

Procure ETF Invests In Natural Disaster Recovery

Exchange-traded funds focused on specific themes provide liquidity and access to potentially profitable activities that aren't captured by broader market indexes and are often difficult to trade via individual companies. These thematic funds enable investors to both expand their horizons and fine-tune their portfolio exposures by capturing niche growth segments of the market.

The Procure Disaster Recovery Strategy ETF (Nasdaq: FEMA) is a first-of-its-kind thematic product that invests in companies engaged in the recovery and mitigation of natural disasters ranging from weather-related incidents to earthquakes. This might not seem like a typical growth industry, but changing dynamics in Earth's climate have accelerated the volume and magnitude of natural disasters. According to the National Centers for Environmental Information, the U.S. has experienced 323 weather and climate disasters since 1980 at a cost of nearly \$2.2 trillion. And the U.S. government estimates that floods, drought, wildfires and hurricanes exacerbated by climate change could produce annual damages of roughly \$2 trillion a year by century's end. Globally, the U.N. predicts 560 disaster events a year by 2030.

The FEMA ETF seeks to track the equal-weighted VettaFi Natural Disaster Recovery and Mitigation Index, which follows a portfolio of companies engaged in recovering from natural disasters, such as hurricanes, wildfires, floods, or earthquakes. Its global portfolio consists of companies with government contracts for natural disaster recovery and mitigation, companies involved with home improvement retail, and companies that are materially engaged in emergency/backup power generators and batteries.

Fund holdings cover a range of sectors including engineering and construction, specialty industrial machinery, building materials, industrial products and waste management, among others. The portfolio of roughly 60 holdings is rebalanced quarterly, and its expense ratio is 0.75%.

The FEMA ETF could potentially be used by investors in various ways, depending on their strategy. Hedge funds, for example, could consider employing this fund as a tactical trade around specific disaster events. In addition, it might be considered by insurance companies that need to pay out massive sums of money following a natural disaster. For retail investors, it could provide new exposure to some portfolios.

As the U.S. and other nations brace for multi-trillion-dollar costs to rebuild from natural disasters, the companies in this fund's portfolio may be positioned to benefit from significantly increased demand over the long term by providing products and services to governments, municipalities, businesses and individuals looking to prepare for—and rebuild from—these unfortunate events.

Please consider the Funds investment objectives, risks, and charges and expenses carefully before you invest. This and other important information is contained in the Fund's summary prospectus and prospectus, which can be obtained by visiting procureetfs.com. Read carefully before you invest.

Investing involves risk. Principal loss is possible. The Fund is also subject to the following risks: Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the funds. Brokerage commissions will reduce returns.

Securities of small- and mid-capitalization companies may experience much more price volatility, greater spreads between their bid and ask prices and significantly lower trading volumes than securities issued by large, more established companies. The Fund is not actively managed so it would not take defensive positions in declining markets unless such positions are reflected in the underlying index. Please refer to the summary prospectus for a more detailed explanation of the Funds' principal risks. It is not possible to invest in an index.

Natural Disaster/Epidemic Risk - Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather-related phenomena generally, and widespread disease, including pandemics and epidemics, have been and may be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Fund's investments.

Foreign Investment Risks – Foreign securities are typically more volatile, harder to price, and less liquid than U.S. securities.

Non-Diversification Risk- Because the Fund is non-diversified, it may invest a greater percentage of its assets in securities of a single issuer or fewer issuers than a diversified fund, which may expose the Fund to the risks associated with the developments affecting the issuers in which the Fund invests.

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