

Impact Shares NAACP Minority Empowerment ETF



Fund Objective

NACP tracks the Morningstar Minority Empowerment Index, which is designed to provide exposure to US companies with strong racial and ethnic diversity policies in place, empowering employees irrespective of their race or nationality.

- Broad equity market exposure; racial justice and equality.** NACP is designed to provide broad equity market exposure to U.S. Large and Mid-Cap companies that fit the NAACP’s vision of good corporate citizens. With NACP, investors may achieve market returns while investing in a way that is consistent with their values.
- A Nonprofit ETF.** Impact Shares is a 501(c)(3) nonprofit organization, and as such the net advisory proceeds are not passed on to a traditional asset management firm in the form of profits. Instead, Impact Shares gifts the net advisory proceeds back to the NAACP to engage with the private sector to: encourage more racial diversity on boards, eliminate discriminatory hiring pay and promotion practices, increase the use of minority owned suppliers, break down the digital divide, strengthen community development programs and improve workplace health and safety standards.
- Support the NAACP.** Founded in 1909, the historic power of the NAACP in advancing human rights has been transformative, impacting an expansive range of issues within American society from the eradication of lynch mobs, to ensuring equal education (Brown v. Board of Education), and ushering in the Civil Rights movement. In the 21st century, the NAACP sees corporate America as the “third act” for the equity movement, with racial and ethnic equity, empowerment, and inclusion the next frontier for the private sector.
- Rigorous, transparent, measurable standards.** The fund’s index indicators are in alignment with the NAACP’s vision of equality before the law and fair play everywhere. They build on research from Sustainalytics and informed by the NAACP’s Racial Equity Industry Report Cards. Screening criteria includes:
 - › Board Diversity
 - › Discrimination Policies
 - › Scope of Social Supplier Racial and Ethnic Diversity Programs
 - › Digital Divide Programs
 - › Freedom of Association Policies
 - › Diversity Programs
 - › Supply Chain Monitoring for Racial and Ethnic Diversity
 - › Community Development Programs in Minority Communities
 - › Minority-Inclusive Health and Safety Management Systems
 - › Conflict Minerals Programs

Impact Shares

We’re committed to changing the world of impact investing, one socially conscious ETF at a time. At Impact Shares, we help individuals and organizations align their values with an investable product that generates both financial and social returns. With all net profits* going directly back to trusted non-profit partners, we’re creating an impact that is both reflected in portfolios and felt in the world all around us. For more information about Impact Shares, visit impactetfs.org.

**Net profit is the excess, if any, of Impact Shares’ Fund fees after the deduction of operating expense and a reserve for working capital.*

NACP

Fund Details

| | |
|------------------------|--|
| Inception Date | 7/18/2018 |
| No. of Holdings | 174 |
| Net Expense Ratio * | 0.75% |
| Gross Expense Ratio * | 1.66% |
| Distribution Frequency | Income: Quarterly Capital Gains: Annually |

Trading Details

| | |
|--------------|-----------|
| Ticker | NACP |
| CUSIP | 45259A209 |
| Exchange | NYSE Arca |
| Index Ticker | MSEGMPEU |

* Adviser has contractually agreed to waive fees until October 28, 2021

As of July 31, 2020

Top 10 Holdings*

| Company | Ticker | Weight |
|----------------------|--------|--------|
| Apple Inc | AAPL | 6.31% |
| Amazon.com Inc | AMZN | 5.99% |
| Microsoft Corp | MSFT | 5.37% |
| Johnson & Johnson | JNJ | 2.81% |
| Alphabet Inc A | GOOGL | 2.66% |
| Alphabet Inc Class C | GOOG | 2.52% |
| Visa Inc Class A | V | 2.36% |
| Procter & Gamble Co | PG | 2.31% |
| JPMorgan Chase & Co | JPM | 2.24% |
| The Home Depot Inc | HD | 2.11% |

Percentage of Portfolio for Top Ten 34.67%

Holdings are subject to change. * Holdings exclude cash and cash equivalents. Weighting percentages of the holdings displayed here reflect this exclusion. For full current holdings please visit www.impactetfs.org.

Top Five Portfolio Companies in Largest Industry Sectors

| Sector | Company Name | Portfolio Weight |
|------------------------------|----------------------|------------------|
| Technology 20.91% | Apple Inc | 6.31% |
| | Microsoft Corp | 5.37% |
| | Intel Corp | 1.52% |
| | Cisco Systems Inc | 1.46% |
| | Salesforce.com Inc | 1.23% |
| Healthcare 15.04% | Johnson & Johnson | 2.81% |
| | Pfizer Inc | 1.52% |
| | Merck & Co Inc | 1.48% |
| | Abbott Laboratories | 1.26% |
| | AbbVie Inc | 1.20% |
| Financial Services 13.11% | Visa Inc Class A | 2.36% |
| | JPMorgan Chase & Co | 2.24% |
| | Mastercard Inc A | 2.00% |
| | Bank of America Corp | 1.50% |
| | Citigroup Inc | 0.78% |

| Sector | Company Name | Portfolio Weight |
|----------------------------------|-----------------------------------|------------------|
| Consumer Cyclical 12.74% | Amazon.com Inc | 5.99% |
| | The Home Depot Inc | 2.11% |
| | McDonald's Corp | 1.05% |
| | Starbucks Corp | 0.66% |
| | TJX Companies Inc | 0.47% |
| Communication Services 11.38% | Alphabet Inc A | 2.66% |
| | Alphabet Inc Class C | 2.52% |
| | Verizon Communications Inc | 1.74% |
| | AT&T Inc | 1.53% |
| | The Walt Disney Co | 1.52% |
| Industrials 6.72% | Honeywell International Inc | 0.75% |
| | United Parcel Service Inc Class B | 0.72% |
| | 3M Co | 0.64% |
| | Deere & Co | 0.39% |
| | Illinois Tool Works Inc | 0.38% |

Sector weights include cash and cash equivalents. Weighting percentages of the holdings displayed in the above sector table reflect this inclusion. Other sectors include Renewable Energy (6.65%), Consumer Defensive (5.82%), Real Estate (2.11%), Basic Materials (2.03%), Energy (0.21%) and Utilities (0.19%). A complete list of the fund's constituents is available on the fund's website www.impactetfs.org.

Disclosure

Carefully consider the Fund's investment objective, risk factors, and expenses before investing. This and additional information can be found in the Impact Shares statutory and summary prospectus, which may be obtained by calling 844-448-3383, or by visiting ImpactETFs.org. Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. Narrowly focused investments and investments in smaller companies typically exhibit higher volatility. Investments in commodities are subject to higher volatility than more traditional investments. The Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. The Fund is non-diversified.

Shares of any ETF are bought and sold at market price (not NAV) may trade at a discount or premium to NAV and are not traditionally redeemed from the Fund. Brokerage commissions will reduce returns.

Impact Shares NAACP Minority Empowerment ETF is distributed by SEI Investments Distribution Co. (SIDCO), which is not affiliated with Impact Shares Corp., the Investment Adviser for the Fund.