

Impact Shares NAACP Minority Empowerment ETF

Ticker: NACP – NYSE ARCA

Impact Shares YWCA Women’s Empowerment ETF

Ticker: WOMN – NYSE ARCA

Impact Shares Affordable Housing MBS ETF

Ticker: OWNS – NYSE ARCA

Each, a series of Impact Shares Trust I

Supplement dated August 31, 2023 to each of the
Summary Prospectuses and Prospectus dated October 25, 2022, as previously supplemented

A Special Meeting of Fund Shareholders (the “Meeting”) was held on August 30, 2023, at the offices of Impact Shares Corp. (“ISC”) located at 5950 Berkshire Lane, Suite 1420, Dallas, Texas 75225.

At the Meeting, shareholders of Impact Shares NAACP Minority Empowerment ETF (the “NAACP Fund”), Impact Shares YWCA Women’s Empowerment ETF (the “YWCA Fund”), and Impact Shares Affordable Housing MBS ETF (each, a “Fund”) elected four new members to the Board of Trustees.

In addition, shareholders of the YWCA Fund approved a new investment advisory agreement between the Impact Shares Trust I (the “Trust”) and Toroso Investments, LLC (“Toroso”), and an amendment to the Amended and Restated Investment Advisory Agreement among the Trust, Toroso, and ISC for the YWCA Fund.

The Meeting was adjourned for the shareholders of the NAACP Fund until October 10, 2023, with respect to the proposal for a new investment advisory agreement between the Trust and Toroso and an amendment to the Amended and Restated Investment Advisory Agreement among the Trust, Toroso, and ISC for the NAACP Fund. ISC remains the NAACP Fund’s investment adviser.

The following section of the Summary Prospectus and statutory Prospectus is hereby replaced, solely with respect to the YWCA Fund, with the following:

Portfolio Management

Toroso serves as investment adviser to the Fund and is responsible for overseeing the management and business affairs of the Fund. Impact Shares serves as the investment sub-adviser to the Fund and is responsible for selecting investments for the Fund’s portfolio consistent with the Fund’s investment objectives, policies, and restrictions. The portfolio managers for the Fund are Ethan Powell of Impact Shares, who has managed the Fund since inception, and Qiao Duan and Charles Ragauss of Toroso, who became portfolio managers of the Fund in August 2023.

| Portfolio Manager | Managed the Fund Since: | Title |
|--------------------------|------------------------------------|---------------------------|
| Ethan Powell | July, 2018 | President, Impact Shares |
| Qiao Duan | August, 2023 | Portfolio Manager, Toroso |
| Charles Ragauss | August, 2023 | Portfolio Manager, Toroso |

The following section of the statutory Prospectus is hereby replaced with the following:

MANAGEMENT OF THE FUNDS

Board of Trustees

The Board of Trustees (the “Board” or “Trustees”) has overall management responsibility for the Funds. See “Management” in the SAI for the names of and other information about the Trustees and officers of the Funds. At the Meeting, the shareholders of the Funds elected Mr. Guillermo Trias, Ms. Monica Byrd, Ms. Pamela Cytron, and Mr. Lawrence Jules as new Trustees, following the resignations of Mr. Winston Lowe and Ms. Kathleen Legg.

The following sections of the statutory Prospectus are replaced, solely with respect to the YWCA Fund, with the following:

MANAGEMENT OF THE FUNDS

Toroso – Investment Adviser to the YWCA Fund

Toroso Investments LLC (“Toroso”) serves as the investment adviser to the YWCA Fund. Toroso, located at 234 West Florida Street, Suite 203, Milwaukee, Wisconsin 53204, is an SEC-registered investment adviser and a Delaware limited liability company. Toroso was founded in and has been managing investment companies since March 2012 and Toroso is dedicated to understanding, researching and managing assets within the expanding ETF universe. As of June 30, 2023, Toroso had assets under management of approximately \$5.25 billion and served as the investment adviser or sub-adviser for 80 registered funds. Under the Toroso Advisory Agreement (as defined below), Toroso has responsibility for overseeing the management and business affairs of the YWCA Fund. Toroso places securities (and financial instrument) trades on behalf of the YWCA Fund and selects the broker-dealers to effect those trades. In addition, Toroso is responsible for oversight of Impact Shares solely in its capacity as investment sub-adviser to the YWCA Fund.

Toroso has no management or oversight responsibilities with respect to either the NAACP Fund or the Impact Shares Affordable Housing MBS ETF (the “Affordable Housing ETF”).

Impact Shares – Sub-Adviser to the YWCA Fund

Impact Shares, Corp. (“Impact Shares”) serves as the investment sub-adviser to the YWCA Fund. The address of Impact Shares is 5950 Berkshire Lane, Suite 1420, Dallas, Texas 75225. Impact Shares provides the day-to-day management of the YWCA Fund’s portfolio of securities and conducting investment research. Organized in February 2014, Impact Shares is registered as an investment adviser under the Investment Advisers Act of 1940, as amended. Impact Shares is an ETF sponsor and investment manager that is creating a platform for clients seeking maximum social impact with market returns. As of June 30, 2023, Impact Shares had approximately \$190,000,000 in assets under management.

Impact Shares’ goal is to build a capital markets bridge between leading nonprofits, investors and corporate America to direct capital and social engagement on societal priorities.

Impact Shares is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). With respect to the YWCA Fund and the NAACP Fund (the “Equity ETFs”), Impact Shares intends to make charitable contributions to an Equity ETF’s relevant Partner Nonprofit equal to the excess, if any, of Impact Shares’ fees and profit share with respect to the relevant Equity ETF over Impact Shares’ operating expenses and a reserve for working capital. Impact Shares’ intent is to provide financial support to further the causes championed by each Partner Nonprofit. Due to the relatively small size of each Equity ETF, Impact Shares’ fees and profit share with respect to each Equity ETF have not yet exceeded its related operating expenses. Accordingly, Impact Shares has not yet made any such charitable contributions. There can be no assurance that Impact Shares’ fees and profit share with respect to an Equity ETF will exceed operating expenses in the future. For additional information see “Partner Nonprofits,” below.

Portfolio Managers – YWCA Fund

The portfolio of YWCA Fund is managed by Ethan Powell of Impact Shares and Qiao Duan and Charles A Ragauss, of Toroso.

Mr. Powell has spent over two decades in financial services, primarily working with alternative fund strategies. Ethan incorporated Impact Shares Corp in 2014 and left his previous employer to focus on building and growing Impact Shares in 2016. Additionally, Ethan serves as the Chairman of the board for a \$4 billion mutual fund complex and was a finalist for 2016 mutual fund director of the year. Mr. Powell is also a principal and Chief Investment Officer at Brookmont Capital Management LLC. Previously, Mr. Powell was the Chief of Product and Strategy at Highland Capital Management Fund Adviser, L.P. In this role he was responsible for evaluating and optimizing the registered product lineup offered by Highland. Mr. Powell also served as the portfolio manager of the Highland ETFs and worked with other portfolio managers and wholesalers on the appropriate positioning of these ETF strategies in the marketplace. Prior to joining Highland in April 2007, Mr. Powell spent most of his career with Ernst & Young LLP providing audit and merger and

acquisition services. Mr. Powell received an MS in Management Information Systems and a BS in Accounting from Texas A&M University. Mr. Powell has earned the right to use the Chartered Financial Analyst designation and is a licensed.

Qiao Duan serves as Portfolio Manager at Toroso, having joined the firm in October 2020. From February 2017 to October 2020, she was an execution Portfolio Manager at Exponential ETFs, where she managed research and analysis relating to all Exponential ETF strategies. Ms. Duan previously served as a portfolio manager for the Exponential ETFs from their inception in May 2019 until October 2020. Ms. Duan received a Master of Science in Quantitative Finance and Risk Management from the University of Michigan in 2016 and a Bachelor of Science in Mathematics and Applied Mathematics from Xiamen University in 2014. She holds the CFA designation.

Mr. Ragauss serves as Portfolio Manager at Toroso, having joined Toroso in September 2020. Mr. Ragauss previously served as Chief Operating Officer and in other roles at CSat Investment Advisory, L.P. from April 2016 to September 2020. Previously, Mr. Ragauss was Assistant Vice President at Huntington National Bank (“Huntington”), where he was Product Manager for the Huntington Funds and Huntington Strategy Shares ETFs, a combined fund complex of almost \$4 billion in assets under management. At Huntington, he led ETF development bringing to market some of the first actively managed ETFs. Mr. Ragauss joined Huntington in 2010. Mr. Ragauss attended Grand Valley State University where he received his Bachelor of Business Administration in Finance and International Business, as well as a minor in French. He is a member of both the National and West Michigan CFA societies and holds the CFA designation.

CFA® is a registered trademark owned by the CFA Institute.

Toroso Advisory Agreement for the YWCA Fund

At the Meeting, the shareholders of the YWCA Fund approved an investment advisory agreement with Toroso (the “Toroso Advisory Agreement”). The Toroso Advisory Agreement became effective on the same date. Subject to the terms of the Toroso Advisory Agreement, Toroso is responsible for overseeing the management and business affairs of the YWCA Fund. Toroso also places securities (and financial instrument) trades on behalf of the YWCA Fund and selects the broker-dealers to effect those trades. In addition, Toroso is responsible for general oversight of Impact Shares solely in its capacity as investment sub-adviser to the YWCA Fund.

For the services provided to the YWCA Fund under the Toroso Advisory Agreement, the YWCA Fund pays Toroso an annual unitary fee, payable monthly, at the rate of 0.75% of its average daily net assets. Under a unitary management fee structure, the investment adviser bears all expenses of the YWCA Fund (including transfer agency, custody, fund administration, legal, audit and other services) with limited exceptions as set forth in the advisory agreement. Under the Toroso Advisory Agreement the following exceptions apply: interest charges on any borrowings made for investment purposes, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, distribution fees and expenses paid by the YWCA Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act, and litigation expenses, and other nonroutine or extraordinary expenses.

The Toroso Advisory Agreement will remain in effect for an initial period of two years, unless sooner terminated. After the initial two-year period, continuation of the Toroso Advisory Agreement from year to year is subject to annual approval by the Board, including a majority of the Independent Trustees. The Toroso Advisory Agreement may be terminated at any time, without the payment of any penalty (i) by vote of a majority of the Board, (ii) by vote of a majority of the outstanding voting securities of the YWCA Fund, on 60 days’ written notice to Toroso, or (iii) by Toroso, on 60 days’ written notice to the Trust.

Impact Shares Sub-Advisory Amendment for the YWCA Fund

At the Meeting, the shareholders of the YWCA Fund approved an amendment to the Amended and Restated Investment Advisory Agreement between the Trust and Impact Shares (the “Impact Shares Sub-Advisory Amendment”). The Impact Shares Sub-Advisory Amendment became effective on the same date. Subject to the terms of the Impact Shares Sub-Advisory Amendment, Impact Shares became the investment sub-adviser to the YWCA Fund and, in that capacity, will select investments for the YWCA Fund’ portfolios consistent with each Equity ETF’s investment objectives, policies, and restrictions. In addition, Impact Shares will vote proxies for each of the YWCA Fund. Toroso will retain trading responsibilities for the YWCA Fund. The Impact Shares Sub-Advisory Amendment provides that Impact Shares shall exercise due care and diligence and use the same skill and care in providing its services thereunder as it uses in providing services to other investment companies, accounts and customers, but Impact Shares and its affiliates and their respective agents, control persons, directors, officers, employees, supervised persons and access persons shall not be liable for any action taken or omitted to be taken by the Impact Shares in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of its duties.

The Impact Shares Sub-Advisory Amendment will remain in effect for an initial period of two years, unless sooner terminated. Thereafter, continuation of the Impact Shares Sub-Advisory Amendment from year to year is subject to annual approval by the Board, including a majority of the Independent Trustees. The Impact Shares Sub-Advisory Amendment may be terminated at any time, without the payment of any penalty (i) by vote of a majority of the Board, (ii) by vote of a majority of the outstanding voting securities of the YWCA Fund, on 60 days’ written notice to Impact Shares, or (iii) by Impact Shares, on 60 days’ written notice to Toroso.

For its sub-advisory services to the YWCA Fund, Impact Shares is entitled to receive a fee from Toroso, which fee is calculated daily and payable monthly, at an annual rate of 0.02% of the average daily net assets of YWCA Fund. However, as Fund Sponsor, Impact Shares may be required to automatically waive all or a portion of its sub-advisory fee. See “Fund Sponsorship Agreement Between Toroso and Impact Shares” below for more information.

Fund Sponsorship Agreement Between Toroso and Impact Shares for the YWCA Fund

Toroso has entered into a fund sponsorship agreement with Impact Shares (the “Fund Sponsorship Agreement”) pursuant to which Impact Shares is a sponsor to the YWCA Fund. Every month, unitary management fees for an Equity ETF are calculated and paid to Toroso, and Toroso retains a portion of the unitary management fees from YWCA Fund. After Toroso has recouped a certain level of costs, Toroso has agreed to pay Impact Shares a portion of any remaining profits generated by the unitary management fee for YWCA Fund.

If the amount of the unitary management fees for the YWCA Fund exceeds the combination of: (i) YWCA Fund’s operating expenses (including the sub-advisory fee payable to Impact Shares under the Impact Shares Sub-Advisory Amendment) and (ii) the Toroso-retained amount; that excess amount is considered “remaining profit.” In that case, once Toroso has recovered a certain level of costs, Toroso will pay a portion of the remaining profits to Impact Shares. During months when the funds generated by the unitary management fee are insufficient to cover the entire Impact Shares sub-advisory fee, that fee is automatically waived.

Please retain this Supplement with your Summary Prospectus and Prospectus for future reference.

IMPACT SHARES TRUST I

Impact Shares NAACP Minority Empowerment ETF

Ticker: NACP – NYSE ARCA

Impact Shares YWCA Women’s Empowerment ETF

Ticker: WOMN – NYSE ARCA

Impact Shares Affordable Housing MBS ETF

Ticker: OWNS – NYSE ARCA

June 20, 2023

**Supplement to the Prospectus and Statement of Additional Information (“SAI”), each dated
October 25, 2022, as supplemented**

This Supplement provides new and additional information regarding the Funds. This Supplement should be read in conjunction with the above referenced documents.

Impact Shares Corp. (“ISC”) is currently the investment adviser to each of the Funds. ISC desires to fully focus on portfolio construction, and to allow it to do so, has recommended engaging a new investment adviser, namely, Toroso Investments, LLC (“Toroso”).

On June 12, 2023, the Board of Trustees of Impact Shares Trust I (the “Board”) approved, subject to shareholder approval, the appointment of Toroso as the investment adviser to each of the Impact Shares NAACP Minority Empowerment ETF and the Impact Shares YWCA Women’s Empowerment ETF pursuant to a new investment advisory agreement (the “Toroso Advisory Agreement”). The Board has also approved, subject to shareholder approval, an amendment to ISC’s existing advisory agreement (the “ISC Advisory Amendment”).

In contrast, the Impact Shares Affordable Housing MBS ETF (the “Affordable Housing Fund”) will continue to be managed by ISC. However, it is anticipated that shareholders of the Affordable Housing Fund will be asked to reorganize that Fund into a new series of another trust.

Shareholders will receive a proxy statement discussing the Board’s decision to approve the Toroso Advisory Agreement and the ISC Advisory Amendment, and the Board’s recommendation that shareholders of each of the Impact Shares NAACP Minority Empowerment ETF and the Impact Shares YWCA Women’s Empowerment ETF vote to approve the Toroso Advisory Agreement and the ISC Advisory Amendment at a special meeting of Fund shareholders that will occur on or about August 1, 2023. If approved by shareholders, the Toroso Advisory Agreement and the ISC Advisory Amendment will become effective on or about August 1, 2023.

In addition, via the same proxy statement, shareholders will be asked to vote on four new Board members.

If you have questions or need assistance, please contact your financial advisor directly or the Funds toll-free at 1-844-448-3383 (844-GIVE-ETF) or by sending an email request to iinfo@impactetfs.org.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

SUMMARY PROSPECTUS
Impact Shares NAACP Minority Empowerment ETF
Ticker: NACP – NYSE ARCA

October 25, 2022

Before you invest, you may want to review the Fund’s Prospectus and Statement of Additional Information, which contain more information about the Fund and its risks. You can find the Fund’s Prospectus and Statement of Additional Information and other information about the Fund online at <http://www.impactetfs.org>. You can also get this information at no cost by calling 844-448-3383 (844-GIVE-ETF) or by sending an email request to info@impactetfs.org.

The Fund’s Prospectus and Statement of Additional Information, dated October 25, 2022, are incorporated by reference into this Summary Prospectus.

Investment Objective

The Impact Shares NAACP Minority Empowerment ETF (the “Fund” or the “Minority ETF”) seeks investment results that, before fees and expenses, track the performance of the Morningstar® Minority Empowerment Index (the “Underlying Index”).

Fees and Expenses

The following tables describe the fees and expenses that you may pay if you buy and hold shares of the Fund.

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

| | |
|---|-------|
| Management Fee ⁽¹⁾⁽²⁾⁽³⁾ | 0.49% |
| Distribution and Service (12b-1) Fees | 0.00% |
| Other Expenses | 0.00% |
| Total Annual Fund Operating Expenses | 0.49% |

- (1) The Fund pays for the transfer agency, custody, fund administration, legal, audit and other services it requires under a unitary fee structure (the “unitary advisory fee”). Therefore, the Fund’s “Management Fee” includes fees payable to Impact Shares, Corp. (“Impact Shares” or the “Adviser”) for advisory services and for the provision by third parties engaged by Impact Shares of transfer agency, custody, fund administration, legal, audit and other services. Under the Fund’s Investment Advisory Agreement, the Adviser bears all expenses of the Fund (including those of the services listed above) with the exception of those described under the section titled “Management of the Fund.”
- (2) Impact Shares is paid a Management Fee at an annual rate of 0.49% on the “Average Daily Managed Assets” of the Fund. “Average Daily Managed Assets” is the average daily value of the total assets of the Fund, less all accrued liabilities of the Fund (other than the amount of any outstanding borrowings constituting financial leverage).
- (3) Expense information has been restated to reflect current contractual rates.

Expense Example

This Example helps you compare the cost of investing in the Fund to the cost of investing in other funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then sell or redeem all your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Your actual costs may be higher or lower. Investors in the Fund may pay brokerage commissions on their purchases and sales of Fund shares, which are not

included in the examples below. The Example reflects expense limitation agreements and/or waivers, if any, in effect for the one-year period and the first year of the three-year period. Your actual costs may be higher or lower.

| | | | |
|---------------|----------------|----------------|-----------------|
| <u>1 Year</u> | <u>3 Years</u> | <u>5 Years</u> | <u>10 Years</u> |
| \$50 | \$157 | \$274 | \$616 |

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 annual fund operating expenses or in the Example, affect the Fund’s performance. For the fiscal year ended June 30, 2022, the Fund’s portfolio turnover rate was 35%.

Principal Investment Strategies

The Fund will, under normal circumstances, invest at least 80% of its total assets, plus borrowings for investment purposes (the “80% basket”) in component securities of the Underlying Index (“Component Securities”).

The Fund may invest the remaining 20% of its total assets (the “20% basket”) in securities and instruments not included in the Underlying Index, but which the Adviser believes will help the Fund track the Underlying Index. For example, the Fund may invest in securities that are not components of the Underlying Index to reflect various corporate actions (such as mergers) and other changes in the Underlying Index (such as reconstitutions, additions and deletions). The Fund may invest in securities of any type and of companies of any market capitalization (including small- and mid-capitalization companies), market sector or industry, but expects to invest primarily in equity securities of U.S. companies. The Fund may use the 20% basket to invest in securities issued by other investment companies, including other exchange-traded funds. The Fund also may invest in warrants and may also use derivatives, primarily swaps (including equity, variance and volatility swaps), options and futures contracts on securities, interest rates and/or currencies, within the 20% basket to track the Underlying Index and as substitutes for direct investments the Fund can make. The Fund may also use derivatives such as swaps, options (including options on futures), futures, and foreign currency transactions (e.g., foreign currency swaps, futures and forwards) to hedge various investments for risk management and speculative purposes. In addition, the Fund’s 20% basket may be invested in cash and cash equivalents, including shares of money market funds advised by the Adviser or its affiliates. The Fund does not currently engage in derivative transactions and has adopted a policy prohibiting derivatives transactions. If the Board deems it advisable and in the best interests of shareholders of the Fund, the Fund may change this policy in the future and allow derivatives transactions undertaken in compliance with the new SEC rules.

Unlike many investment companies, the Fund does not try to “beat” the index it tracks. The Fund uses a passive management strategy designed to track the total return performance of the Underlying Index.

The Adviser may use a representative sampling indexing strategy to manage the Fund. “Representative sampling” is an indexing strategy that involves investing in a representative sample of securities that collectively has an investment profile similar to the Underlying Index. The securities selected are expected to have, in the aggregate, investment characteristics (based on factors such as market capitalization and industry weightings), fundamental characteristics (such as return variability, leverage and price to earnings ratios) and liquidity measures similar to those of the Underlying Index. The Fund may or may not hold all of the securities in the Underlying Index. “Tracking error” is the difference between the performance (return) of the Fund’s portfolio and that of the Underlying Index. The Adviser expects that, over time, the Fund’s tracking error will not exceed 5%. Funds that employ a representative sampling strategy may incur tracking error risk to a greater extent than funds that seek to replicate an index.

The Fund concentrates its investments in a particular industry or group of industries to approximately the same extent as the Underlying Index is so concentrated.

The Fund is a non-diversified fund as defined in the Investment Company Act of 1940, as amended (the “1940 Act”), but intends to adhere to the diversification requirements applicable to regulated investment companies (“RICs”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). The Fund is not intended to be a complete investment program.

The Underlying Index is designed to measure the performance of large and mid- capitalization companies that are “empowering to minorities,” and to exhibit risk and return characteristics similar to those of the Morningstar US Large-Mid Cap[®] Index, as described below.

The Underlying Index is constructed using a rules-based methodology to select companies from the Morningstar US Large-Mid Cap[®] Index (the “Parent Index”), a free float market-cap weighted index that constitutes 90% of the total market capitalization of the U.S. market) that have strong minority empowerment practices. Morningstar constructs the Underlying Index using company level indicators, scores, and indicator relevance weighting from Sustainalytics, the Fund’s ESG research provider, that include certain social criteria identified and compiled by the NAACP (“NAACP” or the “Partner Nonprofit”) to measure the strength of minority empowerment practices and products or services for each company within the Parent Index (a company’s “Minority Empowerment Composite Score”). Based on that scoring, after excluding those companies that Sustainalytics determines (i) derive more than 5% of their revenues from predatory lending activities, (ii) derive more than 5% of their revenues from the production of tobacco products, (iii) are involved in the production of riot control weapons, (iv) operate correctional facilities or provide security services, (v) are primarily involved in the production of oil, gas or coal, (vi) are not compliant with the principles of the UN Global Compact¹, or (vii) have a detrimental score for applicable controversies, the 200 best scoring companies (after applying the optimized weighting methodology discussed below) are selected by Morningstar as the final underlying index components. The Underlying Index is constructed by Morningstar using an optimized weighting methodology. Under this methodology, Morningstar uses a quantitative process that is designed to determine optimal weights for securities to maximize exposure of companies with higher rankings as to minority empowerment practices, while maintaining an Underlying Index that exhibits risk and return characteristics similar to those of the Parent Index. The Index Provider determines the weighting of each security in the Underlying Index using the following variables: Minority Empowerment Composite Score, market capitalization, maximum and minimum weightings by security and sector. Underlying Index constituents are subject to a maximum 5% per company weighting.

The Underlying Index is expected to contain approximately 200 securities, but this number may change. If a company in the Underlying Index has acted in a manner inconsistent with the selection criteria of the Underlying Index, Morningstar may, in its discretion, after consulting with Sustainalytics, exclude the company from the Underlying Index between reconstitution periods. Morningstar may also make adjustments in accordance with its internal guidelines to reflect extraordinary corporate events (e.g. mergers and acquisitions, spin-offs, bankruptcies, insolvencies, and liquidations). The Underlying Index is rebalanced quarterly and reconstituted utilizing the rules-based methodology described above annually. Rebalancing refers to the process of adjusting the weights of the constituent securities in the Underlying Index in accordance with its optimized weighting methodology in response to changes in stock value and market capitalization. Reconstitution refers to the process of changing the constituent securities in the Underlying Index so that securities that no longer meet the criteria for the Underlying Index are excluded and new securities that do meet those criteria are included.

¹ The UN Global Compact is an arrangement by which companies voluntarily and publicly commit to a set of principles, known as the Ten Principles of the UN Global Compact, all of which are drawn from key UN Conventions and Declarations, in four areas: (i) human rights; (ii) labor; (iii) environment; and (iv) anti-corruption.

The composition of the Underlying Index is based on the following social screens used in determining the Minority Empowerment Composite Score that narrows the Index Universe. Each of the social screens for the Minority Fund addresses an issue that has a history of NAACP support.

1. **Board Diversity** This indicator provides an assessment of the diversity of a company's board of directors. Diversity of background can provide fresh perspectives in the boardroom and lead to better board decision-making.

2. **Discrimination Policy** This indicator provides an assessment of the quality of a company's policy to eliminate discrimination, including racial discrimination, and ensure equal opportunity.

3. **Scope of Supplier Social Standards** This indicator provides a general assessment of whether a company has supply chain/contractor social policies and the scope of its social standards, including items such as nondiscrimination policies.

4. **Freedom of Association Policy** This indicator provides an assessment of the quality of a company's freedom of association and collective bargaining policy, including its impact on racial minorities.

5. **Diversity Programs** This indicator assesses the strength of a company's initiatives to increase the diversity of its workforce, including racial diversity.

6. **Community Development Programs** This indicator assesses the strength of a company's local community development programs. It does not focus on cash donations, but formal programs that promote long-term economic development among communities, including minority communities, directly affected by the company's operations.

7. **Minority-Inclusive Health and Safety Management System** This indicator assesses the strength of the company's initiatives to manage employee health and safety and prevent accidents and occupational illnesses.

8. **Conflict Minerals Programs** This indicator measures the strength of a company's initiatives to eliminate conflict minerals from its products and its supply chain. The term conflict minerals refers to tantalum (coltan), tin (cassiterite), tungsten (wolframite), and gold (together, they are commonly referred to as the 3TG), which have originated in conflict-affected or high-risk regions and may be used to financially support the conflict or human rights abuses.

9. **Media Ethics Programs** This indicator assesses the strength of a company's initiatives to ensure good governance, ethics, and integrity throughout its content creation to ensure impartiality, transparency, objectivity, fairness, age-appropriateness, independence, plurality, and inclusiveness (diversity of content, topics, and viewpoints).

10. **Human Rights Programs** This indicator assesses the strength of the company's initiatives to comply with its obligation to respect human rights.

11. **Editorial Guidelines** This indicator provides an assessment of the company's commitment to address media ethics as it relates to the dissemination of content. This includes the company's stated values related to the impact of content on protected classes and minorities.

12. **Advertising Ethics** This indicator provides an assessment of the presence and strengths of a company policy on advertising ethics.

13. **Human Capital Development** This indicator assesses the strength of a company's initiatives to recruit, retain, and develop human capital to avoid a shortage of skilled labor.

14. Responsible Product Offering This indicator assesses the strength of a financial institution’s initiatives to market products and services responsibly, so as to avoid predatory lending and minimize risks to the customers of such financial institution.

15. Responsible Marketing Policy This indicator provides an assessment of the quality of a company’s responsible marketing policy.

16. Human Rights Policy This indicator provides an assessment of the strength of the company’s commitment to respect human rights within its sphere of influence.

17. Gender Pay Equality Programs This indicator assesses the strength of programs a company has implemented to ensure gender pay equality. This includes initiatives to identify, measure, and close the gender pay gap.

18. Gender Pay Disclosure This indicator assesses the strength of a company’s disclosure related to the gender pay gap.

Principal Risks

When you sell Fund shares, they may be worth less than what you paid for them. Consequently, you can lose money by investing in the Fund. No assurance can be given that the Fund will achieve its objective, and investment results may vary substantially over time and from period to period. An investment in the Fund is not appropriate for all investors. An investment in the Fund involves risks, including equity investing risk, index performance risk and securities market risk, among others. The principal risks are presented in alphabetical order to facilitate finding particular risks and comparing them with other funds. Each risk summarized below is considered a “principal risk” of investing in the Fund, regardless of the order in which it appears. The principal risks of investing in the Fund include:

Asset Class Risk. Securities in the Underlying Index or in the Fund’s portfolio may underperform in comparison to the general securities markets or other asset classes.

Counterparty Risk. The Fund may engage in transactions in securities and financial instruments that involve counterparties. Counterparty risk is the risk that a counterparty (the other party to a transaction or an agreement or the party with whom a Fund executes transactions) to a transaction with a Fund may be unable or unwilling to make timely principal, interest, settlement or margin payments, or otherwise honor its obligations. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the affected Fund’s income or the value of its assets may decrease. A Fund may experience significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding and a Fund may obtain only limited recovery or may obtain no recovery in such circumstances. In an attempt to limit the counterparty risk associated with such transactions, the Fund conducts business only with financial institutions judged by the Adviser to present acceptable credit risk.

Derivatives Risk. Derivatives Risk is a combination of several risks, including the risks that: (1) an investment in a derivative instrument may not correlate well with the performance of the securities or asset class to which the Fund seeks exposure, (2) derivative contracts, including options, may expire worthless and the use of derivatives may result in losses to the Fund, (3) a derivative instrument entailing leverage may result in a loss greater than the principal amount invested, (4) derivatives not traded on an exchange may be subject to credit risk, for example, if the counterparty does not meet its obligations (see also “Counterparty Risk”), and (5) derivatives not traded on an exchange may be subject to liquidity risk and the related risk that the instrument is difficult or impossible to value accurately.

Exchange-Traded Funds Risk. The price movement of an exchange-traded fund may not exactly track the underlying index and may result in a loss. In addition, shareholders bear both their proportionate share of the Fund's expenses and similar expenses of the underlying investment company when the Fund invests in shares of another investment company.

Equity Investing Risk. The market prices of equity securities owned by the Fund may go up or down, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer, such as management performance, financial leverage, non-compliance with regulatory requirements, and reduced demand for the issuer's goods or services and also may decline due to general industry or market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. In addition, equity markets tend to move in cycles, which may cause stock prices to fall over short or extended periods of time.

Ethnic Diversity Risk. The returns on a portfolio of securities that excludes companies that are not ethnically diverse may trail the returns on a portfolio of securities that includes companies that are not ethnically diverse. Investing only in a portfolio of securities that are ethnically diverse may affect the Fund's exposure to certain types of investments and may adversely impact the Fund's performance depending on whether such investments are in or out of favor in the market.

Fee Risk. Because the fees paid by the Fund to Impact Shares are based on the average daily value of the total assets of the Fund, less all accrued liabilities of the Fund (other than the amount of any outstanding borrowings constituting financial leverage), Impact Shares has a financial incentive to cause the Fund to utilize leverage, which creates a conflict of interest between Impact Shares, on the one hand, and the shareholders of the Fund, on the other hand.

Futures Contracts Risk. Futures contracts provide for the future sale by one party and purchase by another party of a specified amount of an underlying asset at a price, date and time specified when the contract is made. A Fund that uses futures contracts, which are a type of derivative, is subject to the risk of loss caused by unanticipated market movements. In addition, there may at times be an imperfect correlation between the movement in the prices of futures contracts and the value of their underlying instruments or indexes and there may at times not be a liquid secondary market for certain futures contracts.

Index Performance Risk. The Fund seeks to track an index maintained by a third party provider unaffiliated with the Fund or the Adviser. There can be no guarantee or assurance that the methodology used by the third party provider to create the index will result in the Fund achieving high, or even positive, returns. Further, there can be no guarantee that the methodology underlying the index, or the daily calculation of the index will be free from error. It is also possible that the value of the index may be subject to intentional manipulation by third-party market participants. The particular index used by the Fund may underperform other asset classes and may underperform other similar indices. Each of these factors could have a negative impact on the performance of the Fund.

Industry Concentration Risk. Because the Fund may invest 25% or more of the value of its assets in an industry or group of industries to the extent that the Underlying Index concentrates in an industry or group of industries, the Fund's performance largely depends on the overall condition of such industry or group of industries and the Fund is susceptible to economic, political and regulatory risks or other occurrences associated with that industry or group of industries.

Intellectual Property Risk. The Fund relies on licenses that permit the Adviser to use the Underlying Index and associated trade names, trademarks and service marks, as well as the Partner Nonprofit's name and logo (the "Intellectual Property") in connection with the investment strategies of the Fund and/or in marketing and other materials for the Fund. Such licenses may be terminated, and, as a result, the Fund may lose its ability

to use the Intellectual Property. In the event a license is terminated, or the license provider does not have rights to license the Intellectual Property, the operations of the Fund may be adversely affected.

Limited Fund Size Risk. The Fund may not attract sufficient assets to achieve or maximize investment and operational efficiencies and remain viable. If the Fund fails to achieve sufficient scale, it may be liquidated.

Management Risk. Management risk is the risk associated with the fact that the Fund relies on the Adviser's ability to achieve its investment objective. The Adviser is a non-profit organization with limited personnel and financial resources. The relative lack of resources may increase the Fund's management risk.

Market Price Variance Risk. Fund shares are listed for trading on NYSE (the "Exchange") and can be bought and sold in the secondary market at prevailing market prices. The market prices of shares will fluctuate in response to changes in the NAV and supply and demand for shares. As a result, the trading prices of Shares may deviate significantly from NAV during periods of market volatility. The Adviser cannot predict whether shares will trade above, below or at their NAV. Given the fact that shares can be created and redeemed in Creation Units, the Adviser believes that large discounts or premiums to the NAV of shares should not be sustained in the long-term. In addition, the securities held by the Fund may be traded in markets that close at a different time than NYSE. Liquidity in those securities may be reduced after the applicable closing times. Accordingly, during the time when NYSE is open but after the applicable market closing, fixing or settlement times, bid-ask spreads and the resulting premium or discount to the Shares' NAV may widen. Further, secondary markets may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods, which could cause a material decline in the Fund's NAV. In times of market stress, market makers and authorized participants may step away from their respective roles in making a market in Fund shares or in executing purchase and redemption orders, which could lead to variances between the market price of Fund shares and the underlying value of those shares. Also, in stressed market conditions, the market for Fund shares may become less liquid in response to deteriorating liquidity of the Fund's portfolio holdings, which could lead to differences between the market price of the Fund's shares and the underlying value of those shares. During periods of high market volatility, a Fund share may trade at a significant discount to its NAV, and in these circumstances certain types of brokerage orders may expose an investor to an increased risk of loss. A "stop order," sometimes called a "stop-loss order," may cause a Fund share to be sold at the next prevailing market price once the "stop" level is reached, which during a period of high volatility can be at a price that is substantially below NAV. By including a "limit" criterion with your brokerage order, you may be able to limit the size of the loss resulting from the execution of an ill-timed stop order. The Fund's shares may be listed or traded on U.S. and non-U.S. stock exchanges other than the U.S. stock exchange where the Fund's primary listing is maintained, and may otherwise be made available to non-U.S. investors through funds or structured investment vehicles similar to depositary receipts. There can be no assurance that the Fund's shares will continue to trade on any such stock exchange or in any market or that the Fund's shares will continue to meet the requirements for listing or trading on any exchange or in any market. The Fund's shares may be less actively traded in certain markets than in others, and investors are subject to the execution and settlement risks and market standards of the market where they or their broker direct their trades for execution. Certain information available to investors who trade Fund shares on a U.S. stock exchange during regular U.S. market hours may not be available to investors who trade in other markets, which may result in secondary market prices in such markets being less efficient.

The Fund's investment results are measured based upon the daily NAV of the Fund. Investors purchasing and selling shares in the secondary market may not experience investment results consistent with those experienced by those purchasing and redeeming directly with the Fund.

Mid-Cap Company Risk. Investing in securities of mid-cap companies may entail greater risks than investments in larger, more established companies. Mid-cap companies tend to have more narrow product lines, more limited financial resources and a more limited trading market for their stocks, as compared with larger companies. As a result, their stock prices may decline significantly as market conditions change.

Non-Diversification Risk. As a non-diversified fund for purposes of the 1940 Act, the Fund may invest a larger portion of its assets in the securities of fewer issuers than a diversified fund. The Fund's investment in fewer issuers may result in the Fund's shares being more sensitive to the economic results of those issuers. An investment in the Fund could fluctuate in value more than an investment in a diversified fund. Although the Fund is "non-diversified" for purposes of the 1940 Act, the Fund intends to comply with the diversification requirements under Subchapter M of the Code in order to be eligible to qualify as a regulated investment company.

Operational and Technology Risk. Cyber-attacks, disruptions, or failures that affect the Fund's service providers, index providers, Authorized Participants (as defined below), market makers, counterparties, market participants, or issuers of securities held by the Fund may adversely affect the Fund and its shareholders, including by causing losses for the Fund or impairing Fund operations.

Options Risk. Options, such as covered calls and covered puts, are subject to the risk that significant differences between the securities and options markets that could result in an imperfect correlation between these markets.

Passive Investment Risk. The Fund is not actively managed and invests in securities included in, or representative of, the Underlying Index regardless of such securities' investment merits. The Fund will likely lose value to the extent the Underlying Index loses value. The Adviser does not attempt to take defensive positions under any market conditions, including during declining markets.

Securities Market Risk. Securities market risk is the risk that the value of securities owned by the Fund may go up or down, sometimes rapidly or unpredictably, due to factors affecting particular companies or the securities markets generally. The profitability of the Fund substantially depends upon the Adviser correctly assessing the future price movements of stocks, bonds, loans, options on stocks, and other securities and the movements of interest rates. The Adviser cannot guarantee that it will be successful in accurately predicting price movements. The market prices of equities may decline for reasons that directly relate to the issuing company (such as poor management performance or reduced demand for its goods or services), factors that affect a particular industry (such as a decline in demand, labor or raw material shortages, or increased production costs) or general market conditions not specifically related to a company or industry (such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally, or natural and environmental disasters and systemic market dislocations). The spread of infectious disease including epidemics and pandemics also could affect the economies of many nations in ways that cannot necessarily be foreseen. For example, the COVID-19 pandemic has resulted, and may continue to result, in significant market volatility, exchange suspensions and closures, declines in global financial markets, higher default rates, supply chain disruptions, and a substantial economic downturn in economies throughout the world. In addition, military action by Russia in Ukraine has, and may continue to, adversely affect global energy and financial markets and therefore could affect the value of the Fund's investments, including beyond the Fund's direct exposure to Russian issuers or nearby geographic regions. The extent and duration of the military action, sanctions, and resulting market disruptions are impossible to predict and could be substantial. The foregoing could lead to a significant economic downturn or recession, increased market volatility, a greater number of market closures, higher default rates and adverse effects on the values and liquidity of securities or other assets. Such impacts, which may vary across asset classes, may adversely affect the performance of the Fund's investments, the Fund and your investment in the Fund.

In addition, the increasing popularity of passive index-based investing may have the potential to increase security price correlations and volatility. As passive strategies generally buy or sell securities based simply on inclusion and representation in an index, securities prices will have an increasing tendency to rise or fall based on whether money is flowing into or out of passive strategies rather than based on an analysis of the prospects and valuation of individual securities. This may result in increased market volatility as more money is invested through passive strategies. As a result of the nature of the Fund's investment activities, it is possible that

the Fund's financial performance may fluctuate substantially from period to period. Additionally, at any point in time an investment in the Fund may be worth less than the original investment, even after taking into account the reinvestment of dividends and distributions.

Small-Cap Company Risk. Investing in the securities of small-cap companies either directly or indirectly through investments in ETFs, closed-end funds or mutual funds may pose greater market and liquidity risks than larger, more established companies, because of limited product lines and/or operating history, limited financial resources, limited trading markets, and the potential lack of management depth. In addition, the securities of such companies are typically more volatile than securities of larger capitalization companies.

Swaps Risk. Investments in swaps involve both the risks associated with an investment in the underlying investments or instruments (including equity investments) and counterparty risk. In a standard over-the-counter ("OTC") swap transaction, two parties agree to exchange the returns, differentials in rates of return or some other amount calculated based on the "notional amount" of predetermined investments or instruments, which may be adjusted for an interest factor. Swaps can involve greater risks than direct investments in securities, because swaps may be leveraged and OTC swaps are subject to counterparty risk (e.g., the risk of a counterparty's defaulting on the obligation or bankruptcy), credit risk and pricing risk (i.e., swaps may be difficult to value). Swaps may also be considered illiquid. Certain swap transactions, including interest rate swaps and index credit default swaps, may be subject to mandatory clearing and exchange trading, although the swaps in which the Fund will invest are not currently subject to mandatory clearing and exchange trading. The use of swaps is a highly specialized activity which involves investment techniques, risk analyses and tax planning different from those associated with ordinary portfolio securities transactions. The value of swaps, like many other derivatives, may move in unexpected ways and may result in losses for the Fund.

Tracking Error Risk. The performance of the Fund may diverge from that of the Underlying Index. Because the Fund employs a representative sampling strategy, the Fund may experience tracking error to a greater extent than a fund that seeks to replicate an index. The Adviser may not be able to cause the Fund's performance to correlate to that of the Fund's benchmark, either on a daily or aggregate basis. Because the Underlying Index rebalances monthly, but the Fund is not obligated to do the same, the risk of tracking error may increase following the rebalancing of the Underlying Index.

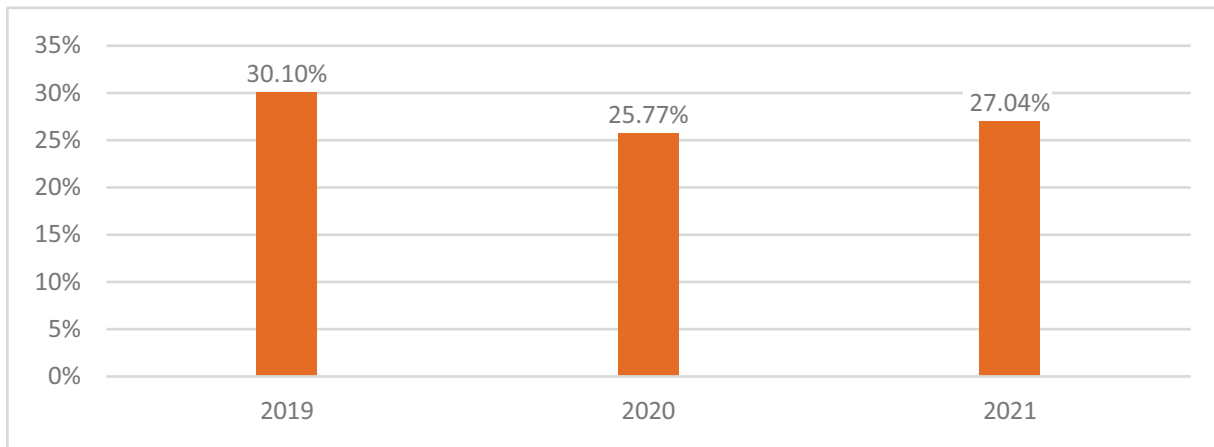
An investment in the Fund is not a bank deposit and is not insured or guaranteed by the FDIC or any other government agency. As with any investment company, there is no guarantee that the Fund will achieve its goal.

Performance

The following information is intended to help you understand the risks of investing in the Fund. The following bar chart shows the changes in the Fund’s performance from year to year, and the table compares the Fund’s performance to the performance of a broad-based securities market index/indices for the same period and since inception. As with all mutual funds, the Fund’s past performance (both before and after taxes) does not predict the Fund’s future performance. Updated information about the Fund’s performance can be found by visiting the Fund’s website at www.impactetfs.org or by calling 844-448-3383 (844-GIVE-ETF).

Annual Total Return⁽¹⁾

The bar chart shows the performance of the Fund as of December 31, 2019, 2020 and 2021.



⁽¹⁾ Through September 30, 2022 (the most recently ended quarter for which data is available), the year to date return of the Fund was -26.3%. The following table sets forth the Fund’s highest and lowest quarterly returns since inception.

| <u>Highest Quarterly Return</u> | <u>Highest Quarterly Return Date</u> | <u>Lowest Quarterly Return</u> | <u>Lowest Quarterly Return Date</u> |
|---------------------------------|--------------------------------------|--------------------------------|-------------------------------------|
| 20.79% | 6/30/20 | -17.18% | 3/31/20 |

**Impact Shares NAACP Minority Empowerment ETF
Average Annual Returns
(For the Year Ended December 31, 2021 and Since Inception)**

| | <u>1 Year</u> | <u>Since Inception</u> |
|---|---------------|------------------------|
| Fund Returns Before Taxes | 27.04% | 20.37% |
| Fund Returns After Taxes on Distributions | 25.73% | 19.68% |
| Fund Returns After Taxes on Distributions and Sale of Fund Shares | 16.26% | 16.03% |
| Morningstar Minority Empowerment Index ⁽¹⁾ | 30.17% | 17.89% |
| Morningstar US Large-Mid Cap Index ⁽¹⁾ | 25.94% | 17.99% |

⁽¹⁾ The index returns do not reflect deductions for fees, expenses, or taxes.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax advantaged arrangements such as 401(k) plans or individual retirement accounts ("IRAs"). In some cases, the after-tax returns may exceed the return before taxes due to an assumed tax benefit from any losses on a sale of Fund shares at the end of the measurement period.

Portfolio Management

Impact Shares, Corp. serves as the investment adviser to the Fund. The portfolio manager for the Fund is Ethan Powell, who has managed the Fund since inception.

| <u>Portfolio Manager</u> | <u>Managed the Fund Since</u> | <u>Title with Adviser</u> |
|--------------------------|-------------------------------|---------------------------|
| Ethan Powell | July 2018 | President |

Purchase and Sale of Fund Shares

The Fund is an exchange-traded fund. The Fund issues and redeems shares only to authorized participants who have entered into agreements with the Fund's distributor ("Authorized Participants") in exchange for the deposit or delivery of a basket of assets (securities and/or cash) in large blocks, known as creation units, each of which comprises 50,000 shares or such other amount as may be from time to time determined to be in the best interests of a Fund by the President of the Fund ("Creation Units"). Retail investors may only purchase and sell shares on a national securities exchange through a broker-dealer. The price of Fund shares is based on market price, and because ETF shares trade at market prices rather than NAV, shares may trade at a price greater than NAV (a premium) or less than NAV (a discount).

Important Additional Information

Tax Information

The Fund intends to make distributions that generally will be taxable to you as ordinary income or capital gains, unless you are a tax-exempt investor or otherwise investing in the Fund through a tax-advantaged arrangement, such as a 401(k) plan or an individual retirement account. If you are investing in the Fund through a tax-advantaged arrangement, you may be taxed later upon withdrawals from that account.

Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase shares of the Fund 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 salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.