, Inc. ^(a)	2,123	1,728,950
Apple, Inc.	22,575	5,013,456	Skyworks Solutions, Inc.	744	84,533
Applied Materials, Inc.	8,654	1,836,379	Snowflake, Inc. - Class A ^(a)	1,466	191,137
Atlassian Corporation - Class A ^(a)	729	128,720	SS&C Technologies Holdings, Inc.	1,002	73,096
Autodesk, Inc. ^(a)	994	246,035	Super Micro Computer, Inc. ^(a)	232	162,783
Broadcom, Inc.	27,480	4,415,486	Synopsys, Inc. ^(a)	704	393,057
Broadridge Financial Solutions, Inc.	542	115,988	Take-Two Interactive Software, Inc. ^(a)	784	118,016
Cadence Design Systems, Inc. ^(a)	1,254	335,646	Teradyne, Inc.	708	92,861
Cloudflare, Inc. - Class A ^(a)	1,355	105,012	Texas Instruments, Inc.	9,398	1,915,406
Cognizant Technology Solutions Corporation - Class A	2,312	174,972	Tyler Technologies, Inc. ^(a)	195	110,781
CrowdStrike Holdings, Inc. - Class A ^(a)	1,036	240,311	Veeva Systems, Inc. - Class A ^(a)	685	131,472
Datadog, Inc. - Class A ^(a)	1,213	141,242	Western Digital Corporation ^(a)	1,513	101,447
Dell Technologies, Inc. - Class C	1,378	156,651	Workday, Inc. - Class A ^(a)	972	220,761
Electronic Arts, Inc.	1,240	187,166	Zebra Technologies Corporation - Class A ^(a)	237	83,232
Entegris, Inc.	697	82,448	Zoom Video Communications, Inc. - Class A ^(a)	1,211	73,144
EPAM Systems, Inc. ^(a)	261	56,149	Zscaler, Inc. ^(a)	416	74,610
Fair Isaac Corporation ^(a)	112	179,200			<u>46,837,559</u>
Fidelity National Information Services, Inc.	2,672	205,290	Utilities - 0.1%		
Fiserv, Inc. ^(a)	2,729	446,383	American Water Works Company, Inc.	904	128,693
Fortinet, Inc. ^(a)	2,849	165,356			
Gartner, Inc. ^(a)	350	175,416	TOTAL COMMON STOCKS		
HubSpot, Inc. ^(a)	225	111,832	(Cost \$71,981,344)		<u>100,732,182</u>
Intel Corporation	19,647	603,949			
International Business Machines Corporation	9,406	1,807,269	SHORT-TERM INVESTMENTS - 0.3%		
Intuit, Inc.	2,832	1,833,295	Money Market Funds - 0.3%		
Jack Henry & Associates, Inc.	337	57,789	First American Government Obligations Fund - Class X, 5.23% ^(c)	292,222	<u>292,222</u>
KLA Corporation	627	516,065			
Lam Research Corporation	608	560,114	TOTAL SHORT-TERM INVESTMENTS		
Manhattan Associates, Inc. ^(a)	284	72,528	(Cost \$292,222)		<u>292,222</u>
Marvell Technology, Inc.	4,008	268,456			
Microchip Technology, Inc.	2,462	218,576	TOTAL INVESTMENTS - 100.0%		
Micron Technology, Inc.	5,125	562,827	(Cost \$72,273,566)		\$101,024,404
MicroStrategy, Inc. - Class A ^(a)	68	109,782	Other Assets in Excess of Liabilities - 0.0% ^(d)		<u>24,172</u>
MongoDB, Inc. ^(a)	325	82,017			
Monolithic Power Systems, Inc.	219	189,017	TOTAL NET ASSETS - 100.0%		<u>\$101,048,576</u>
MSCI, Inc.	357	193,051			
NetApp, Inc.	956	121,393	Percentages are stated as a percent of net assets.		
Nutanix, Inc. - Class A ^(a)	1,131	57,127	(a) Non-income producing security.		
NVIDIA Corporation	45,510	5,325,580	(b) To the extent that the Fund invests more heavily in a particular industry or sector of the economy, its performance will be especially sensitive to developments that significantly affect those industries or sectors. See Note 7 in Notes to Financial Statements.		
ON Semiconductor Corporation ^(a)	1,979	154,857	(c) The rate shown represents the 7-day effective yield as of July 31, 2024.		
Oracle Corporation	16,236	2,264,110	(d) Represents less than 0.05% of net assets.		
Paychex, Inc.	1,493	191,134			
PTC, Inc. ^(a)	548	97,462			
Pure Storage, Inc. - Class A ^(a)	1,425	85,400			
QUALCOMM, Inc.	11,015	1,993,164			
ROBLOX Corporation - Class A ^(a)	2,229	92,548			
Salesforce, Inc.	8,642	2,236,550			

The accompanying notes are an integral part of these financial statements.

US VEGAN CLIMATE ETF
STATEMENT OF ASSETS AND LIABILITIES
July 31, 2024

ASSETS:

Investments in securities, at value	\$101,024,404
Dividends and interest receivable	<u>75,423</u>
Total assets	<u>101,099,827</u>

LIABILITIES:

Payable to adviser	<u>51,251</u>
Total liabilities	<u>51,251</u>

NET ASSETS	<u>\$101,048,576</u>
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Net Assets Consists of:

Paid-in capital	\$ 76,404,173
Total distributable earnings	<u>24,644,403</u>
Total net assets	<u>\$101,048,576</u>

Net assets	\$101,048,576
Shares outstanding ^(a)	2,050,000
Net asset value per share	\$ 49.29

Cost:

Investments in securities, at cost	\$ 72,273,566
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^(a) Unlimited shares authorized without par value.

The accompanying notes are an integral part of these financial statements.

US VEGAN CLIMATE ETF
STATEMENT OF OPERATIONS
For the Year Ended July 31, 2024

INVESTMENT INCOME:

Dividend income	\$ 1,046,747
Interest income	<u>13,560</u>
Total investment income	<u>1,060,307</u>

EXPENSES:

Investment advisory fee	<u>514,948</u>
Total expenses	<u>514,948</u>
Net investment income	<u>545,359</u>

REALIZED AND UNREALIZED GAIN/(LOSS)

Net realized gain from:	
Investments	(548,406)
In-kind redemptions	<u>3,418,454</u>
Net realized gain	<u>2,870,048</u>
Net change in unrealized appreciation on:	
Investments	<u>15,077,100</u>
Net change in unrealized appreciation	<u>15,077,100</u>
Net realized and unrealized gain	<u>17,947,148</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u><u>\$18,492,507</u></u>

The accompanying notes are an integral part of these financial statements.

US VEGAN CLIMATE ETF
STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended July 31,	
	2024	2023
OPERATIONS:		
Net investment income	\$ 545,359	\$ 527,889
Net realized gain/(loss)	2,870,048	(767,330)
Net change in unrealized appreciation	15,077,100	10,267,937
Net increase in net assets from operations	<u>18,492,507</u>	<u>10,028,496</u>
DISTRIBUTIONS TO SHAREHOLDERS:		
Distributions to shareholders	(508,815)	(532,973)
Total distributions to shareholders	<u>(508,815)</u>	<u>(532,973)</u>
CAPITAL TRANSACTIONS:		
Subscriptions	10,921,373	—
Redemptions	(3,512,700)	(1,715,610)
Net increase (decrease) in net assets from capital transactions	<u>7,408,673</u>	<u>(1,715,610)</u>
Net increase in net assets	<u>\$ 25,392,365</u>	<u>\$ 7,779,913</u>
NET ASSETS:		
Beginning of the year	\$ 75,656,211	\$67,876,298
End of the year	<u>\$101,048,576</u>	<u>\$75,656,211</u>
SHARES TRANSACTIONS		
Subscriptions	250,000	—
Redemptions	(75,000)	(50,000)
Total increase/(decrease) in shares outstanding	<u>175,000</u>	<u>(50,000)</u>

The accompanying notes are an integral part of these financial statements.

**US VEGAN CLIMATE ETF
FINANCIAL HIGHLIGHTS**

	Year ended July 31,				Period ended July 31, 2020 ^(a)
	2024	2023	2022	2021	
PER SHARE DATA:					
Net asset value, beginning of period.	\$ 40.35	\$ 35.26	\$ 40.24	\$ 28.93	\$ 25.00
INVESTMENT OPERATIONS:					
Net investment income ^(b)	0.28	0.28	0.22	0.20	0.27
Net realized and unrealized gain (loss) on investments ^(f)	8.92	5.09	(5.01)	11.31	3.87
Total from investment operations	<u>9.20</u>	<u>5.37</u>	<u>(4.79)</u>	<u>11.51</u>	<u>4.14</u>
LESS DISTRIBUTIONS FROM:					
From net investment income	(0.26)	(0.28)	(0.19)	(0.20)	(0.21)
Total distributions	<u>(0.26)</u>	<u>(0.28)</u>	<u>(0.19)</u>	<u>(0.20)</u>	<u>(0.21)</u>
Net asset value, end of period	<u>\$ 49.29</u>	<u>\$ 40.35</u>	<u>\$ 35.26</u>	<u>\$ 40.24</u>	<u>\$ 28.93</u>
Total return ^(c)	22.90%	15.36%	-11.94%	39.89%	16.71%
SUPPLEMENTAL DATA AND RATIOS:					
Net assets, end of period (in thousands)	\$101,049	\$75,656	\$67,876	\$59,361	\$22,424
Ratio of expenses to average net assets ^(d)	0.60%	0.60%	0.60%	0.60%	0.60%
Ratio of net investment income to average net assets ^(d)	0.64%	0.80%	0.56%	0.58%	1.16%
Portfolio turnover rate ^{(c)(e)}	18%	20%	17%	22%	18%

^(a) Inception date of the Fund was September 9, 2019.

^(b) Net investment income per share has been calculated based on average shares outstanding during the year/period.

^(c) Not annualized for periods less than one year.

^(d) Annualized for periods less than one year.

^(e) Portfolio turnover rate excludes in-kind transactions.

^(f) Net realized and unrealized gain (loss) per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share for the period, and may not reconcile with the aggregate gains and losses in the Statement of Operations due to share transactions for the period.

The accompanying notes are an integral part of these financial statements.

NOTE 1 – ORGANIZATION

US Vegan Climate ETF (the “Fund”) is a diversified series of ETF Series Solutions (“ESS” or the “Trust”), an open-end management investment company consisting of multiple investment series, organized as a Delaware statutory trust on February 9, 2012. The Trust is registered with the Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company and the offering of the Fund’s shares is registered under the Securities Act of 1933, as amended (the “Securities Act”). The investment objective of the Fund is to track the performance, before fees and expenses, of the Beyond Investing US Vegan Climate[®] Index (the “Index”). The Fund commenced operations on September 9, 2019.

The end of the reporting period for the Fund is July 31, 2024, and the period covered by these Notes to Financial Statements is the fiscal period from August 1, 2023 through July 31, 2024 (the “current fiscal period”).

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946 Financial Services - Investment Companies.

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

- A. *Security Valuation.* All equity securities, including domestic and foreign common stocks, preferred stocks and exchange traded funds that are traded on a national securities exchange, except those listed on the Nasdaq Global Market[®], Nasdaq Global Select Market[®], and the Nasdaq Capital Market[®] Exchanges (collectively, “Nasdaq”), are valued at the last reported sale price on the exchange on which the security is principally traded. Securities traded on Nasdaq will be valued at the Nasdaq Official Closing Price (“NOCP”). If, on a particular day, an exchange-traded or Nasdaq security does not trade, then the mean between the most recent quoted bid and asked prices will be used. All equity securities that are not traded on a listed exchange are valued at the last sale price in the over-the-counter market. If a non-exchange traded security does not trade on a particular day, then the mean between the last quoted closing bid and asked price will be used. Prices denominated in foreign currencies are converted to U.S. dollar equivalents at the current exchange rate, which approximates fair value.

Investments in mutual funds, including money market funds, are valued at their net asset value (“NAV”) per share.

Securities for which quotations are not readily available are valued at their respective fair values in accordance with pricing procedures adopted by the Fund’s Board of Trustees (the “Board”). When a security is “fair valued,” consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the pricing procedures adopted by the Board. The use of fair value pricing by the Fund may cause the NAV of its shares to differ significantly from the NAV that would be calculated without regard to such considerations.

As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuations methods. The three levels of inputs are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

US VEGAN CLIMATE ETF
NOTES TO FINANCIAL STATEMENTS
July 31, 2024 (Continued)

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a summary of the inputs used to value the Fund’s investments as of the end of the current fiscal period:

<u>Assets[^]</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$100,732,182	\$ —	\$ —	\$100,732,182
Short-Term Investments	<u>292,222</u>	<u>—</u>	<u>—</u>	<u>292,222</u>
Total Investments in Securities	<u>\$101,024,404</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$101,024,404</u>

[^] See Schedule of Investments for breakout of investments by sector.

During the current fiscal period, the Fund did not recognize any transfers to or from Level 3.

- B. *Federal Income Taxes.* The Fund’s policy is to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its net investment income and net capital gains to shareholders. Therefore, no federal income tax provision is required. The Fund plans to file U.S. Federal and applicable state and local tax returns.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained upon examination by the tax authorities. Management has analyzed the Fund’s uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months. Income and capital gain distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as income tax expenses in the Statement of Operations. During the current fiscal period, the Fund did not incur any interest or penalties.

- C. *Security Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Dividend income and expense are recorded on the ex-dividend date. Non-cash dividends included in dividend income or separately disclosed, if any, are recorded at the fair value of the security received. Withholding taxes on foreign dividends, if any, have been provided for in accordance with the Fund’s understanding of the applicable tax rules and regulations. Interest income and expense is recorded on an accrual basis.

Distributions received from the Fund’s investments in Real Estate Investment Trusts (“REITs”) may be characterized as ordinary income, net capital gain, or a return of capital. The proper characterization of REIT distributions is generally not known until the end of each calendar year. As such, the Fund must use estimates in reporting the character of its income and distributions received during the current calendar year for

US VEGAN CLIMATE ETF
NOTES TO FINANCIAL STATEMENTS
July 31, 2024 (Continued)

financial statement purposes. The actual character of distributions to the Fund’s shareholders will be reflected on the Form 1099 received by shareholders after the end of the calendar year. Due to the nature of REIT investments, a portion of the distributions received by the Fund’s shareholders may represent a return of capital.

- D. *Distributions to Shareholders.* Distributions to shareholders from net investment income, if any, are declared and paid quarterly by the Fund. Distributions to shareholders of net realized gains on securities are declared and paid by the Fund on an annual basis. Distributions are recorded on the ex-dividend date.
- E. *Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the current fiscal period. Actual results could differ from those estimates.
- F. *Share Valuation.* The NAV per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding of the Fund, rounded to the nearest cent. The Fund’s shares will not be priced on the days on which the New York Stock Exchange (“NYSE”) is closed for trading. The offering and redemption price per share of the Fund is equal to the Fund’s NAV per share.
- G. *Reclassification of Capital Accounts.* U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or NAV per share.

The permanent differences primarily relate to redemptions in-kind. For the fiscal year ended July 31, 2024, the following table shows the reclassifications made:

<u>Distributable Earnings</u> <u>(Accumulated Losses)</u>	<u>Paid-In Capital</u>
\$(3,418,460)	\$3,418,460

- H. *Guarantees and Indemnifications.* In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.
- I. *Subsequent Events.* In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. There were no events or transactions that occurred during the period subsequent to the end of the current fiscal period that materially impacted the amounts or disclosures in the Fund’s financial statements.

NOTE 3 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

Beyond Investing LLC (the “Adviser”), serves as the investment adviser to the Fund. Pursuant to an Investment Advisory Agreement (“Advisory Agreement”) between the Trust, on behalf of the Fund, and the Adviser, the Adviser provides investment advice to the Fund and oversees the day-to-day operations of the Fund, subject to the direction and control of the Board and the officers of the Trust. Under the Advisory Agreement, the Adviser is also responsible for arranging, in consultation with Penserra Capital Management, LLC (the “Sub-Adviser”), transfer agency, custody, fund administration and accounting, and all other non-distribution related services necessary for the Fund to operate. Under the Advisory Agreement, the Adviser has agreed to pay all expenses of the Fund, except for: the fee paid to the Adviser pursuant to the Advisory Agreement, interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, and distribution (12b-1) fees and expenses. For the services it provides to the Fund, the Fund pays the Adviser a unified management fee, which is calculated daily and paid monthly, at an annual rate of 0.60% of

US VEGAN CLIMATE ETF
NOTES TO FINANCIAL STATEMENTS
July 31, 2024 (Continued)

the Fund’s average daily net assets. The Adviser is responsible for paying the Sub-Adviser. The Index that the Fund tracks was developed by Beyond Advisors IC, an affiliate of the adviser.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (“Fund Services” or “Administrator”), acts as the Fund’s Administrator and, in that capacity, performs various administrative and accounting services for the Fund. The Administrator prepares various federal and state regulatory filings, reports and returns for the Fund, including regulatory compliance monitoring and financial reporting; prepares reports and materials to be supplied to the trustees; monitors the activities of the Fund’s Custodian, transfer agent and fund accountant. Fund Services also serves as the transfer agent and fund accountant to the Fund. U.S. Bank N.A. (the “Custodian”), an affiliate of Fund Services, serves as the Fund’s Custodian.

All officers of the Trust are affiliated with the Administrator and Custodian.

NOTE 4 – PURCHASES AND SALES OF SECURITIES

During the current fiscal period, purchases and sales of securities by the Fund, excluding short-term securities and in-kind transactions, were \$19,217,966 and \$15,357,408, respectively.

During the current fiscal period, there were no purchases or sales of U.S. Government securities.

During the current fiscal period, there was \$7,255,034 of in-kind transactions associated with creations and \$3,726,927 associated with redemptions.

NOTE 5 – INCOME TAX INFORMATION

The components of distributable earnings (accumulated losses) and cost basis of investments for federal income tax purposes at July 31, 2024 were as follows:

Tax cost of investments	<u>\$72,624,357</u>
Gross tax unrealized appreciation	\$31,917,621
Gross tax unrealized depreciation	<u>(3,517,574)</u>
Net tax unrealized appreciation (depreciation)	28,400,047
Undistributed ordinary income	105,216
Undistributed long-term capital gains	—
Other accumulated gain (loss)	<u>(3,860,860)</u>
Distributable earnings (accumulated deficit)	<u>\$24,644,403</u>

The differences between the cost basis for financial statement and federal income tax purposes are primarily due to timing differences in recognizing wash sales.

A regulated investment company may elect for any taxable year to treat any portion of any qualified late year loss as arising on the first day of the next taxable year. Qualified late year losses are certain capital and ordinary losses which occur during the portion of the Fund’s taxable year subsequent to October 31 and December 31, respectively. For the taxable year ended July 31, 2024, the Fund did not elect to defer any post-October capital losses or late-year ordinary losses.

As of July 31, 2024, the Fund had \$1,718,282 of short-term capital loss carryforward and \$2,142,578 of long-term capital loss carryforward available for federal income tax purposes. These amounts do not have an expiration date.

The tax character of distributions paid by the Fund during the fiscal years ended July 31, 2024 and July 31, 2023, was as follows:

	<u>Year Ended July 31</u>	
	<u>2024</u>	<u>2023</u>
Ordinary Income	\$508,815	\$532,973

NOTE 6 – SHARE TRANSACTIONS

Shares of the Fund are listed and traded on the Cboe BZX Exchange, Inc. (“Cboe”). Market prices for the shares may be different from their NAV. The Fund issues and redeems shares on a continuous basis at NAV generally in large blocks of shares called “Creation Units.” Creation Units are issued and redeemed principally in-kind for securities included in a specified universe. Once created, shares generally trade in the secondary market at market prices that change throughout the day. Except when aggregated in Creation Units, shares are not redeemable securities of the Fund. Creation Units may only be purchased or redeemed by certain financial institutions (“Authorized Participants”). An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a Depository Trust Company participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors do not qualify as Authorized Participants nor have the resources to buy and sell whole Creation Units. Therefore, they are unable to purchase or redeem shares directly from the Fund. Rather, most retail investors may purchase shares in the secondary market with the assistance of a broker and are subject to customary brokerage commissions or fees.

The Fund currently offers one class of shares, which has no front-end sales load, no deferred sales charge, and no redemption fee. A fixed transaction fee is imposed for the transfer and other transaction costs associated with the creation or redemption of Creation Units. The standard fixed transaction fee for the Fund is \$500, payable to the Custodian. The fixed transaction fee may be waived on certain orders if the Fund’s Custodian has determined to waive some or all of the costs associated with the order or another party, such as the Adviser, has agreed to pay such fee. In addition, a variable fee, payable to the Fund, may be charged on all cash transactions or substitutes for Creation Units of up to a maximum of 2% as a percentage of the value of the Creation Units subject to the transaction. Variable fees received by the Fund, if any, are displayed in the Capital Transactions section of the Statements of Changes in Net Assets. The Fund may issue an unlimited number of shares of beneficial interest, with no par value. Shares of the Fund have equal rights and privileges.

NOTE 7 – RISKS

Concentration Risk. To the extent the Fund invests more heavily in particular industries, groups of industries, or sectors of the economy, its performance will be especially sensitive to developments that significantly affect those industries, groups of industries, or sectors of the economy, and the value of shares may rise and fall more than the value of shares that invest in securities of companies in a broader range of industries or sectors.

**US VEGAN CLIMATE ETF
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Shareholders of US Vegan Climate ETF and
Board of Trustees of ETF Series Solutions

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of US Vegan Climate ETF (the “Fund”), a series of ETF Series Solutions, as of July 31, 2024, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the four years in the period then ended, and for the period from September 9, 2019 (commencement of operations) to July 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of July 31, 2024, the results of its operations, the changes in net assets, and the financial highlights for the periods indicated above, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of July 31, 2024, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2019.

Cohen & Company, Ltd

COHEN & COMPANY, LTD.
Philadelphia, Pennsylvania
September 26, 2024

US VEGAN CLIMATE ETF APPROVAL OF ADVISORY AGREEMENT & BOARD CONSIDERATIONS

Pursuant to Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), at a meeting held on July 10-11, 2024 (the “Meeting”), the Board of Trustees (the “Board”) of ETF Series Solutions (the “Trust”) approved the continuance of the Investment Advisory Agreement (the “Advisory Agreement”) between Beyond Investing LLC (the “Adviser”) and the Trust, on behalf of U.S. Vegan Climate ETF (the “Fund”).

Prior to the Meeting, the Board, including the Trustees who are not parties to the Advisory Agreement or “interested persons” of any party thereto, as defined in the 1940 Act (the “Independent Trustees”), reviewed written materials (the “Materials”), including information from the Adviser regarding, among other things: (i) the nature, extent, and quality of the services provided to the Fund by the Adviser; (ii) the historical performance of the Fund; (iii) the cost of the services provided and the profits realized by the Adviser from services rendered to the Fund; (iv) comparative performance, fee, and expense data for the Fund and other investment companies with similar investment objectives, including a report prepared by Barrington Partners, an independent third party, that compares the Fund’s investment performance, fees, and expenses to relevant market benchmarks and peer groups (the “Barrington Report”); (v) the extent to which any economies of scale realized by the Adviser in connection with its services to the Fund are shared with Fund shareholders; (vi) any other financial benefits to the Adviser and its affiliates resulting from services rendered to the Fund; and (vii) other factors the Board deemed to be relevant.

The Board also considered that the Adviser, along with other service providers of the Fund, had provided written and oral updates on the firm over the course of the year with respect to its role as the Fund’s investment adviser, and the Board considered that information alongside the Materials in its consideration of whether the Advisory Agreement should be continued. Additionally, Adviser representatives provided an oral overview of the Fund’s strategy, the services provided to the Fund by the Adviser, and additional information about the Adviser’s personnel and business operations. The Board then discussed the Materials and the Adviser’s oral presentation, as well as any other relevant information received by the Board at the Meeting and at prior meetings, and deliberated, in light of this information, on the approval of the continuation of the Advisory Agreement.

Approval of the Continuation of the Advisory Agreement with the Adviser

Nature, Extent, and Quality of Services Provided. The Trustees considered the scope of services provided under the Advisory Agreement, noting that the Adviser had provided and would continue to provide investment management services to the Fund. In considering the nature, extent, and quality of the services provided by the Adviser, the Board considered the quality of the Adviser’s compliance program and past reports from the Trust’s Chief Compliance Officer (“CCO”) regarding the CCO’s review of the Adviser’s compliance program. The Board also considered its previous experience with the Adviser providing investment management services to the Fund. The Board noted that it had received a copy of the Adviser’s registration form and financial statements, as well as the Adviser’s response to a detailed series of questions that included, among other things, information about the Adviser’s decision-making process, the background and experience of the firm’s key personnel, and the firm’s compliance policies, marketing practices, and brokerage information.

The Board also considered other services provided by the Adviser to the Fund, including oversight of the Fund’s sub-adviser, monitoring the Fund’s adherence to its investment restrictions and compliance with the Fund’s policies and procedures and applicable securities regulations, as well as monitoring the extent to which the Fund achieves its investment objective as a passively managed fund. Additionally, the Board considered that the Adviser’s affiliate, Beyond Advisors IC, serves as index provider to the Fund, and the Adviser will provide advisory services to the Fund based on its affiliated index.

Historical Performance. The Trustees next considered the Fund’s performance. Because the Fund is designed to track the performance of an index, the Board considered, among other things, the extent to which the Fund tracked its index before fees and expenses. The Board noted that, for each of the one-year, three-year, and since inception periods ended June 30, 2024, the Fund’s performance on a gross of fees basis (*i.e.*, excluding the effect of fees and expenses on Fund performance) was generally consistent with the performance of its underlying index, indicating that the Fund tracked its underlying index closely and in an appropriate manner. The Board also noted that the Fund slightly outperformed its broad-based benchmark, the S&P 500® Index, for each of the one-year and since inception periods, but the Fund underperformed the same benchmark over the three-year period. In comparing their returns, the Board also

considered that the Fund, unlike its benchmark, does not seek broad exposure to the large-cap U.S. equity market; rather, the Fund is designed to implement a set of rules that seek to address the concerns of vegans, animal lovers, and environmentalists by avoiding investments in companies whose activities directly contribute to animal suffering, destruction of the natural environment, and climate change.

In addition, the Board observed that information regarding the Fund's past investment performance for periods ended March 31, 2024, had been included in the Materials, including the Barrington Report, which compared the performance results of the Fund with the returns of a group of ETFs selected by Barrington Partners as most comparable (the "Peer Group") as well as with funds in the Fund's Morningstar category – US Fund Large Growth (the "Category Peer Group"). As part of its review, the Board took into consideration that the funds included in the Category Peer Group do not necessarily apply any screens related to environmental, social, and governance (ESG) themes. Additionally, at the Board's request, the Adviser identified the funds the Adviser considered to be the Fund's most direct competitors (the "Selected Peer Group") and provided the Selected Peer Group's performance results. The funds included by the Adviser in the Selected Peer Group include funds that, based on a combination of quantitative and qualitative considerations made by the Adviser, have similar investment objectives and principal investment strategies as the Fund. The Board further noted that although the funds in the Selected Peer Group are broadly based large-cap funds that are fossil-free and meet certain ESG-inspired criteria, none of the funds in the Selected Peer Group employ all of the same vegan restrictions and policies applicable to the Fund.

The Board then noted that, for the one-year period ended March 31, 2024, the Fund outperformed the median return of funds in its Peer Group but underperformed the median return of funds in its Category Peer Group. For the three-year period, however, the Fund slightly underperformed the median return of funds in its Peer Group while outperforming the median return of funds in its Category Peer Group. The Board also considered that the Fund outperformed all of the funds in its Selected Peer Group over the one- and three-year periods ended March 31, 2024.

Cost of Services Provided and Economies of Scale. The Board then reviewed the Fund's fees and expenses. The Board took into consideration that the Adviser had charged, and would continue to charge, a "unified fee," meaning the Fund pays no expenses other than the advisory fee and, if applicable, certain other costs such as interest, brokerage, acquired fund fees and expenses, extraordinary expenses, and, to the extent it is implemented, fees pursuant to a Distribution and/or Shareholder Servicing (12b-1) Plan. The Board noted that the Adviser had been and would continue to be responsible for compensating the Trust's other service providers and paying the Fund's other expenses out of the Adviser's own fee and resources.

The Board noted that the Fund's net expense ratio was equal to its unified fee. The Board then compared the Fund's net expense ratio to those of its Peer Group and Category Peer Group, as shown in the Barrington Report, as well as its Selected Peer Group. The Board noted that the Fund's net expense ratio was lower than the median net expense ratio of the funds in the Category Peer Group but higher than the median net expense ratio of the funds in the Peer Group. The Board observed, however, that the Fund's net expense ratio was within the range of net expense ratios of the funds in the Peer Group. In addition, the Board noted that the Fund's net expense ratio was also within the range of net expense ratios of the funds in its Selected Peer Group.

The Board then considered the Adviser's financial resources and information regarding the Adviser's ability to support its management of the Fund and obligations under the unified fee arrangement, noting that the Adviser had provided its financial statements for the Board's review. The Board also evaluated the compensation and benefits received by the Adviser from its relationship with the Fund, taking into account an analysis of the Adviser's profitability with respect to the Fund at various actual and projected Fund asset levels.

The Board also considered the Fund's expenses and advisory fee structure in light of its potential economies of scale. The Board noted that the Fund's unitary fee structure did not contain any management fee breakpoint reductions as Fund assets grow. The Board determined, however, that the Fund's unitary fee structure reflects a sharing of economies of scale between the Adviser and the Fund at current asset levels. The Board also noted its intention to monitor fees as the Fund grows in size and assess whether advisory fee breakpoints may be warranted in the future should the Adviser realize economies of scale in its management of the Fund.

US VEGAN CLIMATE ETF

APPROVAL OF ADVISORY AGREEMENT & BOARD CONSIDERATIONS (Continued)

Conclusion. No single factor was determinative of the Board's decision to approve the continuation of the Advisory Agreement; rather, the Board based its determination on the total mix of information available to it. Based on a consideration of all the factors in their totality, the Board, including the Independent Trustees, unanimously determined that the Advisory Agreement, including the compensation payable under the agreement, was fair and reasonable to the Fund. The Board, including the Independent Trustees, unanimously determined that the approval of the continuation of the Advisory Agreement was in the best interests of the Fund and its shareholders.

US VEGAN CLIMATE ETF APPROVAL OF SUB-ADVISORY AGREEMENT & BOARD CONSIDERATIONS

Pursuant to Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), at a meeting held on April 10-11, 2024 (the “Meeting”), the Board of Trustees (the “Board”) of ETF Series Solutions (the “Trust”) approved the continuance of the Investment Sub-Advisory Agreement (the “Sub-Advisory Agreement”) by and among Beyond Investing LLC (the “Adviser”), Penserra Capital Management, LLC (the “Sub-Adviser”), and the Trust, on behalf of the US Vegan Climate ETF (the “Fund”).

Prior to the Meeting, the Board, including the Trustees who are not parties to the Sub-Advisory Agreement or “interested persons” of any party thereto, as defined in the 1940 Act (the “Independent Trustees”), reviewed written materials (the “Materials”), including information from the Sub-Adviser regarding, among other things: (i) the nature, extent, and quality of the services provided by the Sub-Adviser; (ii) the historical performance of the Fund; (iii) the cost of the services provided and the profits realized by the Sub-Adviser from services rendered to the Fund; (iv) comparative performance, fee, and expense data for the Fund and other investment companies with similar investment objectives, including a report prepared by Barrington Partners, an independent third party, that compares the Fund’s investment performance, fees, and expenses to relevant market benchmarks and peer groups (the “Barrington Report”); (v) the extent to which any economies of scale realized by the Sub-Adviser in connection with its services to the Fund are shared with Fund shareholders; (v) any other financial benefits to the Sub-Adviser and its affiliates resulting from services rendered to the Fund; and (vi) other factors the Board deemed to be relevant.

The Board also considered that the Sub-Adviser, along with other service providers of the Fund, had provided written and oral updates on the firm over the course of the year with respect to its role as investment sub-adviser to the Fund, and the Board considered that information alongside the Materials in its consideration of whether the Sub-Advisory Agreement should be continued. The Board also noted that the Sub-Adviser provides investment sub-advisory services to other series of the Trust and, over the course of the year, the Sub-Adviser provided written and oral updates to the Board with respect to its sub-advisory services to those funds. Additionally, at the Meeting, a Sub-Adviser representative provided an oral overview of the services provided to the Fund by the Sub-Adviser and additional information about the Sub-Adviser’s personnel and business operations. The Board then discussed the Materials and the Sub-Adviser’s oral presentation, as well as any other relevant information received by the Board at the Meeting and at prior meetings, including the Adviser’s 15(c) presentation at the July 12-13, 2023, quarterly Board meeting, and deliberated on the approval of the continuation of the Sub-Advisory Agreement in light of this information.

Approval of the Continuation of the Sub-Advisory Agreement with the Sub-Adviser

Nature, Extent, and Quality of Services Provided. The Trustees considered the scope of services provided under the Sub-Advisory Agreement, noting that the Sub-Adviser had provided and would continue to provide investment management services to the Fund. In considering the nature, extent, and quality of the services provided by the Sub-Adviser, the Board considered the quality of the Sub-Adviser’s compliance program and past reports from the Trust’s Chief Compliance Officer (“CCO”) regarding the CCO’s review of the Sub-Adviser’s compliance program. The Board also considered its previous experience with the Sub-Adviser providing investment management services to the Fund, as well as other series of the Trust. The Board noted that it had received a copy of the Sub-Adviser’s registration form and financial statements, as well as the Sub-Adviser’s response to a detailed series of questions that included, among other things, information about the Sub-Adviser’s decision-making process, the background and experience of the firm’s key personnel, and the firm’s compliance policies, marketing practices, and brokerage information.

The Board noted the responsibilities that the Sub-Adviser has as the Fund’s investment sub-adviser, including: responsibility for the general management of the day-to-day investment and reinvestment of the assets of the Fund; determining the daily baskets of deposit securities and cash components; executing portfolio security trades for purchases and redemptions of the Fund’s shares conducted on a cash-in-lieu basis; oversight of general portfolio compliance with applicable securities laws, regulations, and investment restrictions; responsibility for quarterly reporting to the Board; and implementation of Board directives as they relate to the Fund. The Board also considered the Sub-Adviser’s resources and capacity with respect to portfolio management, compliance, and operations given the number of funds and/or accounts for which it provides sub-advisory services.

Historical Performance. The Trustees next considered the Fund’s performance. Because the Fund is designed to track the performance of an index, the Board considered, among other things, the extent to which the Fund tracked its index before fees and expenses. The Board noted that, for each of the one-year, three-year, and since inception periods

ended December 31, 2023, the Fund's performance on a gross of fees basis (i.e., excluding the effect of fees and expenses on Fund performance) was generally consistent with the performance of its underlying index, indicating that the Fund tracked its underlying index closely and in an appropriate manner. The Board also noted that the Fund outperformed its broad-based benchmark, the S&P 500® Index, for each of the one-year and since inception periods but underperformed its benchmark for the three-year period. The Board considered, however, that the Fund does not seek broad exposure to the large-cap U.S. equity market like its benchmark; rather, the Fund seeks to address the concerns of vegans, animal lovers, and environmentalists by avoiding investments in companies whose activities directly contribute to animal suffering, destruction of the natural environment, and climate change.

In addition, the Board observed that information regarding the Fund's past investment performance, for periods ended December 31, 2023, had been included in the Barrington Report, which compared the performance results of the Fund with the returns of a group of ETFs selected by Barrington Partners as most comparable (the "Peer Group") as well as with funds in the Morningstar US Fund Large Growth category (the "Category Peer Group"). The Board then noted that, for the one- and three-year periods ended December 31, 2023, the Fund outperformed the median return of funds in both its Peer Group and Category Peer Group. The Board took into consideration that the Peer Group included a mix of index-based and actively managed funds with environmental, social, and governance (ESG) themes.

Cost of Services Provided and Economies of Scale. The Board then reviewed the sub-advisory fees paid by the Adviser to the Sub-Adviser for its services to the Funds. The Board considered that the fees paid to the Sub-Adviser are paid by the Adviser and noted that the fee reflected an arm's-length negotiation between the Adviser and the Sub-Adviser. The Board further determined that the fees reflected an appropriate allocation of the advisory fee paid to each firm given the work performed by each firm and noted that the fees were generally in line with those charged by the Sub-Adviser in connection with other exchange-traded funds managed by the Sub-Adviser. The Board noted that the Sub-Adviser had provided its financial statements for the Board's review. The Board also evaluated the compensation and benefits received by the Sub-Adviser from its relationship with the Fund, taking into account analyses of the Sub-Adviser's profitability with respect to the Fund at various Fund asset levels.

The Board expressed the view that it currently appeared that the Sub-Adviser might realize economies of scale in managing the Fund as assets grow in size. The Board further noted that although the Fund's sub-advisory fee includes asset-level breakpoints, because the Fund pays the Adviser a unified fee, any benefits from breakpoints in the sub-advisory fee schedule would accrue to the Adviser, rather than the Fund's shareholders. Consequently, the Board determined that it would monitor fees as the Fund grows to determine whether economies of scale were being effectively shared with the Fund and its shareholders.

Conclusion. No single factor was determinative of the Board's decision to approve the continuation of the Sub-Advisory Agreement; rather, the Board based its determination on the total mix of information available to it. Based on a consideration of all the factors in their totality, the Board, including Independent Trustees, unanimously determined that the Sub-Advisory Agreement, including the compensation payable under the agreement, was fair and reasonable to the Fund. The Board, including the Independent Trustees, unanimously determined that the approval of the continuation of the Sub-Advisory Agreement was in the best interests of the Fund and its shareholders.

1. FEDERAL TAX INFORMATION

For the fiscal year ended July 31, 2024, certain dividends paid by the Fund may be subject to the maximum rate of 23.8%, as provided for by the Jobs and Growth Tax relief Reconciliation Act of 2003.

The percentage of dividends declared from ordinary income designated as qualified dividend income was 100.00%.

For corporate shareholders, the percentage of ordinary income distributions that qualified for the corporate dividend received deduction for the fiscal year ended July 31, 2024 was 100.00%.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871(k)(2)(C) for the Fund was 0.00%.

2. INFORMATION ABOUT PORTFOLIO HOLDINGS

The Fund files its complete schedules of portfolio holdings for its first and third fiscal quarters with the SEC on Part F of Form N-PORT. The Fund's Part F of Form N-PORT is available without charge, upon request, by calling toll-free at (800) 617-0004 or by accessing the Fund's website at www.veganetf.com. Furthermore, you may obtain the Part F of Form N-PORT on the SEC's website at www.sec.gov. The Fund's portfolio holdings are posted on its website at www.veganetf.com daily.

3. INFORMATION ABOUT PROXY VOTING

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is provided in the Statement of Additional Information ("SAI"). The SAI is available without charge, upon request, by calling toll-free at (800) 617-0004, by accessing the SEC's website at www.sec.gov, or by accessing the Fund's website at www.veganetf.com.

When available, information regarding how the Fund voted proxies relating to portfolio securities during the twelve-months ending June 30 is available by calling toll-free at (800) 617-0004 or by accessing the SEC's website at www.sec.gov.

4. FREQUENCY DISTRIBUTION OF PREMIUMS AND DISCOUNTS

Information regarding how often shares of the Fund trade on the exchange at a price above (*i.e.* at a premium) or below (*i.e.* at a discount) the NAV of the Fund is available, without charge, on the Fund's website at www.veganetf.com.