KRANESHARES TRUST

Quadratic Interest Rate Volatility and Inflation Hedge ETF (IVOL) and
Quadratic Deflation ETF (BNDD),
each a series of KraneShares Trust (the "Trust")
(each, a "Fund")

Supplement dated August 1, 2026
to the currently effective Prospectus and Statement of Additional Information,
as supplemented, for the Funds

This supplement provides new and additional information beyond that contained in each currently effective Prospectus and the Statement of Additional Information listed above and should be read in conjunction with the Prospectus and Statement of Additional Information.

On June 23, 2026, certain directors, officers and employees of Krane Funds Advisors, LLC ("Krane" or "Adviser"), among others, through KFA Two Holdings, LLC, which is a wholly owned subsidiary of KFA One Holdings, LLC, each located at 280 Park Avenue, New York, New York 10017, acquired a 50.1% interest in Krane from China International Capital Corporation (USA) Holdings Inc. ("Transaction"). Under the Investment Company Act of 1940, as amended (the "1940 Act"), the closing of the Transaction ("Closing") constituted a change in control of Krane that would have resulted in the automatic termination of the then-current investment advisory agreement between the Trust and Krane, on behalf of each Fund (the "Original Advisory Agreement"). In anticipation of the Closing, the Board of Trustees of the Trust ("Board"), including all of the Trustees who are not "interested persons" of the Trust, as defined in the 1940 Act (the "Independent Trustees"), approved the termination of the Original Advisory Agreement, effective immediately prior to the Closing, and appointed Krane as each Fund's investment adviser pursuant to an interim investment advisory agreement ("Interim Advisory Agreement"), effective upon the Closing. In addition, the Board, including all of the Independent Trustees, unanimously approved for submission to shareholders a new investment advisory agreement between the Trust, on behalf of each Fund, and Krane ("New Advisory Agreement"). Each of the New Advisory Agreement and the Interim Advisory Agreement is the same as the Original Advisory Agreement, except with respect to its effective date and term of the agreement and certain other differences required by regulation, as applicable.

Because the termination of the Original Advisory Agreement resulted in the termination of the then-current investment sub-advisory agreement ("Original Sub-Advisory Agreement") between Krane and Quadratic Capital Management, LLC ("Quadratic" or "Sub-Adviser"), the investment sub-adviser to the Funds, the Board appointed Quadratic as each Fund's investment sub-adviser pursuant to an interim investment sub-advisory agreement between Krane and Quadratic ("Interim Sub-Advisory Agreement"), to be effective concurrent with the Interim Advisory Agreement. In addition, the Board, including all of the Independent Trustees, unanimously approved for submission to shareholders a new investment sub-advisory agreement for each Fund between the Krane and Quadratic ("New Sub-Advisory Agreement"). Each of the New Sub-Advisory Agreement and the Interim Sub-Advisory Agreement is the same as the Original Sub-Advisory Agreement, except with respect to its effective date and term, as applicable.

Solicitation for shareholder approval of the New Advisory Agreement and New Sub-Advisory Agreement with respect to the Funds is ongoing ("Proxy Solicitation"). Until shareholder approval is obtained with respect to a Fund, the information under (1) the section of the Prospectus titled "Management – Investment Adviser" and (2) the section of the Statement of Additional Information titled "Investment Adviser" is hereby amended to reflect that, the Trust, on behalf of such Fund, has entered into the Interim Advisory Agreement, pursuant to which Krane is serving as investment adviser to the Fund until the earlier of November 20, 2026, or shareholders of the Fund approve the New Advisory Agreement. In addition, until shareholder approval is obtained with respect to a Fund, the information under (1) the section of the Prospectus titled "Management – Investment Sub-Adviser" and (2) the section of the Statement of Additional Information titled "Sub-Adviser" is hereby amended to reflect that Krane and the Trust, on behalf of such Fund have entered into the Interim Sub-Advisory Agreement with the Sub-Adviser.

KraneShares™

Summary Prospectus

Quadratic Interest Rate Volatility and Inflation Hedge ETF

Principal Listing Exchange for the Fund: NYSE Arca, Inc. (the "Exchange")
Ticker Symbol: **IVOL**

August 20, 2026

Before you invest, you may want to review the Fund's Prospectus, which contains more information about the Fund and its risks. You can find the Fund's Prospectus, Statement of Additional Information, recent reports to shareholders and other information about the Fund online at *www.kraneshares.com*. You can also get this information at no cost by calling 1-855-857-2638, by sending an e-mail request to *KraneFunds@seic.com* or by asking any financial intermediary that offers shares of the Fund. The Fund's Prospectus and Statement of Additional Information, each dated August 1, 2026, as each may be amended or supplemented from time to time, are incorporated by reference into this Summary Prospectus and may be obtained, free of charge, at the website, phone number or email address noted above.

Investment Objective

The Quadratic Interest Rate Volatility and Inflation Hedge ETF (the "Fund") is a fixed income ETF that seeks to hedge relative interest rate movements, whether these movements arise from falling short-term interest rates or rising long-term interest rates, and to benefit from market stress when fixed income volatility increases, while providing the potential for enhanced inflation-protected income.

Fees and Expenses of the Fund

The following table describes the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and examples below.**

Shareholder Fees (fees paid directly from your investment)	None
Annual Fund Operating Expenses	
(expenses that you pay each year as a percentage of the value of your investment)	
Management Fees	0.99%
Distribution and/or Service (12b-1) Fees*	0.00%
Acquired Fund Fees and Expenses	0.02%
Other Expenses	0.01%
Total Annual Fund Operating Expenses	1.02%
Fee Waiver**	-0.04%
Total Annual Fund Operating Expenses after Fee Waiver	0.98%

* *Pursuant to a Distribution Plan, the Fund may bear a Rule 12b-1 fee not to exceed 0.25% per year of the Fund's average daily net assets. However, no such fee is currently paid by the Fund, and the Board of Trustees has not currently approved the commencement of any payments under the Distribution Plan.*

** *The Fund's investment adviser, Krane Funds Advisors, LLC ("Krane" or "Adviser"), has contractually agreed to waive its management fee by 0.04% of the Fund's average daily net assets ("Fee Waiver"). The Fee Waiver will continue until August 1, 2028, and may only be terminated prior thereto by the Board.*

Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The Example assumes that you invest $10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions, whether you do or do not sell your shares, your costs would be:

1 Year	3 Years	5 Years	10 Years
$100	$317	$555	$1,240

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 0% of the average value of its

portfolio. This rate excludes the value of portfolio securities received or delivered as a result of in-kind creations or redemptions of the Fund's shares and is calculated without regard to most derivatives. If such instruments were included, the Fund's portfolio turnover rate would be higher.

Principal Investment Strategies

The Fund is actively managed and, under normal circumstances, seeks to achieve its investment objective primarily by investing, directly or indirectly, in a mix of U.S. Treasury Inflation-Protected Securities ("TIPS") and long options tied to the shape of the U.S. interest rate curve (described below). A "long option" refers to the purchase of an option, as opposed to the sale of an option not previously owned by the Fund, which would be referred to as a "short option." The Fund's strategy is designed to hedge against inflation risk and generate positive returns from the Fund's options during periods when interest rate volatility increases and/or the U.S. interest rate curve steepens (i.e., the spread between interest rates on U.S. long-term debt instruments and U.S. shorter-term debt instruments widens). Because equity and real estate market corrections tend to be correlated with interest rate volatility and a steepening of the interest rate curve, the Fund's strategy may also serve to hedge against the risks of such market corrections.

The Fund invests in TIPS directly or through other exchange traded funds ("ETFs") that invest in TIPS. TIPS are U.S. government bonds (specifically, Treasury securities) whose principal amount increases with inflation, as measured by the Consumer Price Index ("CPI"), and are designed to protect investors from inflation risk. The Fund may purchase TIPS of any maturity.

The Fund also invests in long options which are cash settled and tied to an index referencing the shape of the U.S. Secured Overnight Financing Rate ("SOFR") interest rate curve. The options are non-cleared, European style, and are cash settled based on a formulaic calculation referencing a snapshot of interest rates on different maturities at expiration date. The Fund buys options and pays a fixed upfront premium. The long only options used by the fund do not require any additional payment or delivery of cash during the life of the instrument. Such options are expected to (i) appreciate in value as the curve steepens or interest rate volatility increases and (ii) decrease in value or become worthless as the curve flattens or inverts or interest rate volatility declines or as time value decreases as the options approach their expiration dates. The U.S. SOFR interest rate curve "steepens" when the spread between SOFR rates on longer-term debt instruments and shorter-term debt instruments widens, "flattens" when such spread narrows, and "inverts" when SOFR rates on longer-term debt instruments become lower than those for shorter-term debt instruments (i.e., the spread is negative).

When the Fund purchases an option, the Fund pays a cost (premium) to purchase the option. The Fund's investments in options will be traded in the over-the-counter ("OTC") market. OTC derivative instruments generally have more flexible terms negotiated between the buyer and the seller. These instruments would generally be subject to greater counterparty risk. Many of the protections afforded to exchange participants will not be available for OTC options and there are no daily price fluctuation limits. OTC instruments also may be subject to greater liquidity risk. Under the Fund's option contracts, the Fund pays upfront for the option contracts (i.e., the premium), and counterparties are not required to post variation margin. There is no potential additional cash outflow or future liability for the Fund under the options; the Fund's only potential loss on such options is the premium paid in advance and any post-purchase appreciation in value. However, the Fund's options contracts are subject to counterparty risk, which is the risk of non-performance by an options counterparty. Such non-performance could result in a material loss to the Fund. The Fund is also subject to significant

counterparty risk as a result of holding cash at the Fund's custodian because such cash deposits are unsecured liabilities of the custodian. In addition, the Fund custodian, at times, sweeps excess cash to other banks, which would be unsecured liabilities of those other banks.

Options contracts, by their terms, have stated expirations; therefore, to maintain consistent exposure to options, the Fund must periodically migrate out of options nearing expiration and into options with later expirations — a process referred to as "rolling." The Fund's investment sub-adviser, Quadratic Capital Management LLC ("Quadratic" or the "Sub-Adviser"), expects that the Fund will typically purchase options with a time-to-expiration of between six months and three years, though the Fund may purchase options with shorter or longer expirations.

Under normal circumstances, the Sub-Adviser generally expects to invest less than 20% of the Fund's assets in option premiums (as defined below) and to actively manage the Fund's options investments to reduce the weight of such options in the Fund's portfolio if their value increases above the desired amount. Similarly, the Sub-Adviser generally expects to sell portfolio investments and reinvest proceeds in options if the value of such options declines below the desired amount.

Investments in derivative instruments, such as options, have the economic effect of creating financial leverage in the Fund's portfolio because such investments may give rise to gains or losses that are disproportionate to the amount the Fund has invested in those instruments. Because the Fund only invests in long options as part of its principal investment strategy, the maximum loss for the Fund's options position is the "options premium," which is defined as the premium paid for the options and any post-purchase appreciation in value. Thus, any disproportionate returns are generally expected to exist only when the value of such options appreciates. However, following such appreciation, even small changes in the shape of the U.S. interest rate curve or interest rate volatility may result in a significant decline in the value of such options with a maximum loss equal to the options premium at risk. **The Fund is likely to be significantly more volatile than a fund holding only long positions in the same U.S. government bonds as the Fund because the options component of the Fund could result in significant gains for the Fund or in a complete loss of the premium for the Fund's options.**

The Fund is non-diversified and therefore may invest a larger percentage of its assets in the securities of a single issuer or a smaller number of issuers than diversified funds.

Principal Risks

As with all exchange traded funds ("ETFs"), a shareholder of the Fund is subject to the risk that his or her investment could lose money. The Fund may not achieve its investment objective and an investment in the Fund is not by itself a complete or balanced investment program. An investment in the Fund is not a deposit with a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. An investment in the Fund involves the risk of total loss. In addition to these risks, the Fund is subject to a number of additional principal risks that may affect the Fund's performance, net asset value ("NAV") and trading price, including:

Derivatives Risk. The use of derivatives may involve leverage, which includes risks that are different from, and greater than, the risks associated with investing directly in a reference asset, because a small investment in a derivative can result in a large impact on the Fund and may cause the Fund to be more volatile. Derivatives may at times be highly illiquid, and the Fund may not be able to close out or sell a derivative at a particular time or at an anticipated price. Derivatives can be difficult to value and valuation may be more difficult in times of market turmoil. There may be imperfect correlation between the derivative and that of the reference asset, resulting in unexpected returns

that could materially adversely affect the Fund. Certain derivatives (such as swaps and options) are bi-lateral agreements that expose the Fund to counterparty risk, which is the risk of loss in the event that the counterparty to an agreement fails to make required payments or otherwise comply with the terms of derivative. In that case, the Fund may suffer losses potentially equal to, or greater than, the full value of the derivative if the counterparty fails to perform its obligations. That risk is generally thought to be greater with over-the-counter (OTC) derivatives than with derivatives that are exchange traded or centrally cleared. Counterparty risks are compounded by the fact that there are only a limited number of ways available to invest in certain reference assets and, therefore, there may be few counterparties to swaps or options based on those reference assets.

The regulation of derivatives, including under Rule 18f-4 under the 1940 Act, is an evolving area of law; legislative, regulatory or judicial developments (including revisions to or rescission of existing rules) could limit the availability of, restrict the Fund's use of, or increase the costs of, the derivative instruments used by the Fund, which could prevent the Fund from implementing its principal investment strategies.

The derivative instruments and techniques that the Fund may principally use include the following risks:

Options Risk. If the Fund buys an option, it buys a legal contract in exchange for a premium paid upfront by the Fund which gives it the right to receive a cash settlement payment based on a formulaic calculation referencing a snapshot of interest rates on different maturities at expiration date. The Fund's options are cash-settled, non-cleared OTC options and are "European style", which means that they can only be exercised at the end of the option term. A decision as to whether, when and how to use options involves the exercise of skill and judgment and even a well-conceived option transaction may be unsuccessful because of market behavior or unexpected events. The prices of options can be highly volatile and the use of options can lower total returns. If an option that the Fund has purchased is never exercised or closed out or expires worthless, the Fund will lose the amount of the premium it paid and any post-purchase appreciation in value.

OTC options generally have more flexible terms negotiated between the buyer and the seller, but the counterparties may be required to post "variation margin" as frequently as daily to reflect any gains or losses in such options contracts. Where, as here, such variation margin is not required to be posted, such instruments are generally subject to greater credit risk and counterparty risk, which is the risk that the other party to the derivative will fail to make required payments or otherwise comply with the terms of the option. Counterparty risk may arise because of market activities and developments, the counterparty's financial condition (including financial difficulties, bankruptcy, or insolvency), or other reasons. OTC instruments also may be subject to greater liquidity risk.

Hedging Risk. The Fund seeks to mitigate (or hedge) the risk associated with the potential impact of a steepening U.S. interest rate curve ("curve risk"), an increase in inflation and inflation expectations, and an increase in interest rate volatility on the performance of U.S. government bonds. The Fund does not seek to mitigate credit risk, non-curve interest rate risk, or other factors influencing the price of U.S. government bonds, which factors may have a greater impact on the bonds' returns than the U.S. interest rate curve or inflation. Further, there is no guarantee that the Fund's investments will eliminate or mitigate curve risk, inflation risk or the potential impact of interest rate volatility on long positions in U.S. government bonds. **If interest rates rise in parallel within the U.S. interest rate curve, the Fund will not be hedged.** In addition, when the U.S. interest rate curve flattens or inverts, the Fund's investments in options may lose value or end up worthless. Under such circumstances,

the Fund will generally underperform a portfolio comprised solely of U.S. government bonds (without the options owned by the Fund). **In a flattening or inverted curve environment, the Fund's hedging strategy could result in disproportionately larger losses in the Fund's options as compared to gains or losses in its U.S. government bond positions attributable to interest rate changes.** There is no guarantee that the Fund will have positive returns, even in environments of sharply rising inflation rates in which the Fund's options might be expected to mitigate the effects of such rises. The Fund will incur expenses when entering into positions in rate-linked options. Moreover, to the extent that curve risk has been priced into the U.S. government bonds owned by the Fund, the Fund will underperform other investments even during periods of curve steepening.

Rate-Linked Derivatives Investment Risk. The Fund's exposure to derivatives tied to interest rates subjects the Fund to greater volatility than investments in traditional securities, such as stocks and bonds. **Investing in derivatives tied to interest rates, including through options tied to the shape of the U.S. interest rate curve, can be extremely volatile.** The value of such investments may fluctuate rapidly based on a variety of factors, including overall market movements; economic events and policies; changes in interest rates or inflation rates; changes in monetary and exchange control programs; war; acts of terrorism; natural disasters; and technological developments. The Fund is expected to benefit from the options it holds if the U.S. interest rate curve steepens during the time period in which the Fund holds the options. However, if the U.S. interest rate curve flattens or inverts, the Fund will lose money on the options, up to the amount invested in option premiums, and underperform an otherwise identical bond fund that had not used such options. The Fund's rate-linked derivatives may lose value even if the US interest rate curve steepens. The Fund is expected to lose money in adverse movements in OTC risks such as lower implied volatility for the Fund's long options positions or as time value decreases as the options approach their expiration dates. Rate-linked derivatives may lose money and their value may fluctuate due to a variety of factors in a manner not anticipated by the Sub-Adviser.

An increase in interest rates may cause the value of securities held directly or indirectly by the Fund to decline to the extent that the increase is not linked to a steepening of the U.S. interest rate curve or the Fund's hedging strategy is not effectively implemented. Even if the Fund is hedged against losses due to interest rate increases linked to U.S. interest rate curve steepening, outright interest rate increases may lead to heightened volatility in the fixed-income markets and may positively affect the value of the Fund's options while negatively impacting the Fund's investments in TIPS.

There can be no assurance that the Fund's interest-rate linked options will accurately deliver positive returns if inflation experienced in the United States or the rate of expected future inflation reflected in the prices and yields of bonds held by the Fund rises. The Fund could lose money on the options held by the Fund, and the present value of the Fund's portfolio investments could decrease if inflation increases. These interest rate-linked options may also cause the Fund's net asset value and returns to be more volatile and expose the Fund to increased counterparty risk. Fluctuations in the steepness of the U.S. interest rate curve or the price of the options owned by the Fund could materially adversely affect an investment in the Fund.

The Fund's investments in options are not intended to mitigate duration and credit risk or other factors influencing the price of U.S. government bonds, which may have a greater impact on the bonds' returns than curve risk. Moreover, to the extent that curve risk has been priced into the government bonds owned directly or indirectly by the Fund, the Fund could underperform other investments even during inflationary periods. There is no guarantee that the Fund will have positive

performance even in environments of sharply rising inflation. There is no guarantee that the Fund will be able to successfully mitigate inflation risk or that bond values and interest rates will match changes in inflation rates.

Fixed Income Securities Risk. Investing in fixed income securities subjects the Fund to the following risks:

Credit Risk. Credit risk refers to the possibility that the issuer of a security will not be able to make payments of interest and principal when due. Changes in an issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the value of an investment in that issuer.

Event Risk. Event risk is the risk that an unexpected event could interfere with an issuer's ability to make timely interest or principal payments or that causes market speculation about the issuer's ability to make such payments, which could cause the credit quality and market value of an issuer's bonds and/or other debt securities to decline significantly.

Interest Rate Risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. Changes in monetary policy, which can be difficult to predict, may heighten the level of interest rate risk for the Fund.

Maturity Risk. The value of the Fund's fixed income investments is also dependent on their maturity. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates.

TIPS Risk. U.S. Treasury Inflation-Protected Securities ("TIPS") are debt instruments issued by the by the United States Department of the Treasury. The principal of TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index ("CPI"). When TIPS mature, investors are paid the adjusted principal or original principal, whichever is greater. Interest payments on TIPS are unpredictable and will fluctuate as the principal and corresponding interest payments are adjusted for inflation. Inflation-indexed bonds generally pay a lower nominal interest rate than a comparable non-inflation-indexed bond. There can be no assurance that the CPI will accurately measure the real rate of inflation in the prices of goods and services. Any increases in the principal amount of TIPS will be considered taxable ordinary income, even though the Fund or applicable underlying ETF will not receive the principal until maturity. As a result, the Fund may make income distributions to shareholders that exceed the cash it receives. In addition, TIPS are subject to credit risk, interest rate risk, and maturity risk.

U.S. Government Obligations Risk. Obligations of U.S. Government agencies and authorities receive varying levels of support and may not be backed by the full faith and credit of the U.S. Government, which could affect the Fund's ability to recover should they default. No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so. Additionally, market prices and yields of securities supported by the full faith and credit of the U.S. government or other countries may decline or be negative for short or long periods of time.

Non-Diversified Fund Risk. Because the Fund is non-diversified and may invest a greater portion of its assets in fewer issuers than a diversified fund, changes in the market value of a single portfolio holding could cause greater fluctuations in the Fund's share price than would occur in a diversified fund. This may increase the Fund's volatility and cause the performance of a single portfolio holding or a relatively small number of portfolio holdings to have a greater impact on the Fund's performance.

ETF Risk. As an ETF, the Fund is subject to the following risks:

Premium/Discount Risk. There may be times when the market price of the Fund's shares is more than the NAV intra-day (at a premium) or less than the NAV intra-day (at a discount). As a result, shareholders of the Fund may pay more than NAV when purchasing shares and receive less than NAV when selling Fund shares. This risk is heightened in times of market volatility or periods of steep market declines. In such market conditions, market or stop loss orders to sell Fund shares may be executed at prices well below NAV.

Because a portion of the Fund's portfolio consists of OTC instruments that are typically subject to wider bid-offer spreads than exchange traded instruments, the Fund's shares may trade at a larger premium or discount to NAV than ETFs that hold only exchange traded instruments, and such premium or discount could affect shareholders differently: a shareholder that purchases shares at a premium may experience a disproportionate loss if the shares subsequently trade at a discount, and shareholders transacting in the secondary market may experience results that differ from those of Authorized Participants transacting at NAV. Further, any of the fund's assets and investments may be halted or restricted, whether as a result of extraordinary market volatility, regulatory action, technical failures or otherwise. In addition, dealers in OTC instruments may reduce or suspend market-making activity during periods of market stress. Under such circumstances, the Fund may be unable to establish, adjust, roll or exit positions promptly.

Secondary Market Trading Risk. Investors buying or selling shares in the secondary market may pay brokerage commissions, which may be a significant proportional cost for investors buying or selling relatively small amounts of shares. Secondary market trading is subject to bid-ask spreads and trading in Fund shares may be halted by the Exchange because of market conditions or other reasons. Although the Fund's shares are listed on the Exchange, there can be no assurance that an active trading market for shares will develop or be maintained or that the Fund's shares will continue to be listed. Trading in the Fund's shares on the exchange may be halted due to market conditions or for reasons that, in the view of the exchange, make trading in the Fund's shares inadvisable, such as extraordinary market volatility. In the event of a trading halt for an extended period of time, the Fund may be unable to execute its investment strategy and shareholders may be unable to liquidate any position in Fund shares.

Authorized Participants Concentration Risk. The Fund has a limited number of financial institutions that may act as Authorized Participants. To the extent they exit the business or are otherwise unable to proceed in creation and redemption transactions with the Fund and no other Authorized Participant is able to step forward to create or redeem, shares of the Fund may be more likely to trade at a premium or discount to NAV and possibly face trading halts or delisting.

Cash Transactions Risk. Because the Fund may affect its creations and redemptions at least partially or fully for cash, rather than in-kind securities, an investment in the Fund may be less tax-efficient than an investment in other ETFs as the Fund may recognize a capital gain that it could have avoided by making redemptions in-kind. Cash transactions may involve considerable

transaction expenses and taxes, including brokerage fees, that might not have occurred if the Fund utilized in-kind transactions. To the extent any costs associated with cash transactions are not offset by any transaction fees payable by an Authorized Participant, the Fund's performance could be negatively impacted.

Liquidity Risk. The Fund's investments are subject to liquidity risk, which exists when an investment is or becomes difficult or impossible to purchase or sell at an advantageous time and price. If a transaction is particularly large or if the relevant market is or becomes illiquid, it may not be possible to initiate a transaction or liquidate a position, which may cause the Fund to suffer significant losses and difficulties in meeting redemptions. Liquidity risk may be the result of, among other things, market turmoil, the reduced number and capacity of traditional market participants, or the lack of an active trading market. Markets for securities or financial instruments could be disrupted by a number of events, including, but not limited to, an economic crisis, natural disasters, new legislation or regulatory changes inside or outside the U.S. Liquid investments may become less liquid after being purchased by the Fund, particularly during periods of market stress. The Fund may acquire a position in large size that may make its positions more difficult to liquidate and increase liquidity risk. In addition, if a number of securities held by the Fund stop trading, it may have a cascading effect and cause the Fund to halt trading. Volatility in market prices will increase the risk of the Fund being subject to a trading halt.

Management Risk. The Fund is actively managed and may not meet its investment objective. The Sub-Adviser's evaluations and assumptions regarding investments, interest rates, inflation, and other factors may not successfully achieve the Fund's investment objective given actual market conditions. The Sub-Adviser's investment process is fully discretionary and reflects judgment regarding the selection, structure, execution, sizing, timing and rolling of the Fund's options positions, use of cash, allocation to duration; it is not a quantitative model, algorithm or index, and portfolio decisions are not mechanical or formulaic. The individual investments and instruments selected for the Fund may not perform as expected or may be bought or sold at inopportune times, and the Fund may underperform funds with similar investment objectives or strategies. Even investment decisions that are well-conceived when made may prove unsuccessful because of subsequent market behavior or unexpected events. There is no assurance that the Sub-Adviser's judgments will prove correct. In addition, hedging positions, even when successful in mitigating the risks they target, may not prevent losses to the Fund and may reduce or eliminate gains that would otherwise have been available to the Fund without the options overlay and use of cash.

Market Risk. The values of the Fund's holdings could decline generally or could underperform other investments. In addition, there is a risk that policy changes by the U.S. Government, Federal Reserve, and/or other government actors, including those in foreign countries, or changes in global trade relationships could cause volatility in global financial markets, negative sentiment and higher levels of Fund redemptions, which could have a negative impact on the Fund and could result in losses. Geopolitical and other risks, including environmental and public health risks may add to instability in world economies and markets generally. Changes in value may be temporary or may last for extended periods and can occur suddenly and unexpectedly. Further, the Fund is susceptible to the risk that certain investments may be difficult or impossible to sell at a favorable time or price. Market developments may also cause the Fund's investments to become less liquid and subject to erratic price movements.

Artificial intelligence, including machine learning technology and generative artificial intelligence (collectively, "artificial intelligence"), is rapidly evolving. While the full extent of current or future risks related thereto is not possible to predict, artificial intelligence could significantly disrupt the business models and markets in which the Fund invests and subject the Fund or issuers in which it invests to increased competition, legal and regulatory risks and compliance costs, any of which could have a material adverse effect on the Fund or the business, financial condition and results of operations of the issuers in which it invests. The Fund's service providers, or the issuers of securities in which the Fund invests may utilize artificial intelligence technologies in business operations. It is possible that the information provided through the use of artificial intelligence could be insufficient, incomplete, inaccurate or biased, or constitute infringement of third-party intellectual property rights, leading to adverse effects for the Fund, including, potentially, operational errors, cybersecurity vulnerabilities and investment losses. Moreover, technological developments in, and the increasingly widespread use of, artificial intelligence technologies may pose risks to the Manager and the Fund. For instance, the Fund may be exposed to competitive risks related to the adoption of artificial intelligence or other new technologies by others within the industry. In addition, investments in technology systems and artificial intelligence by the Manager may not deliver the benefits the Fund expects.

Valuation Risk. Independent market quotations for certain investments held by the Fund, including OTC instruments, may not be readily available, and such investments may be fair valued or valued by a pricing service, dealer, or third-party sources deemed to be reliable by the fund administrator at an evaluated price. Over-the-counter ("OTC") options are valued by the Administrator based upon prices determined by the applicable independent, third-party pricing agent. These valuations involve subjectivity and different market participants may assign different prices to the same investment. As a result, there is a risk that the Fund may not be able to sell an investment at the price assigned to the investment by the Fund, and it is possible that the Fund would incur a loss because a position is sold at a discount to the valuation held by the Fund at that time. Such differences could be significant, particularly for securities that trade in relatively thin markets and/or markets that experience extreme volatility. In addition, the securities in which the Fund invests may trade on days that the Fund does not price its shares; as a result, the value of Fund shares may change on days when investors cannot purchase or sell their Fund holdings.

Large Shareholder Risk. To the extent a large number of shares of the Fund is held by a single shareholder or a small group of shareholders, the Fund is subject to the risk that redemption by those shareholders of all or a large portion of their shares will adversely affect the Fund's performance by forcing the Fund to sell securities, potentially at disadvantageous prices, to raise the cash needed to satisfy such redemption requests. This risk may be heightened during periods of declining or illiquid markets, or to the extent that such large shareholders have short investment horizons or unpredictable cash flow needs. Such redemptions may also increase transaction costs and/or have adverse tax consequences for remaining shareholders.

Investments in Investment Companies Risk. The Fund may invest in other investment companies, including those advised, sponsored or otherwise serviced by Krane and/or its affiliates. The Fund will indirectly be exposed to the risks of investments by such funds and will incur its pro rata share of the underlying fund's expenses. Additionally, investments in ETFs are subject to ETF Risk. Krane is subject to conflicts of interest in allocating Fund assets to investment companies that are advised, sponsored or otherwise serviced by Krane and/or its affiliates. To the extent that the Fund invests in investment companies or other pooled investment vehicles that are not registered pursuant to the 1940 Act, it will not enjoy the protections of the U.S. law.

Tax Risk. To qualify for the favorable U.S. federal income tax treatment accorded to a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended (the "Code"), the Fund must satisfy certain income, asset diversification and distribution requirements each year. Among other requirements, the Fund must derive at least 90% of its gross income each taxable year from certain qualifying sources of income and the Fund's assets must be diversified so that at least 50% of the value of the Fund's total assets is represented by cash and cash items, U.S. government securities, securities of other RICs, and other securities, subject to certain other limitations (see the "Taxes" section in the SAI for additional information). The Fund's investments in certain rate-linked derivative instruments (such as rate-linked options) may generate income that is not qualifying income and such investments may not be treated as investments in "securities" for purposes of the asset diversification requirement. The Fund will also need to manage its exposure to derivatives counterparties for purposes of satisfying the diversification test. If the Fund were to fail to meet the qualifying income test or asset diversification test and fail to qualify as a RIC, it would be taxed in the same manner as an ordinary corporation, and distributions to its shareholders would not be deductible by the Fund in computing its taxable income, which would adversely affect the Fund's performance. The failure by the Fund to qualify as a RIC would have significant negative tax consequences to Fund shareholders and would significantly and adversely affect a shareholder's return on its investment in the Fund. Under certain circumstances, the Fund may be able to cure a failure to meet the qualifying income test or asset diversification test if such failure was due to reasonable cause and not willful neglect, but to do so the Fund may incur significant fund-level taxes, which would effectively reduce (and could eliminate) the Fund's returns.

Cash and Cash Equivalents Risk. The Fund may hold cash or cash equivalents. Generally, such positions offer less potential for gain than other investments. This is particularly true when the market for other investments in which the Fund may invest is rapidly rising. If the Fund holds cash uninvested it will be subject to the credit risk of the depositing institution holding the cash.

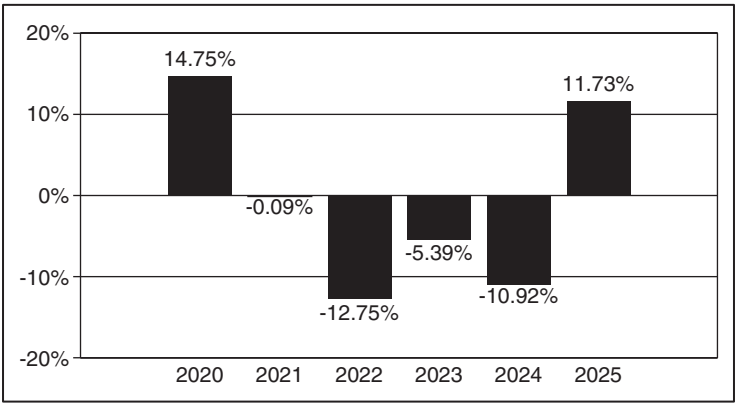
Return of Capital Risk. Historically, a portion of the Fund's distributions have been treated as a return of capital for tax purposes. Return of capital distributions are not taxable income to you but reduce your tax basis in your shares of the Fund. Such a reduction in tax basis will result in larger taxable gains and/or lower tax losses on a subsequent sale of shares of the Fund. There is no guarantee that the character of the Fund's distributions will be similar in the future.

Operational and Cybersecurity Risk. The Fund, Krane, its service providers and your ability to transact with the Fund may be negatively impacted due to operational matters arising from, among other problems, human errors, systems and technology disruptions or failures, or cybersecurity incidents. Cybersecurity incidents may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause the Fund or its service providers, as well as the securities trading venues and their service provides, to suffer data corruption or lose operational functionality. It is not possible for Krane or the other Fund service providers to identify all of the cybersecurity or other operational risks that may affect the Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

Performance Information

The following bar chart and table illustrate the variability of the Fund's returns and indicate the risks of investing in the Fund by showing how the Fund's average annual total returns compare with those of a broad measure of market performance. All returns include the reinvestment of dividends and distributions. As always, please note that the Fund's past performance (before and after taxes) is not necessarily an indication of how it will perform in the future. Updated performance information is available at no cost by visiting *www.ivoletf.com*.

Total Annual Returns For Calendar Years Ended December 31



As of June 30, 2026, the Fund's calendar year-to-date total return was -7.86%.

Best and Worst Quarter Returns (for the period reflected in the bar chart above)

	Return	Quarter Ended/Year
Highest Return	6.02%	3/31/2025
Lowest Return	-11.51%	9/30/2022

Average Annual Total Returns for the periods ended December 31, 2025

Quadratic Interest Rate Volatility and Inflation Hedge ETF	1 year	5 years	Since Inception (5-14-2019)
Return Before Taxes	11.73%	-3.87%	-0.44%
Return After Taxes on Distributions	11.73%	-4.14%	-0.91%
Return After Taxes on Distributions and Sale of Fund Shares	6.94%	-2.98%	-0.48%
Bloomberg US Treasury Inflation-Linked Bond Index (Reflects no deduction for fees, expenses or taxes)	7.01%	1.12%	3.12%

Management

Investment Adviser and Sub-Adviser

Krane Funds Advisors, LLC ("Krane" or "Adviser") serves as the investment adviser to the Fund.

Quadratic Capital Management LLC ("Quadratic" or "Sub-Adviser"), a registered Small/Minority Business Enterprise and a majority woman-owned firm, serves as the investment sub-adviser to the Fund.

Portfolio Manager

Nancy Davis, Managing Partner and Chief Investment Officer of Quadratic, has been primarily responsible for the day-to-day management of the Fund's portfolio since the Fund's inception in May 2019.

Purchase and Sale of Fund Shares

Shares may be purchased and redeemed from the Fund only in a large specified number of Shares each called a "Creation Unit," or multiples thereof. As a practical matter, only institutions and large investors, such as market makers or other large broker-dealers, purchase or redeem Creation Units. Most investors will buy and sell shares of the Fund on the Exchange. Individual shares can be bought and sold throughout the trading day like other publicly traded securities through a broker-dealer on the Exchange. These transactions do not involve the Fund. The price of an individual Fund share is based on market prices, which may be different from its NAV. As a result, the Fund's shares may trade at a price greater than the NAV (at a premium) or less than the NAV (at a discount). An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase shares of the Fund (bid) and the lowest price a seller is willing to accept for shares of the Fund (ask) when buying or selling shares in the secondary market (the "bid-ask spread"). Most investors will incur customary brokerage commissions and charges when buying or selling shares of the Fund through a broker-dealer.

Recent information regarding the Fund, including its NAV, market price, premiums and discounts, and bid-ask spreads, are available on the Fund's website at *www.ivoletf.com*.

Tax Information

Fund distributions are generally taxable as ordinary income, qualified dividend income or capital gains (or a combination), unless your investment is in an IRA or other tax-advantaged retirement account, which may be taxable upon withdrawal.

Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales person to recommend the Fund over another investment. Ask your sales person or visit your financial intermediary's website for more information.