

ALPS Active Equity Opportunity ETF

Commentary | December 31, 2023

Performance as of 12/31/2023

Total Returns	Cumulative				Annualized			
	1 M	3 M	6 M	YTD	1 Y	3 Y	5 Y	SI ¹
NAV (Net Asset Value)	4.79%	11.47%	8.30%	19.56%	19.56%	7.70%	11.70%	10.13%
Market Price	4.84%	11.42%	8.27%	19.59%	19.59%	7.71%	11.73%	10.13%
S&P Composite 1500 Index - TR	4.98%	11.78%	8.02%	25.47%	25.47%	9.83%	15.39%	13.12%

Performance data quoted represents 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 current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

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.

¹ Fund inception date: 6/6/2016

Total Operating Expenses: **0.48%**

Fourth Quarter Equity Review

The fourth quarter of 2023 saw a significant shift driven by a sharp reversal in long-term interest rates, propelling most stocks. Sectors sensitive to interest rates, including Real Estate, Financials and Utilities, finally gained momentum. The quarter concluded with the S&P 500 Index posting an 11.68% gain, trailing the Nasdaq 100 Index at 14.60%, and the Dow Jones Industrial Average recording a 13.09% gain.

As inflation has moderated, markets have started to discount an end to Federal Reserve (Fed) rate hikes, and even anticipate cuts in 2024, which could provide a further tailwind to equity markets.

Fourth Quarter Fund Review

In the third quarter, the ALPS Active Equity Opportunity ETF ("the Fund") returned 11.47% at NAV, underperforming the S&P Composite 1500 Index ("the Index") by 31 basis points. From an allocation standpoint, the Fund benefitted from its position in Energy, Consumer Staples and Financials. The Fund's underweight to Information Technology detracted from performance.

Top contributors included:

- Microsoft Corp.
- JP Morgan Chase & Co.
- Amazon.com, Inc.
- American Express Co.

Top detractors included:

- BP PLC
- ConocoPhillips
- Bristol-Myers Squibb Co.
- Pfizer Inc.

Outlook

The market during the fourth quarter reflected optimism that not only is the Federal Reserve finished with rate hikes, but also we may even see rate cuts throughout 2024. It remains to be seen if the Fed has fully conquered inflation, and we believe rates will likely stay elevated longer than the market is currently discounting.

In that scenario, we continue to favor quality, dividend paying stocks as well as stocks that demonstrate improving fundamentals, as measured by Return on Invested Capital. If economic growth accelerates, these companies should benefit, and conversely can provide a hedge on any future volatility.

Top 10 Holdings

Microsoft Corp	4.98%	UnitedHealth Group Inc	2.73%
JPMorgan Chase & Co	3.65%	Amazon.com Inc	2.56%
Apple Inc	3.38%	Wells Fargo & Co	2.55%
NVIDIA Corp	3.05%	ConocoPhillips	2.53%
Alphabet Inc	3.05%	American Express Co	2.26%

As of 12/31/2023, subject to change

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Effective 6/1/2023, the RiverFront Dynamic US Flex-Cap ETF changed its name to the ALPS Active Equity Opportunity ETF. Additionally, RiverFront Investment Group, LLC ceased to serve as sub-advisor to the Fund and ALPS Advisors, Inc., the Fund's investment adviser, assumed all responsibility for selecting the Fund's investments.

Due to the nature of the securities in which the Fund invests, the Fund may have relatively high portfolio turnover compared to other funds.

The values of equity securities, such as common stocks and preferred stock, may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, inflation (or expectations for inflation), changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Equity securities generally have greater price volatility than fixed-income securities.

The Fund is considered nondiversified and as a result may experience greater volatility than a diversified fund.

Basis Point (bps): a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

Dow Jones Industrial Average: a stock market index of 30 prominent companies listed on stock exchanges in the United States. The DJIA is one of the oldest and most commonly followed equity indexes.

NASDAQ 100 Index: one of the world's preeminent large-cap growth indexes. It includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization.

S&P 500 Index: widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

S&P Composite 1500 Index: combines three leading indices, the S&P 500, the S&P MidCap 400, and the S&P SmallCap 600, to cover approximately 90% of US market capitalization.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. is affiliated with ALPS Portfolio Solutions Distributor, Inc.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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