

KraneShares Global Carbon Strategy ETF

Investment Strategy:

The KraneShares Global Carbon Strategy ETF (KRBN) is benchmarked to the S&P Global Carbon Credit Index, which offers broad coverage of cap-and-trade carbon allowances by tracking the most traded carbon credit futures contracts. The index introduces a new measure for hedging risk and going long the price of carbon while supporting responsible investing.

Distinct from the project-based carbon offset market, compliance cap-and-trade is a government mandated & regulated, transparent, liquid market valued at nearly a trillion in 2023.¹ Cap-and-trade programs, also known as Emissions Trading Systems (ETS), are a market-based approach to regulating a region's emissions, with mandatory participation for specified industries. Supply is managed by government agencies and adjusted primarily through an annually declining cap.

Currently, the index covers the major European and North American cap-and-trade programs: European Union Allowances (EUA), California Carbon Allowances (CCA), the Regional Greenhouse Gas Initiative (RGGI), United Kingdom Allowances (UKA), and Washington State Carbon Allowances (WCA).

Fund Details	Data as of 06/30/2026
Primary Exchange	NYSE Arca, Inc.
Cross-Listed Exchange	ADX
CUSIP	500767678
ISIN	US5007676787
Total Annual Fund Operating Expense	0.90%
Inception Date	07/29/2020
Distribution Frequency	Quarterly
Underlying Index	S&P Global Carbon Credit Index
Net Assets	\$140,722,233

KRBN Features

- Structurally designed for long-term price appreciation due to the markets' increasing supply scarcity⁵, with low correlation to other major asset classes.
- Provides potential impact by supporting price discovery and liquidity in carbon markets.
- Counterbalance portfolio's emissions exposure and energy transition/climate risk.

*Formerly the KraneShares Global Carbon ETF.

**Diversification does not ensure a profit or guarantee against a loss.

Global Carbon Allowance Market Highlights

- In 2023, the four largest global carbon futures markets tracked by S&P Global Carbon Credit Index, had an annual trading volume of \$754.1 billion.²
- Cap and trade supports fuel switching and capital directed toward innovation in renewable technology.³
- Cap-and-trade has a proven track record, where it effectively solved the acid rain crisis of the '80s, with similar market principles now applied on a more global scale to the CO2 market.
- KRBN is the first, largest, and most liquid publicly listed carbon allowance ETF in the world.⁴

1. Reuters, "Global carbon markets value hit record \$909 bln last year," Feb 7, 2023.

2. Data from Bloomberg as of 12/31/2023.

3. International Swaps and Derivatives Association, "Role of Derivatives in Carbon Markets," Sep. 2021.

4. Data from Bloomberg as of 6/30/2024.

5. European Commission, "What is the EU ETS?" retrieved 6/25/2024.

KRBN Performance History:

	Cumulative % Data as of month end: 06/30/2026				Average Annualized % Data as of month end: 06/30/2026			
	1 Mo	3 Mo	YTD	Since Inception	1 Yr	3 Yr	5 Yr	Since Inception
Fund NAV	-1.71%	12.54%	-5.88%	142.48%	14.42%	-0.04%	5.81%	16.13%
Closing Price	-1.31%	11.69%	-6.33%	141.10%	13.82%	-0.28%	5.45%	16.02%
Underlying Index	-1.66%	12.20%	-6.10%	156.49%	14.12%	1.06%	7.11%	17.24%

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investors shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent quarter end, please visit kraneshares.ae/etf/krbn.

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Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

Holdings and Exposures of the KraneShares Global Carbon Strategy ETF

Carbon Allowance Exposures as of 06/30/2026	Identifier	Position	Current Exposure(\$)	% NAV
European Union Allowance (EUA) 2026 Note	US36255HES31	818	75,001,522	54.27%
California Carbon Allowance (CCA) Vintage 2026 Future	KBCZ26 Comdty	1,122	36,981,120	26.76%
European Union Allowance (EUA) 2026 Future	MOZ26 Comdty	79	7,240,116	5.24%
Regional Greenhouse Gas Initiative (RGGI) Vintage 2026 Future	RGYZ26 Comdty	157	6,882,880	4.98%
UK Allowance (UKA) 2026 Future	UKEZ26 Comdty	89	6,692,955	4.84%
Washington Carbon Allowance (WCA) Vintage 2026 Future	WKDZ26 Comdty	106	5,578,780	4.04%
			138,377,373	100%

Collateral and Currency Management as of 06/30/2026	Identifier	Position	Current Notional(\$)	% NAV
KraneShares Sustainable Ultra Short Duration Index ETF	500767355	3,043,000	76,242,365	55.17%
European Union Allowance (EUA) 2026 Note	US36255HES31	41,677,000	32,395,699	23.44%
Euro FX Futures	ECU6 Curncy	113	16,182,306	11.71%
State Street Institutional U.S. Government Money Market Fund	GVMXX	5,684,673	5,684,672	4.11%
BRITISH STERLING POUND	GBP	3,825,447	5,077,308	3.67%
EURO	EUR	1,464,103	1,673,911	1.21%
USD Cash & Equivalents**	USD	1,017,255	1,017,255	0.74%
			138,273,516	100%

Holdings, carbon allowance exposures, and collateral are subject to change.

**Includes USD cash deposits & cash in margin accounts (\$17,199,561), and implied short USD exposure from Euro FX futures

About KraneShares

Krane Funds Advisors, LLC is the investment manager for KraneShares ETFs. KraneShares offers innovative investment solutions tailored to three key pillars: China, Climate, and Alternatives. Our team is determined to provide industry-leading, differentiated, and high-conviction investment strategies that offer access to key market trends. Our mission is to empower investors with the knowledge and tools necessary to capture the importance of these themes as an essential element of a well-designed investment portfolio.

About Climate Finance Partners

Climate Finance Partners serves as the sub-adviser of the Fund. Climate Finance Partners delivers innovative climate finance solutions and investment products to address capital needs for emerging environmental challenges. CLIFI is led by a team of investment professionals with deep experience in the fields of traditional investment and environmental finance.

Carefully consider the Funds' investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Funds' full and summary prospectus, which may be obtained by visiting kraneshares.ae/etf/krbn. Read the prospectus carefully before investing.

Risk Disclosures:

Investing involves risk, including possible loss of principal. There can be no assurance that a Fund will achieve its stated objectives.

ETF shares are bought and sold on an exchange at market price (not NAV) and are not individually redeemed from the Fund. However, shares may be redeemed at NAV directly by certain authorized broker-dealers (Authorized Participants) in very large creation/redemption units. The returns shown do not represent the returns you would receive if you traded shares at other times. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. Beginning 12/23/2020, market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates the current NAV per share. Prior to that date, market price returns were based on the midpoint between the Bid and Ask price. NAVs are calculated using prices as of 4:00 PM Eastern Time.

ETFs cross-listed on the Abu Dhabi Securities Exchange (ADX) are securities traded on the exchange that represent shares of the ETFs which are domiciled and primarily listed in the United States. The ADX cross-listed ETFs reflect the economic rights of the underlying ETF; however, liquidity, trading volume, and market conditions on ADX may differ from those of the primary U.S. listing. Waystone ME Managing Investments Of Investment Funds L.L.C (CMA License No. 20200000288) serves as the Listing Advisor. OCEANE Global Markets LLC acts as the Market Maker for ETFs cross-listed on ADX.

Investing in ETFs cross-listed on ADX involves risk, including risks related to secondary-market liquidity, market volatility, and potential differences between the market price of the Units and the net asset value (NAV) of the underlying ETF. Investors should carefully review all available offering documents and disclosures provided through ADX and the UAE Capital Markets Authority (CMA), with particular attention to the ETF's investment objectives, investment policies, risk factors, fees, expenses, and charges.

Investments made in ETFs cross-listed on ADX are not guaranteed by any person or entity, including the service providers of the underlying ETF. Trading prices may trade at a premium or discount to NAV based on market conditions/ KraneShares does not sell or distribute investment products in the UAE. For information on investing or redeeming ETF cross-listed on ADX, investors should contact their licensed broker or the relevant ADX trading member with whom they maintain an account. ETFs cross-listed on ADX are available only to investors eligible under applicable CMA regulations.

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