

KraneShares Global Carbon Strategy ETC Securities

Investment Strategy:

The KraneShares Global Carbon Strategy ETC (KRBN) is intended to track the level of its reference index, 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. The index covers the major European and North American cap-and-trade programs: European Union Allowances (EUA), California Carbon Allowances (CCA), United Kingdom Allowances (UKA), Washington State Carbon Allowances (WCA), and the Regional Greenhouse Gas Initiative (RGGI), which covers the Northeast US Power Market.

Performance

- Carbon portfolio historically provides annualized returns above the S&P 500.¹
- Structurally designed for long-term price appreciation due to the markets' increasing supply scarcity.²
- Low correlations to major asset classes, including 0.3 to US large cap.¹
- Provides alternative return profile with potential inflation and climate risk hedging.

Impact

- Provides potential impact by supporting price discovery and liquidity in carbon markets.³
- Counterbalance portfolio's emissions exposure and energy transition/climate risk.
- Cap and trade supports fuel switching and capital directed toward innovation in renewable technology.³

1. Data from Bloomberg and S&P Dow Jones Indices as of 31/Dec/2024.

2. European Commission, "What is the EU ETS?" retrieved 25/Jun/2024.

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

Security Details	Data as of 30/Jun/2025
Primary SEDOL	BSTJGN8
Primary ISIN	XS2879867773
Inception Date	03/Oct/2024
Total Expense Ratio	0.78%
Distribution Frequency	Accumulating
Index Name	S&P Global Carbon Credit Index
Net Assets	\$8,739,360
Investment Structure	ETC
Base Currency	USD
UCITS Eligible	Yes

Potential Benefits of Carbon Pricing

- **Auction Revenue** - which governments can deploy for further climate and energy-related purposes
- **Fuel Switching** - incentivizes the switch from high-carbon emitting fuels (like coal) to lower-carbon alternatives (like renewable energy) due to the increased cost
- **Accelerating Innovation** - by creating a clear financial incentive for businesses to develop and adopt low-carbon technologies

KRBN Performance History:

	Cumulative % Data as of month end: 30/Jun/2025				Cumulative % Data as of quarter end: 30/Jun/2025			
	1 Mo	3 Mo	6 Mo	Since Inception	1 Yr	3 Yr	5 Yr	Since Inception
Security NAV	2.76%	5.58%	1.60%	4.36%	-	-	-	4.36%
Index	2.95%	6.41%	2.94%	6.05%	-	-	-	6.05%

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. Returns are provided in USD. To the extent the base currency of an available share class is not USD, returns may increase or decrease as a result of currency fluctuations. For performance data current to the most recent month end, please visit www.kraneshares.eu.

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.

This is a marketing communication. Please refer to the prospectus, the KIID and the PRIIP before making any final investment decisions.

The information provided here is for information purposes only in order to outline the capabilities of the KraneShares ETC Securities Programme. This page, including all information contained herein, is not provided for the purposes of marketing or selling the above ETC or any security. This page, including all information contained herein, is not intended to be used for making investment decisions by either select intermediaries or their underlying clients.

Holdings and Exposures of the KraneShares Global Carbon Strategy ETC Securities

Carbon Allowance Futures as of 30/Jun/2025	Identifier	Position	Current Exposure(\$)	% NAV
European Union Allowance (EUA) 2025 Future	MOZ25 Comdty	58	4,695,692	53.73%
California Carbon Allowance (CCA) Vintage 2025 Future	BCYZ25 Comdty	60	1,703,400	19.49%
Regional Greenhouse Gas Initiative (RGGI) Vintage 2025 Future	JELZ25 Comdty	21	480,060	5.49%
California Carbon Allowance (CCA) Vintage 2026 Future	KBCZ26 Comdty	15	452,250	5.17%
Washington Carbon Allowance (WCA) Vintage 2025 Future	WKCZ25 Comdty	7	432,180	4.95%
European Union Allowance (EUA) 2026 Future	MOZ26 Comdty	5	415,424	4.75%
UK Allowance (UKA) 2025 Future	UKEZ5 Comdty	6	378,875	4.34%
			8,557,881	98%

Collateral and Currency Management as of 30/Jun/2025	Identifier	Position	Current Exposure(\$)	% NAV
Euro FX Futures	ECU5 Curncy	30	4,438,500	50.79%
USD Cash & Equivalents**	USD	3,011,338	3,011,338	34.46%
BRITISH STERLING POUND	GBP	509,067	697,601	7.98%
EURO	EUR	504,258	591,922	6.77%
			8,739,360	100%

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

**Includes USD cash deposits & cash in margin accounts (\$7,449,838), and implied short USD exposure from Euro FX futures

About KraneShares

Krane Funds Advisors, LLC is the investment manager for KraneShares. 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.

Listings as of 30/Jun/2025	Ticker	Currency	Listing Date	SEDOL	ISIN
Deutsche Börse	KRBN GY	EUR	03/Oct/2024	BSRH0H6	XS2879867773
Borsa Italiana	KRBN IM	EUR	03/Oct/2024	BSTJGN8	XS2879867773
London Stock Exchange	KRBN LN	USD	16/Jan/2025	BSRH0B0	XS2879867773
London Stock Exchange	KRBP LN	GBP	16/Jan/2025	BR4Y040	XS2879867773

Investors will be advised that investing involves risk, including possible loss of principal. There can be no assurance that any series of ETCs will achieve its stated objectives. Under the ETC Programme, the Issuer may offer multiple different ETC Series. The performance of each ETC Series will be linked to specified reference indices comprised of futures contracts in the Global Carbon Credit Markets. The indices, and corresponding future contracts, are subject to political, social or economic changes which may cause decline in value. The Issuer may invest in derivatives, which are often more volatile than other investments and may magnify gains or losses for investors in the relevant ETC Series. Fluctuations in the currencies of foreign countries may have an adverse effect to domestic currency values. Narrowly focused investments typically exhibit higher volatility. Investors will be advised of these and other relevant risk factors before investing in any ETC Series.

The ETCs are not principal protected and are a high-risk investment. The ETCs are secured, limited recourse obligations of the Issuer. The ETCs issued under the Programme will not be guaranteed by any entity and no person other than the Issuer will be obliged to make payments on the ETCs.

For investors in the EU: The information provided is for information purposes only in order to outline the capabilities of the KraneShares ETC Securities Programme. The information contained herein is not provided for the purposes of marketing or selling the ETC or any security nor is it intended to be used for making investment decisions by either select intermediaries or their underlying clients.

For investors in the United Kingdom: Information and material provided is for information only and does not constitute an offer or recommendation to buy or sell any investment, or subscribe to any investment management or advisory service. It is not, under any circumstances, intended for distribution to the general public. You are accessing information which may constitute a financial promotion under section 21 of the Financial Services and Markets Act 2000 ("FSMA"). In relation to the United Kingdom, this information is only directed at, and may only be distributed to, persons who are "Investment Professionals" (being persons having professional experience in matters relating to investments) within the meaning of article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Financial Promotion Order"), persons to whom any of paragraphs (2)(a) to (d) of article 49 (high net worth companies, unincorporated associations etc.) of the financial promotion order apply, or persons to whom distribution may otherwise lawfully be made.

Any investment, and investment activity or controlled activity, to which this information relates is available only to such persons and will be engaged in only with such persons. Persons that do not have professional experience should not rely on or act upon this information unless they are persons to whom any of paragraphs (2)(a) to (d) of article 49 apply to whom distribution of this information may otherwise lawfully be made.

Any performance quoted represents past performance and is no guarantee of future results. Past performance is not indicative or a guarantee of future performance. These materials do not take into account individual client circumstances, objectives, or needs, and are not intended as recommendations of particular securities, financial instruments, or strategies to particular clients or prospects.

Krane Funds Advisors, LLC acts as Arranger in relation to the Issuer's ETC Programme as described in a Base Prospectus dated 13 September 2024 (supplemented 10 December 2024) approved by the Central Bank of Ireland pursuant to the EU Prospectus Regulation (Regulation (EU) 2017/1129) and available on www.kraneshares.eu. In relation to each ETC Series, Waystone Corporate Services (IE) Limited acts as Trustee pursuant to a trust deed and as Security Trustee pursuant to an Irish law security trust deed.

For additional documentation, please visit www.waystone.com or www.kraneshares.eu. To view our Summary of Investor Rights, available in English, please visit www.kraneshares.eu or click here. [R-KS-EU]