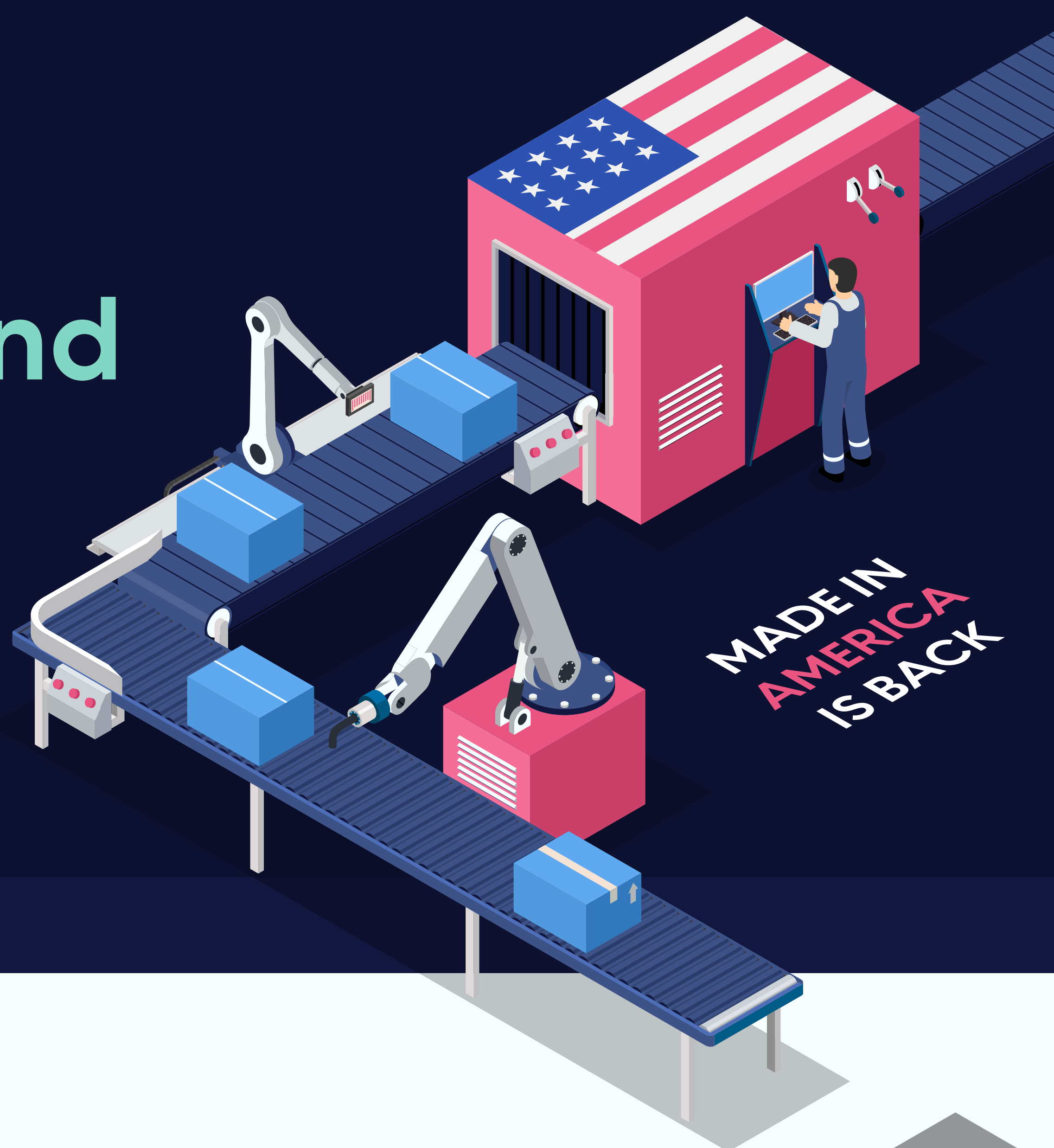


# The American Reshoring Megatrend

Learn about the Tema American Reshoring ETF, which seeks to provide long-term growth by investing in companies that stand to benefit from manufacturing moving back to US shores.

Capital at risk



## The start of a megatrend American reshoring

### What is reshoring?

Reshoring or onshoring is when firms bring business operations back to their home country. This includes manufacturing, production and jobs

### Benefits of reshoring

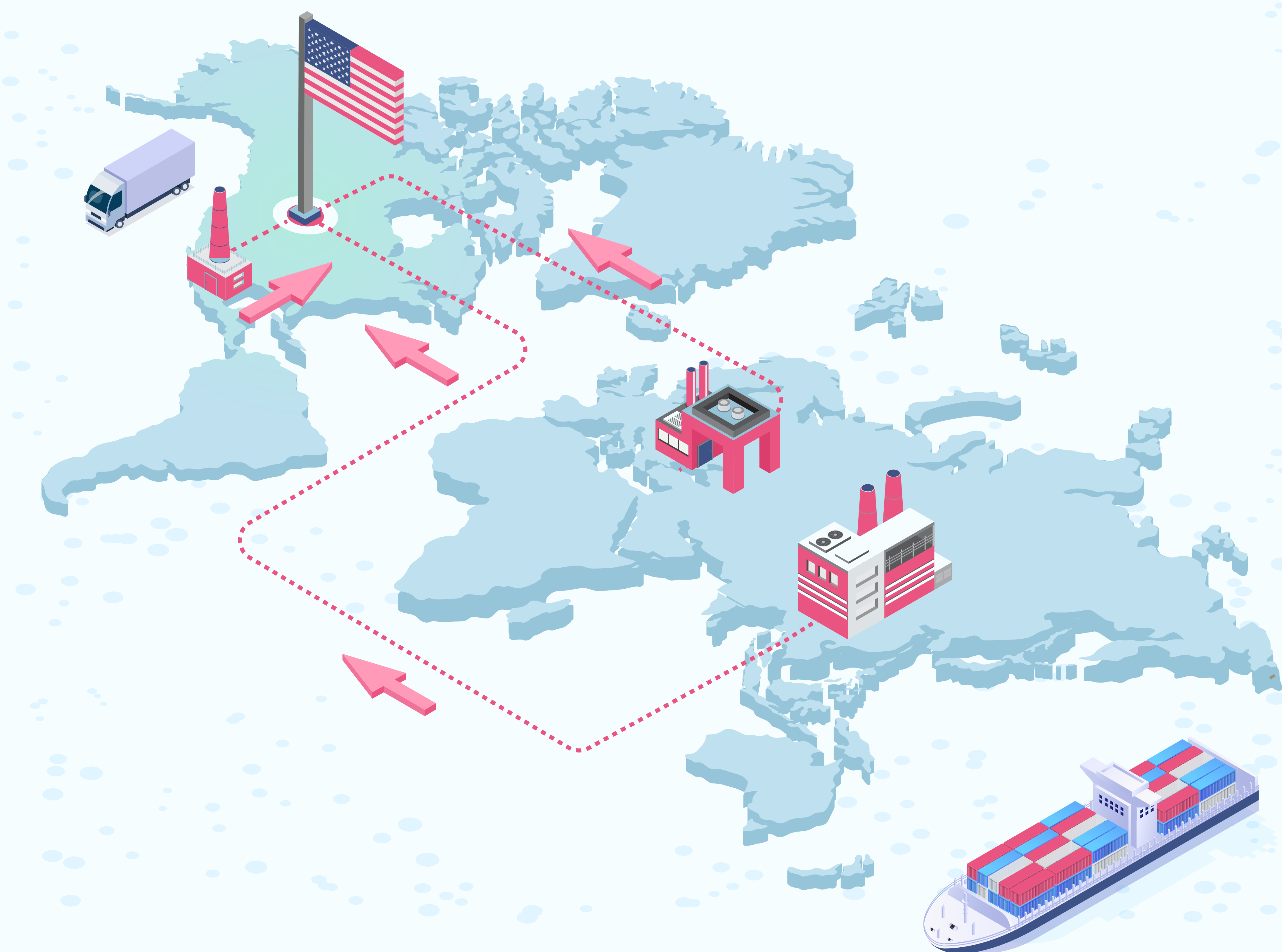
Reshoring bring significant benefits to firms in terms of newer more automated manufacturing plants, closer to consumers, leading to more resilient production.

### Why is America reshoring?

Supply chain disruptions, rising overseas labor costs, persistent quality issues and intellectual theft, are encouraging US companies to move manufacturing back home.

### An investment opportunity?

This multi-year trend benefits not only the firms reshoring but those helping to make it happen. We believe these reshoring companies are likely to have higher growth and a stronger competitive position.



## How it all started

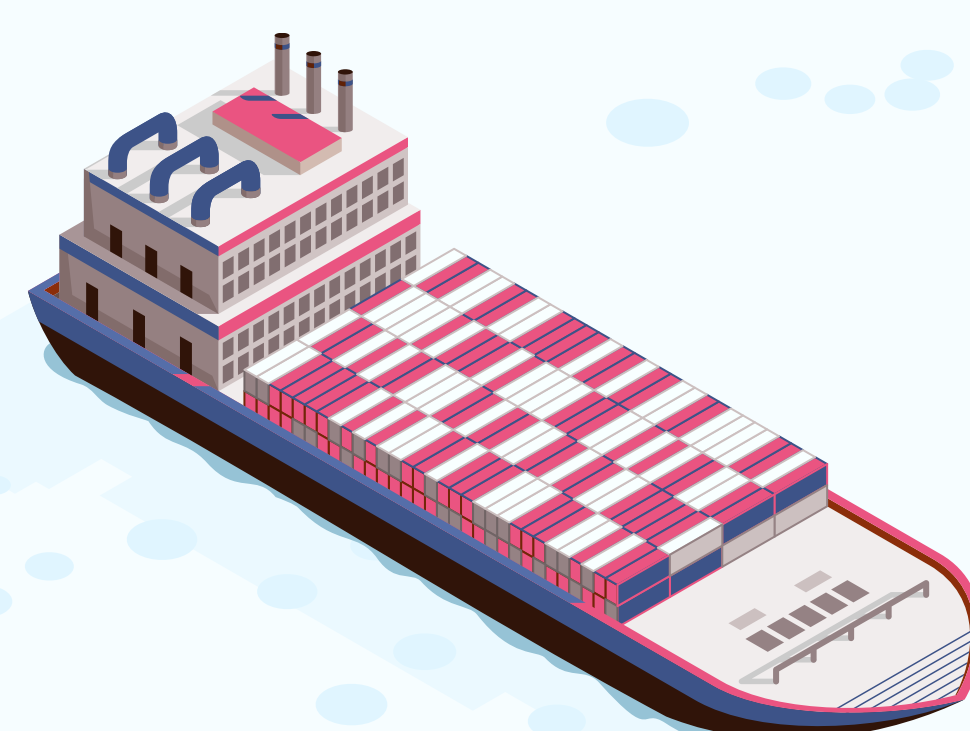
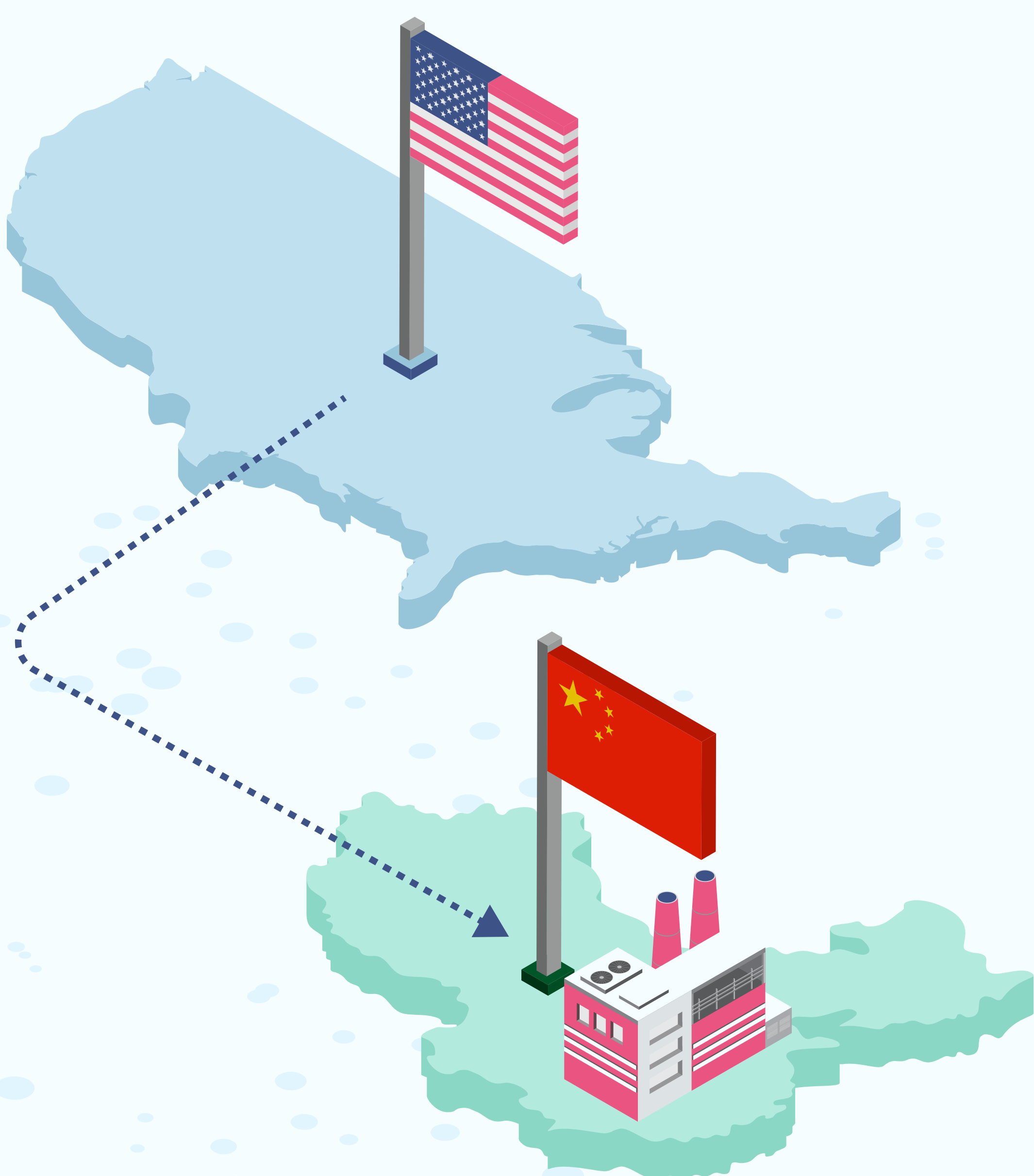
The drive to maintain high profits often leads to cost-cutting strategies

### It all started with Offshoring

**Offshoring** is the practice of relocating business operations to foreign countries. It began in the 1960s, as U.S. companies moved production to less developed countries.

**Offshoring companies** benefited from lower costs, increased profits, and access to new markets.

**Hosting nations** benefited through job creation, economic growth, technology transfer, increased trade and access to foreign investment.





# "Off"shoring turns "On": Structural forces are driving reshoring

New persistent challenges have strained supply chains  
encouraging firms to reshore

Operations And Supply Chain Management

## How the War in Ukraine Is Further Disrupting Global Supply Chains

by David Simchi-Levi and Pierre Haren

March 17, 2022

Source: Harvard Business Review



Supply chain  
insecurity

### Trade wars



Briefing | A tariffically bad idea

## The looming global trade war

America is setting dangerous new precedents as  
it tries to curb imports

Source: The Economist

TRADE AND INVESTMENT

## Regionalization vs globalization: what is the future direction of trade?

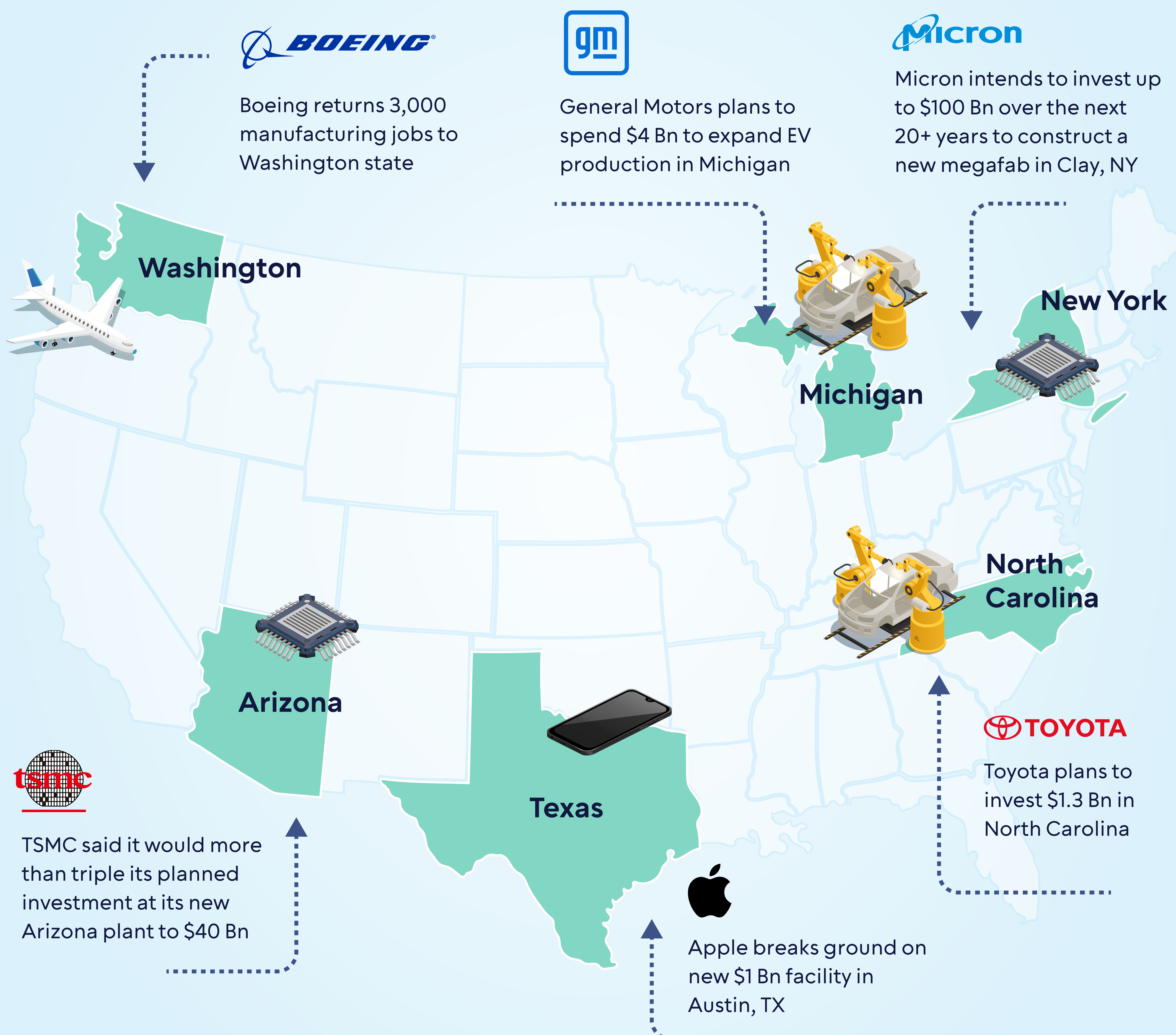
Jul 15, 2021

Source: World Economic Forum



Deglobalization

## Manufacturers are moving production back to U.S. shores (“reshoring”)

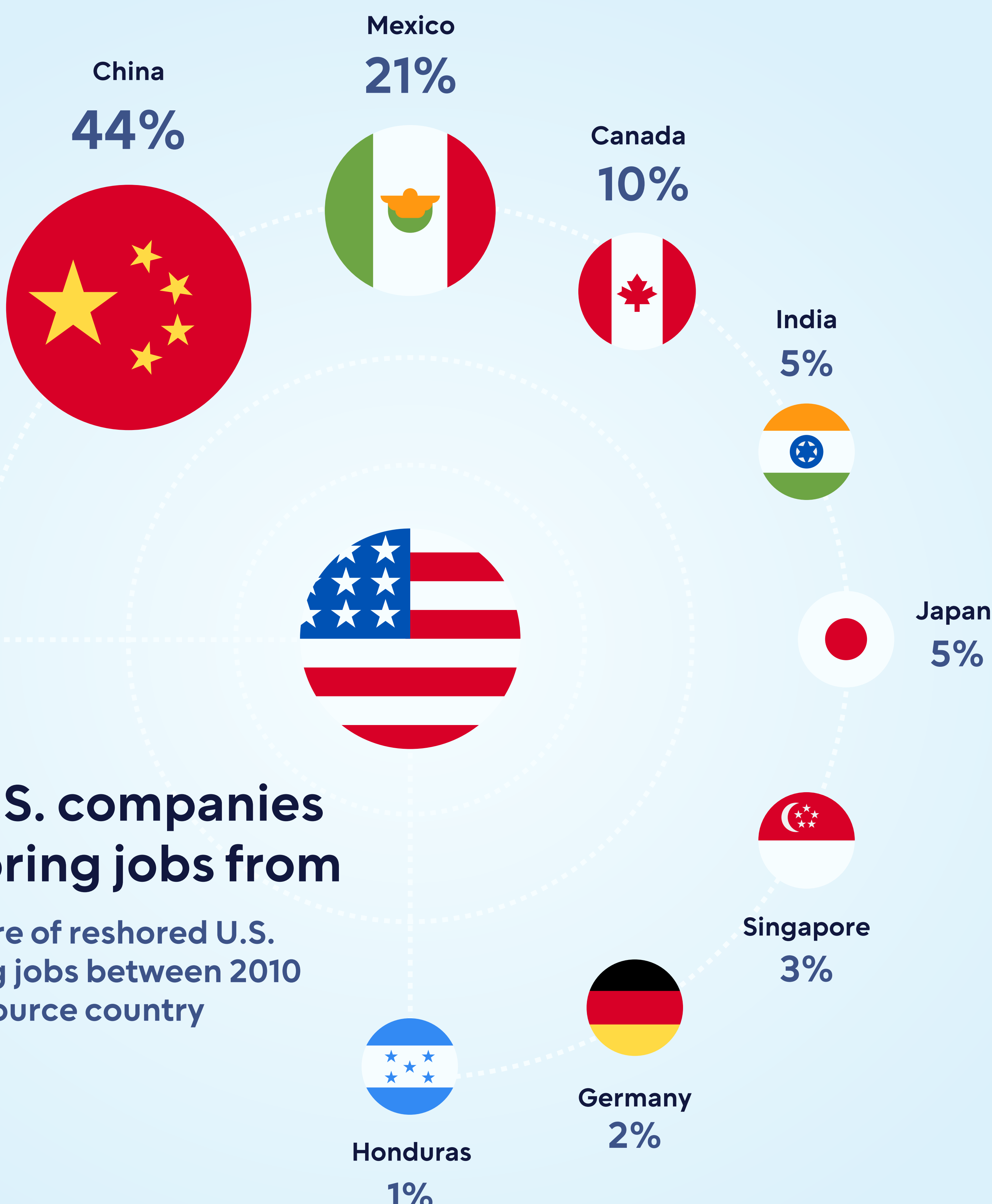


Source: Bloomberg, Financial Times, The Washington Post. Some of the companies highlighted in this infographic are holdings of the Tema American Reshoring ETF portfolio. For a full list of fund holdings click [here](#).

## Where U.S. companies are reshoring jobs from

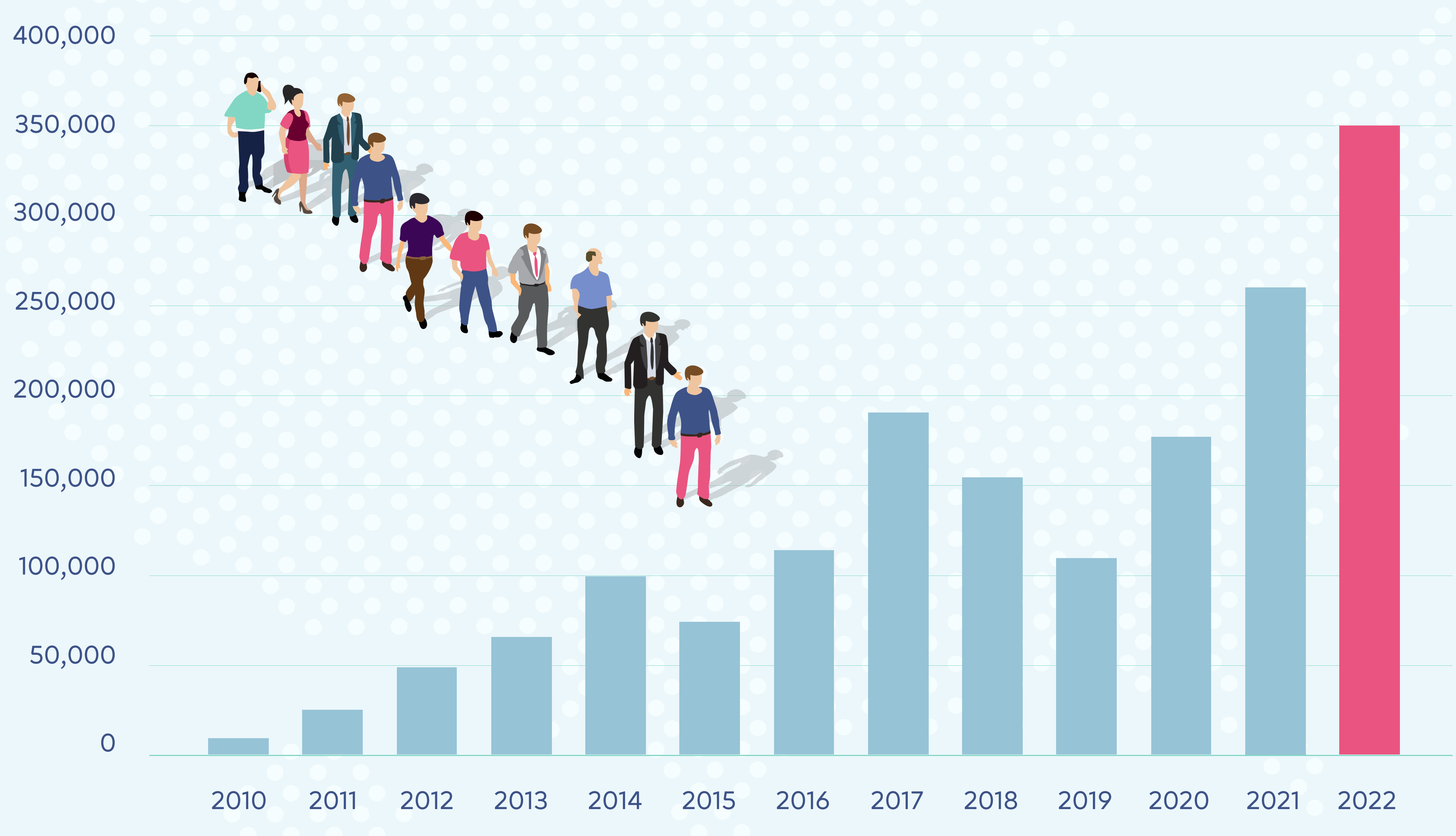
Estimated share of reshored U.S.  
manufacturing jobs between 2010  
and 2021, by source country

Source: Reshoring Initiative



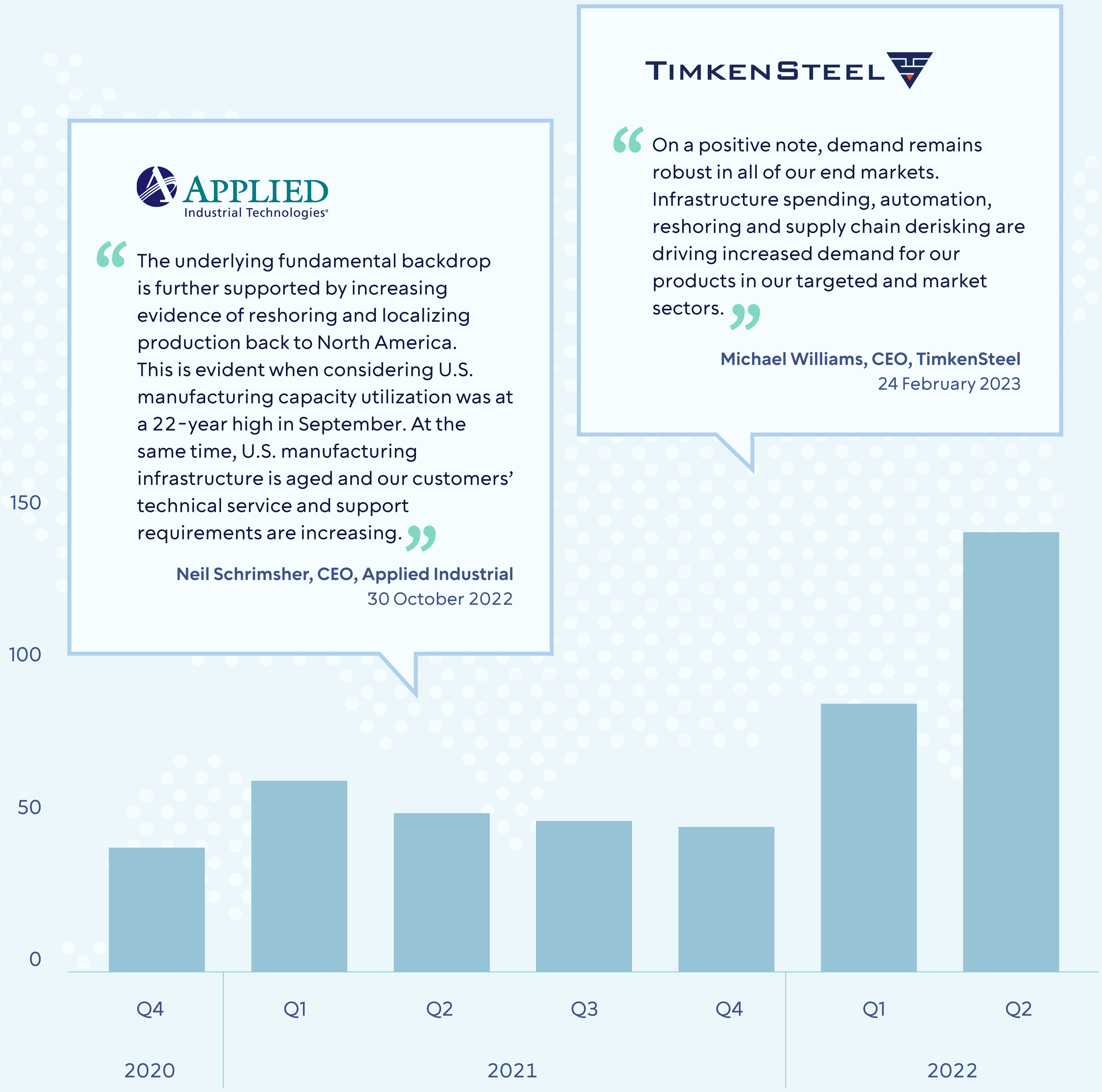


# Reshoring job announcements per year



Source: Reshoring Initiative

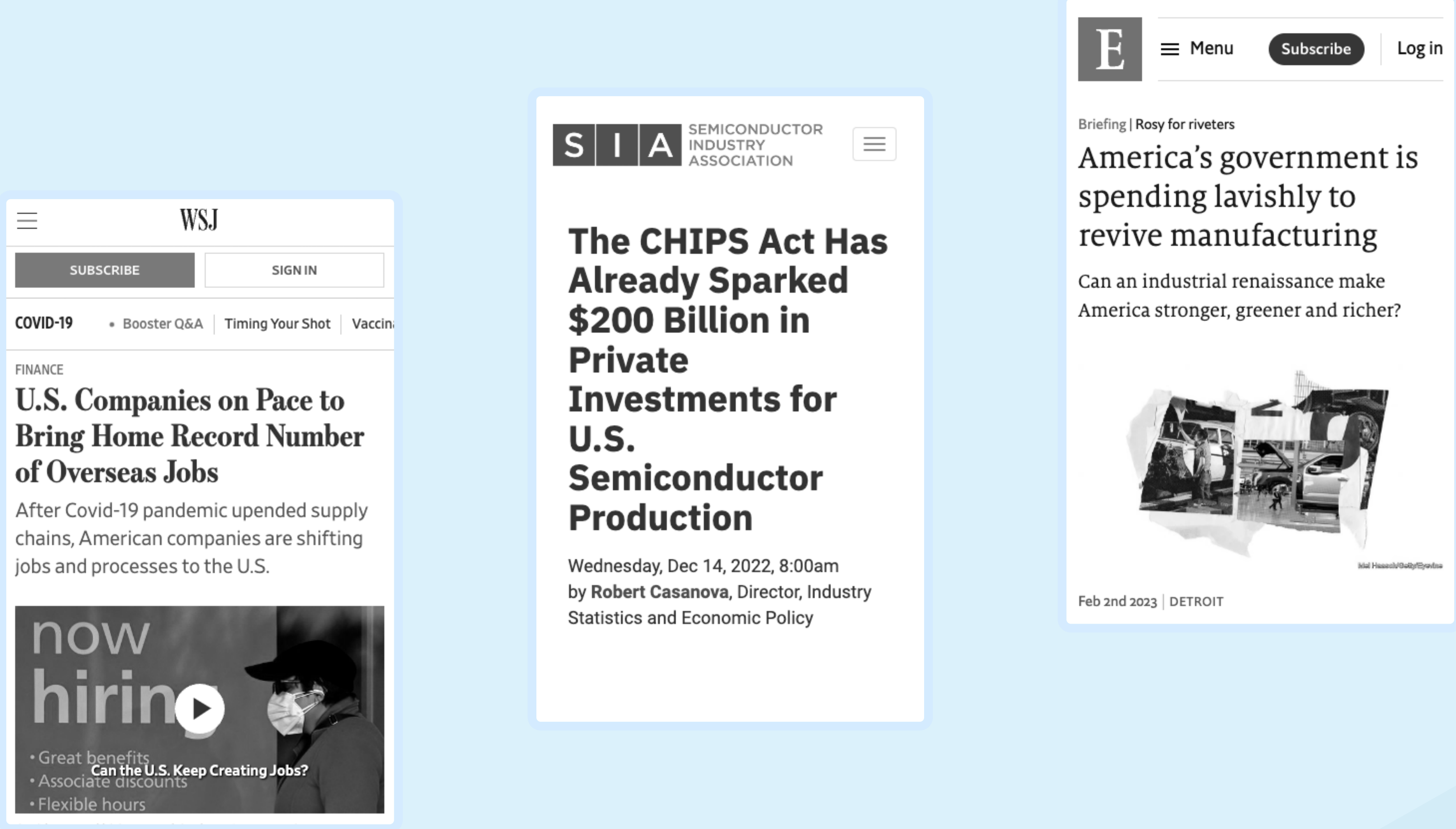
## U.S. public companies number of mentions of reshoring and onshoring in earnings calls and presentations



Source: Bloomberg. Some of the companies highlighted in this infographic are holdings of the Tema American Reshoring ETF portfolio. For a full list of fund holdings click [here](#).

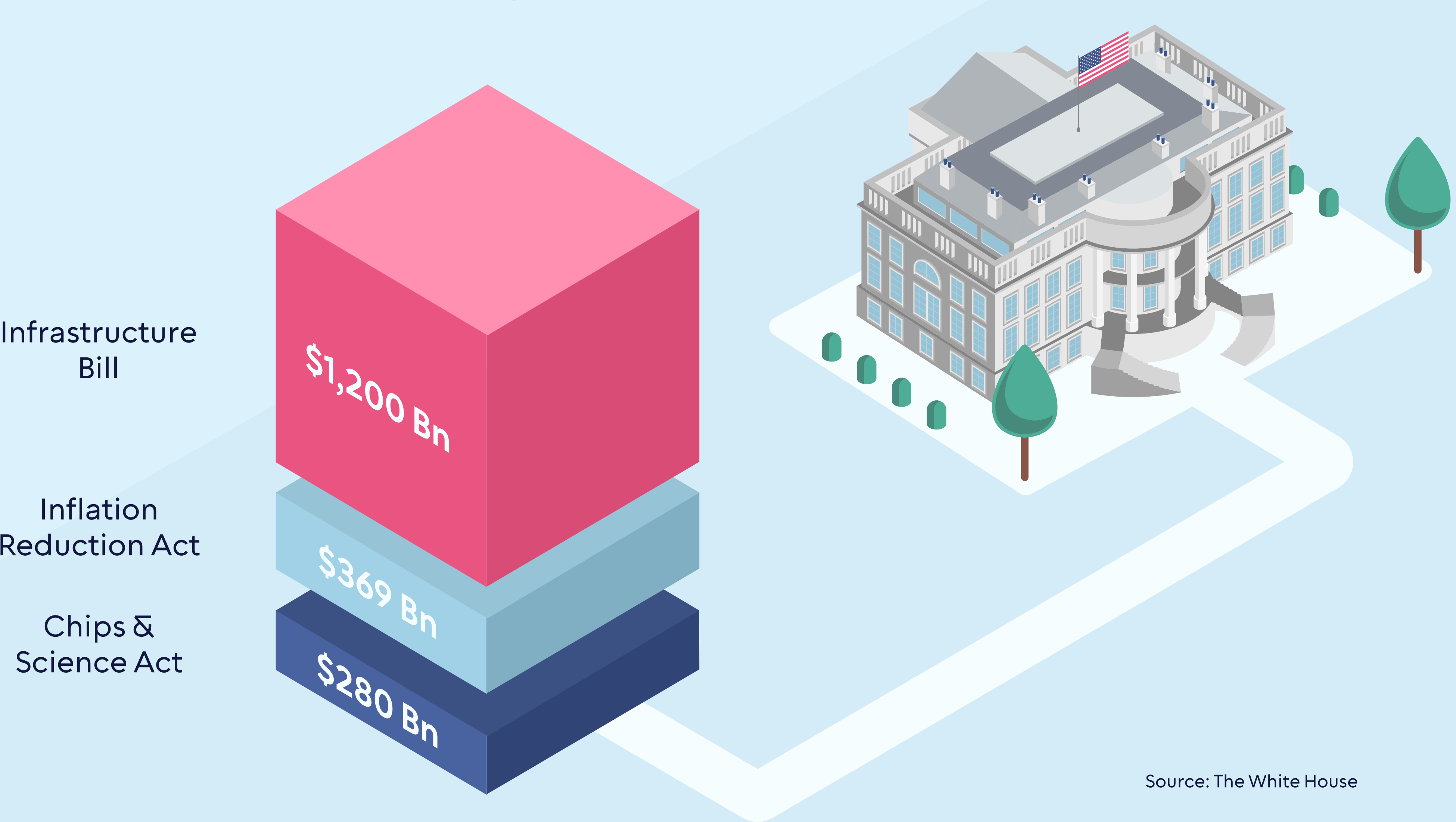
# Investing in the reshoring megatrend

Why now? We believe bipartisan support for America’s most significant modern industrial policy in decades, should strengthen reshoring winners



Total spend \$1.85 Tn

## Funding bills



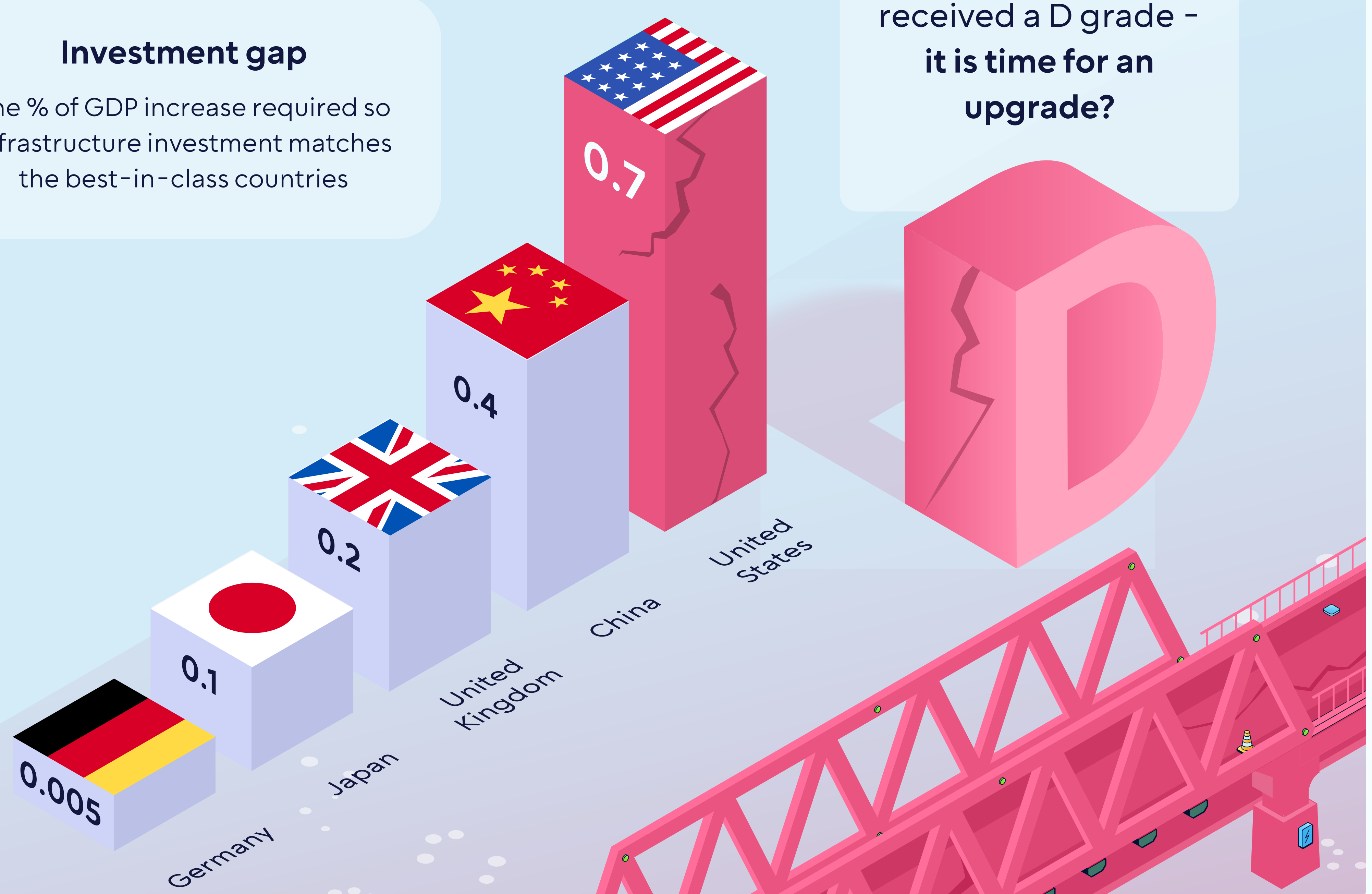
Source: The White House

# US has the biggest infrastructure investment gap to best-in-class\* countries

## Investment gap

The % of GDP increase required so infrastructure investment matches the best-in-class countries

For 19 straight years US infrastructure received a D grade - it is time for an upgrade?



Source: Global Infrastructure Hub. \*Investment gap is the difference between projected investment as % of GDP and the project investment as % of GDP by countries who rank the highest on this metric (best-in-class), accounting for differences in country characteristics.



# The universe of reshoring companies

## Reshoring manufacturers

Companies gaining an advantage by moving production back to the US (cost, working capital, returns)



## Reshoring facilitators

Direct modelled and substantial impact on revenues from reshoring trend



## Reshoring beneficiaries

Broad beneficiaries with >50% of revenue exposed to reshoring activities



Click here to download RSHO's Investor Deck

[Download Deck](#)

## Made in America is back with Tema American Reshoring ETF (RSHO)

The actively managed Tema American Reshoring ETF seeks to provide long-term growth by investing in companies that stand to benefit from manufacturing moving back to US shores

### 5 Reasons to consider RSHO ETF



#### Secular trend

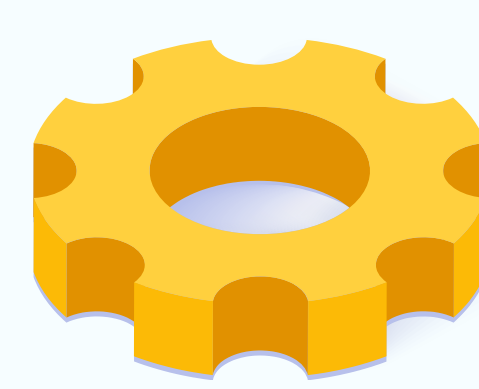
Supply chain disruptions, trade wars and geopolitics are encouraging companies to bring operations back to US shores



#### Bipartisan support

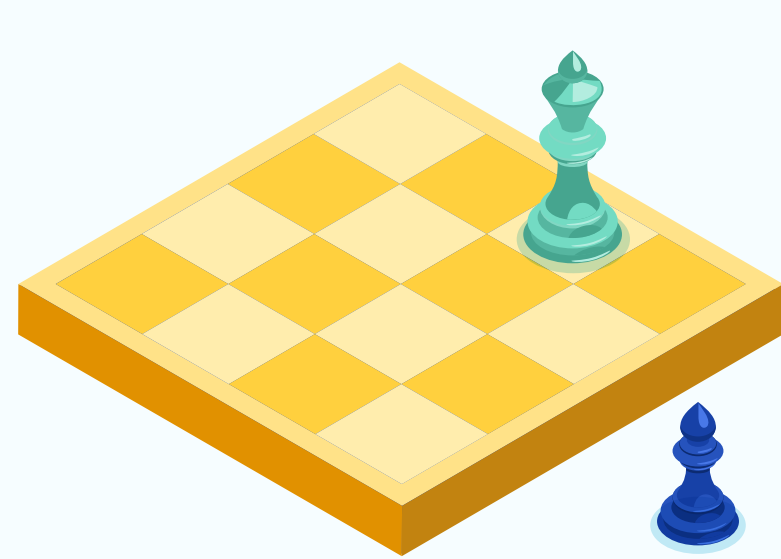
US government reshoring initiatives, already amounting to over \$1.85 Tn of spending and growing, have unprecedented bipartisan support and can potentially present large growth opportunities for beneficiaries

Source: The White House



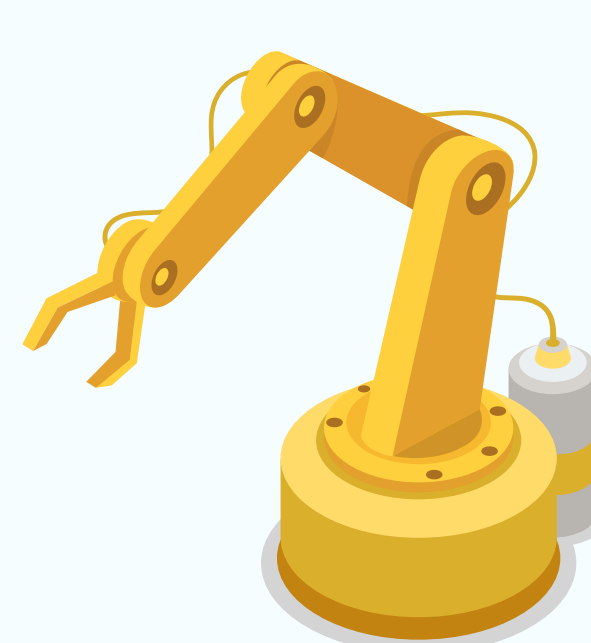
#### Industrial renaissance

Upgrading America's industrial and infrastructure footprint is creating an uplift in industrial technology, a key sub-theme of reshoring



#### Competitive advantage

Early movers in reshoring could gain a significant advantage via resilient supply chains and closer proximity to end users

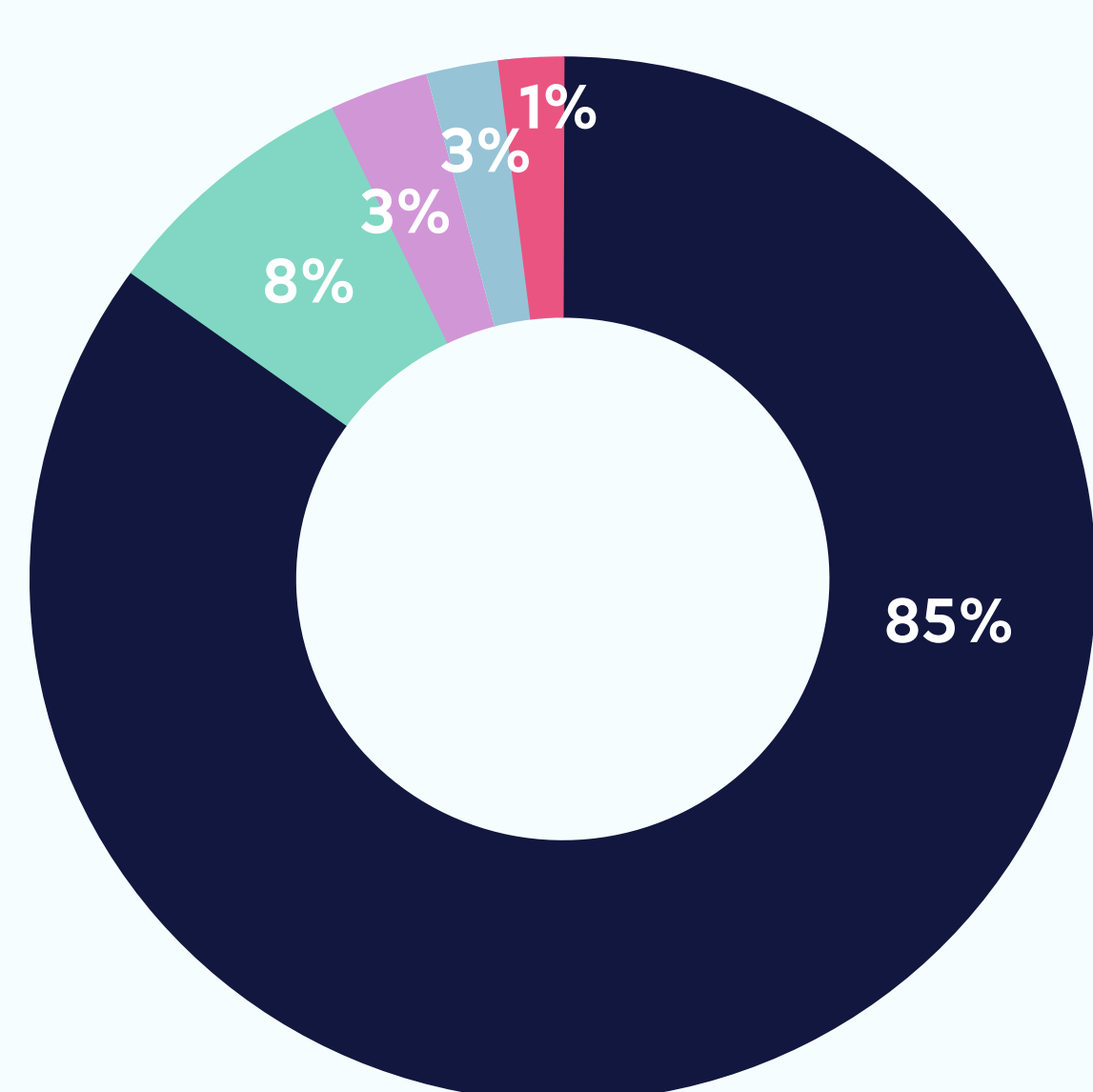


#### Pure exposure

The fund conducts deep and comprehensive research, selecting only those businesses that we believe will be the long term winners of the American reshoring trend.

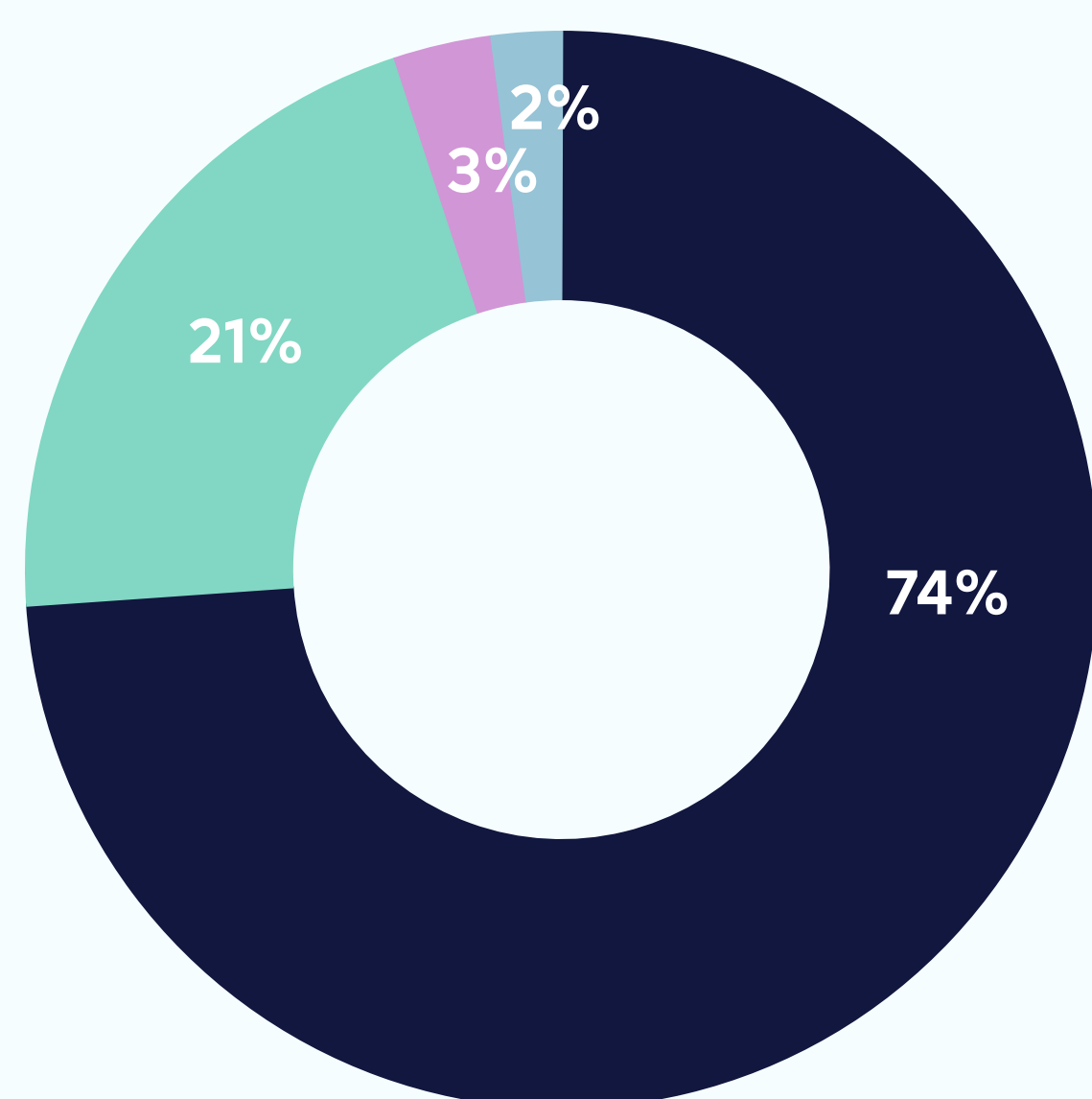
### RSHO portfolio breakdown

#### Country weighting



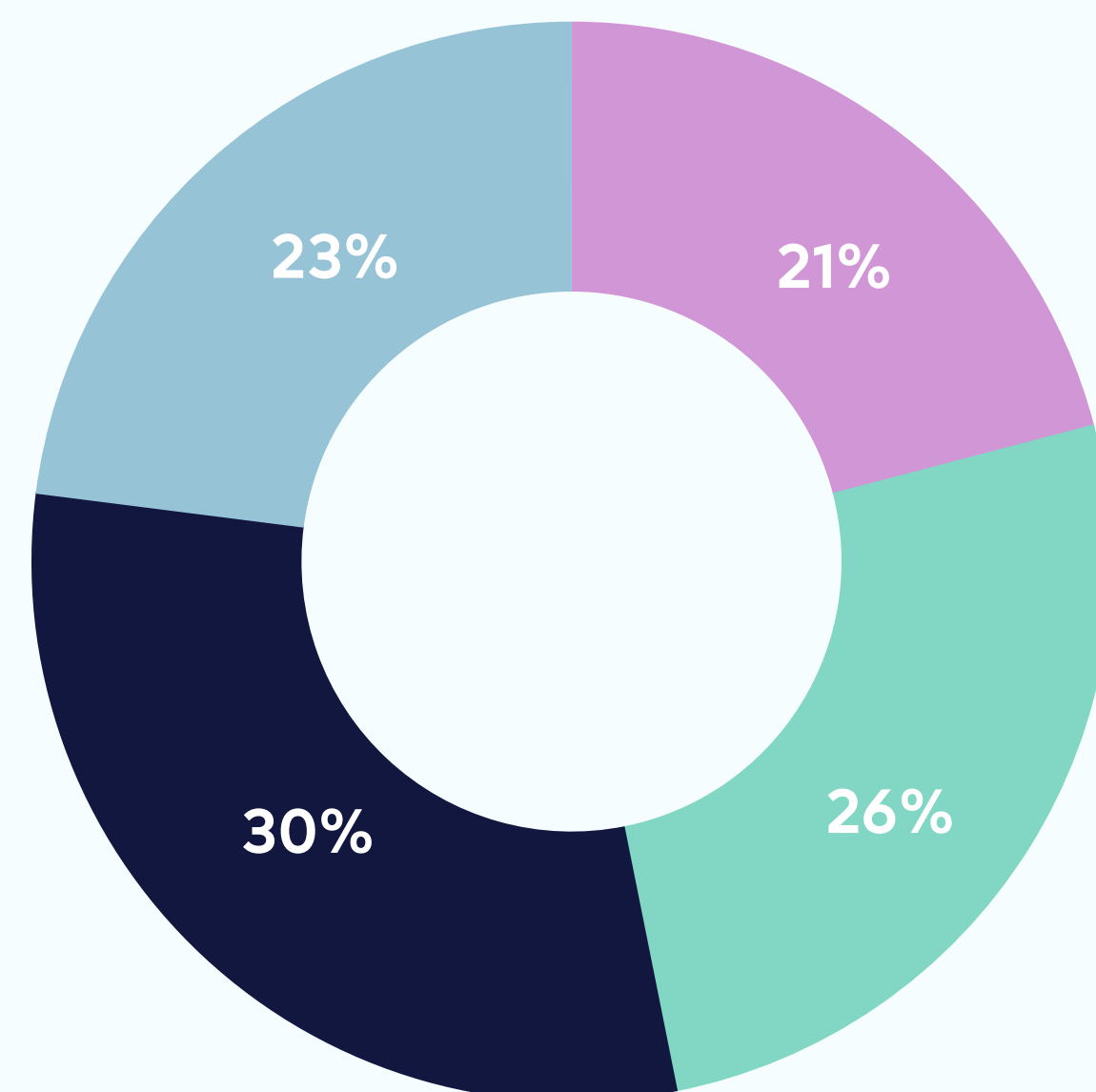
- United States
- Ireland
- Britain
- Switzerland
- Taiwan

#### Sector weighting



- Industrials
- Materials
- Consumer Discretionary
- Information Technology

#### Market cap bands (\$ Bn)



- 2-5
- 5-10
- 10-50
- >50

Information and data as of 04/30/2023. Figures may not add up to 100% due to rounding.

Click here to learn more about RSHO's portfolio

[About RSHO](#)



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## Risk Information

**Before investing carefully consider the Fund’s investment objective, risks, charges, and expenses contained in the prospectus available at [www.temaetfs.com](http://www.temaetfs.com). Read carefully before investing.**

Investing involves risk including possible loss of principal. There is no guarantee the adviser’s investment strategy will be successful.

**Sector Focus Risk:** The Fund may invest a significant portion of its assets in one or more sectors, including Industrials, Materials and Utilities, and thus will be more susceptible to the risks affecting those sectors than funds that have more diversified holdings across several sectors.

The success of the Fund’s investment strategy depends in part on the ability of the companies in which it invests to reshore or onshore services to the United States. Companies may face significant legal, financial and political headwinds in the reshoring or onshoring of jobs into the United States, and these factors may be detrimental to performance. Industrial and Utilities sector companies will likewise be subject to the risks of Government regulation, world events, exchange rates and economic conditions, technological developments and liabilities for environmental damage and general civil liabilities. In addition, many materials companies are significantly affected by the level and volatility of commodity prices, exchange rates, import controls, worldwide competition, environmental policies and consumer demand.

Investing in Foreign and emerging markets involves risks relating to political, economic, or regulatory conditions not associated with investments in U.S. securities and instruments. In addition, the fund is exposed to currency risk.

Tema Global Limited serves as the investment adviser to Tema American Reshoring ETF (the “Fund”), and NEOS Investments, LLC serves as a sub adviser to the Fund. The Fund is distributed by Foreside Services LLC, which is not affiliated with Tema Global Limited nor NEOS Investments, LLC. Check the background of Foreside on FINRA’s BrokerCheck.

**For inquiries:** [info@temaetfs.com](mailto:info@temaetfs.com)

