

KraneShares California Carbon Allowance Strategy ETF



Ticker: KCCA

Principal Listing Exchange: NYSE Arca

Annual Shareholder Report: March 31, 2026

This annual shareholder report contains important information about the KraneShares California Carbon Allowance Strategy ETF (the "Fund") for the period from April 1, 2025 to March 31, 2026. You can find additional information about the Fund at <https://kraneshares.com/kcca/>. You can also request this information by contacting us at 1-855-857-2638. **This annual shareholder report describes changes to the Fund that occurred during the reporting period.**

What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

<u>Fund Name</u>	<u>Costs of a \$10,000 investment</u>	<u>Costs paid as a percentage of a \$10,000 investment</u>
KraneShares California Carbon Allowance Strategy ETF	\$76	0.79%

How did the Fund perform in the last year?

For the 12-month Period ended March 31, 2026 ("Period"), the Fund delivered the following returns:

Fund	NAV Return (%)	Market Price Return (%)	Underlying Index Return (%)
KCCA	-8.84	-8.33	-8.64 ^(a)

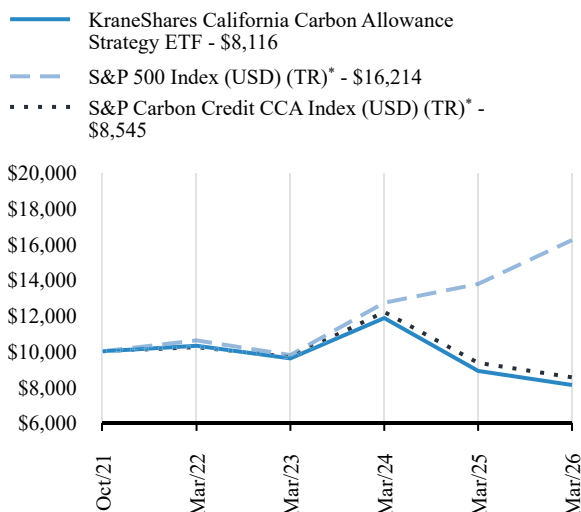
(a) S&P Carbon Credit CCA Index.

The KraneShares European Carbon Allowance Strategy ETF (the "Fund") seeks to provide investment results that, before fees and expenses, track the performance of the S&P Carbon Credit EUA Index Excess Return (the "Index"), plus any returns from any available collateral. The Index is comprised of futures contracts on emission allowances issued by a "cap and trade" regulatory regime that seeks to reduce greenhouse gas emissions over time.

Futures on allowances issued by the California Air Resources Board (CARB), which may be used in either California or Quebec, Canada, were lower, which led to the Fund's negative performance during the period. Proposed reforms to CARB were not implemented during the period, which led to the decline in the value of the allowances.

How did the Fund perform since inception?

Total Return Based on \$10,000 Investment



Average Annual Total Returns as of March 31, 2026

<u>Fund/Index Name</u>	<u>Annualized Since</u>	
	<u>1 Year</u>	<u>Inception</u>
KraneShares California Carbon Allowance Strategy ETF	-8.84%	-4.54%
S&P 500 Index (USD) (TR)*	17.80%	11.36%
S&P Carbon Credit CCA Index (USD) (TR)*	-8.64%	-3.44%

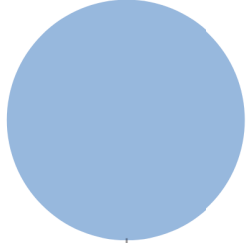
The line graph represents historical performance of a hypothetical investment of \$10,000 in the Fund since its inception on October 4, 2021. Returns shown are total returns, which assume the reinvestment of dividends and capital gains. The table and graph presented above do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. **Past performance is not indicative of future performance.** Call 1-855-857-2638 or visit <https://kraneshares.com/kcca/> for current month-end performance.

* Total Return (TR) - Reflects no deductions for fees, expenses or taxes.

Key Fund Statistics as of March 31, 2026

Total Net Assets	Number of Holdings	Total Advisory Fees Paid	Portfolio Turnover Rate
\$105,547,125	3	\$885,540	42%

What did the Fund invest in?

Collateral Management*	Futures Breakdown ^{^*}
Short-Term Investment, GVMXX 7.2%	Data as of 3/31/2026
Exchange-Traded Fund** 82.2%	 California 100.0%
<p>* Percentages are calculated based on total net assets. All Investments are presented at market value with the exception of future contracts which are presented at the notional amount.</p> <p>** Affiliated Investment</p>	<p>[^] Percentages are calculated based on total notional value. Future contracts are presented at the notional value.</p> <p>* At the latest auction, which occurred on February 18, 2026, 12.50% of allowances were purchased for Quebec-based polluters.</p>

Material Fund Changes

<https://kraneshares.com/etf/kcca/#fund-documents> This is a summary of certain changes to the Fund since April 1, 2025. For more complete information, you may review the Fund's prospectus, which is available at <https://kraneshares.com/etf/kcca/#fund-documents> or upon request at 1-855-857-2638.

Effective November 3, 2025, the Fund changed from tracking the "Total Return" version of its underlying index to the "Excess Return" version of its underlying index.

Krane Funds Advisors, LLC ("Krane" or the "Adviser"), the investment adviser to the Fund, entered into an agreement whereby its officers and employees, among others, through KFA Two Holdings, LLC, will acquire a majority interest in the Adviser from China International Capital Corporation (USA) Holdings Inc., a wholly-owned, indirect subsidiary of China International Capital Corporation Limited (the "Transaction"). Consummation of the Transaction will, under the Investment Company Act of 1940, result in the automatic termination of the Fund's existing investment advisory and, if applicable, sub-advisory agreements. In anticipation of the Transaction, the Board approved new advisory and, if applicable, sub-advisory agreements on terms identical to the existing agreements (other than effective and termination dates), subject to shareholder approval of the new advisory agreement. The new sub-advisory agreement will take effect in reliance on a manager-of-managers exemptive order. To ensure continuity of management pending shareholder approval of the new advisory agreement, the Board also approved interim advisory and, if applicable, sub-advisory agreements, effective upon closing of the Transaction, each with terms substantially identical to the current agreements, to remain in effect for up to 150 days while shareholder approval is sought.

Changes in and Disagreements with Accountants

There were no changes in or disagreements with accountants during the reporting period.

Additional Information

For additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information, visit <https://kraneshares.com/kcca/>.

Householding

You may have consented to receive one copy of a shareholder report at your address if you and one or more individuals in your home have multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses. If you wish to change your householding status or receive individual copies of your shareholder report, please contact us at 1-855-857-2638 or your financial intermediary.



KraneShares Trust
KraneShares California Carbon Allowance Strategy ETF: KCCA

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KCCA-AR-2026