

Market Review

The first quarter of 2020 was unique. The market peaked on February 19th, so it is about right to say Q1 was approximately half normal-market conditions (with the caveat that "normal" here is pretty relative), and half COVID-19-induced volatility, most of it downward. Generally, the Fund held up well relative to major indices (providing "downside protection" in the industry parlance).

While naturally we're not excited that the Fund is down year-to-date, operationally we are comfortable functioning as asset managers in this environment since our thesis has always been about operating at a time of exponential change. Rapid change has been upon us for a while now, but the current economic crisis brought about by the COVID-19 pandemic throws this into stark relief. It is more clear than ever that innovation is both key to finding solutions to system-level risks, pandemics included, and is the cornerstone of investing to preserve and grow wealth and purchasing power into the future.

Two of the reasons we provided downside protection recently are that:

1. The Fund had exposure to some of the biotechnology innovations addressing the pandemic, and
2. The Fund will never have exposure to fossil fuel extractors, refiners, pipelines, fossil-burning utilities, or any other company that derives material revenue directly from fossil fuel consumption. Why not? It's the cause of arguably our greatest system-level risk: the climate crisis. The current and future economies don't resemble the economy of the past, so we continue to believe that backwards-looking correlation with an old-economy benchmark doesn't make sense. Now, it is clear that our industry's obsession with low tracking error to a benchmark makes less sense than ever, because we now really see first hand how rapidly the global economy can change. The best way to future-proof the Fund's portfolio is to look ahead, and never back. Yes, it sure was a rough quarter, but this is when we have even greater opportunity to get in front of the future, at better company-specific valuations (aka: current stock prices relative to expected future revenue and earnings growth).

Fund Recap

For the first quarter of 2020, the Shelton Green Alpha Fund returned -18.32% vs the MSCI All Country World Investable Market Index (ACWI IMI) at -22.34% and the S&P 500 Index at -19.60%.

The best performing sectors were Utilities, Basic Materials and Communications.

- These sectors benefited from gains on specific securities that outperformed during the quarter

The largest detracting sectors were Energy, Technology and Industrials.

- Within the energy sector, the entire value chains of both solar and wind energy production were down in Q1.
- The technology sector declined due to losses in the value chain of semiconductors. Although leaders in technology-overall-had a bad quarter, design and rendering software were close to unchanged in share prices.
- Industrials fared poorly across the board.

Fund Performance

Average Annual Total Returns

	1Q20	YTD	1YR	3YR	5YR	Since Inception
NEXTX	-18.32%	-18.32%	-3.34%	4.08%	2.44%	8.17%
MSCI ACWI IMI* ¹	-22.34%	-22.34%	-12.21%	1.32%	3.04%	5.39%
S&P 500 Composite Stock Index* ¹	-19.60%	-19.60%	-6.99%	5.09%	6.71%	9.71%

*It is not possible for individuals to invest directly in an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

¹Effective June 10, 2019, the Fund replaced the S&P 500 Composite Stock Price Index as the Fund's primary benchmark because the Adviser determined that the new benchmark more closely aligns with the investment strategies of the Fund.

Total returns include changes in share price and the reinvestment of income dividends and all capital gains distributions. Performance figures represent past performance and are not a guarantee of future results. The investment return and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost; current performance may be lower or higher than the performance data quoted. For more current month-end Fund performance information, please call our office at (800) 955-9988.

INVESTMENTS ARE NOT FDIC INSURED OR BANK GUARANTEED AND MAY LOSE VALUE

Fund Management

Garvin Jabusch Portfolio Manager



Prior to co-founding Green Alpha with Jeremy Deems in 2007, Garvin worked at Forward Management, LLC where he managed the Sierra Club Stock Fund and the Sierra Club Equity Income Fund. Before Forward Management, Garvin served as Vice President of Strategic Services at Morgan Stanley where he contributed to such projects as the integration of European acquisitions and the disposition of Morgan Stanley Online. Garvin holds an MBA in international management and finance from the American Graduate School of International Management (Thunderbird).

Jeremy Deems Portfolio Manager



Prior to co-founding Green Alpha, Jeremy was CFO of Forward Management, LLC, the investment advisor to the Forward Funds and Sierra Club Mutual Funds. He was responsible for all areas related to finance, operations, and human resources. Jeremy was also a co-portfolio manager on the Sierra Club Stock Fund, alongside Green Alpha co-founder, Garvin Jabusch. In addition, Jeremy was the CFO of ReFlow Management Co., LLC, an innovative liquidity management tool for the mutual fund industry. Jeremy holds an MBA in Finance and B.S. in Business Administration, Honors Concentration in Financial Services from Saint Mary's College of California. He was a licensed Certified Public Accountant from 2001 to 2016. Jeremy is also an independent Trustee and Audit Committee Chairman for several mutual fund trusts, consisting of funds managing in excess of \$20 billion in client assets, spanning the open-end, exchange traded and closed-end fund marketplaces.

IMPORTANT INFORMATION

Shelton Green Alpha Fund's environmental focus may limit investment options available to the Fund and may result in lower returns than returns of funds not subject to such investment considerations. There are no assurances that the Fund will achieve its objective and or strategy. Investing in securities of small and medium sized companies, even indirectly, may involve greater volatility than investment in larger and more established companies.

Investors should consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, visit www.sheltoncap.com or call (800) 955-9988. A prospectus should be read carefully before investing.

The Shelton Green Alpha Fund is distributed by RFS Partners, a member of FINRA and affiliate of Shelton Capital Management.

Green Alpha Advisors is not affiliated with either RFS Partners or Shelton Capital Management.