

ERTH

Invesco MSCI Sustainable Future ETF

Analyst Report

The Invesco MSCI Sustainable Future ETF invests in companies from around the world that offer products and services that contribute to a more environmentally sustainable economy. The fund invests in small-, mid- and large-cap companies from around the world. Companies are eligible for inclusion in the index if they derive 75% or more of their cumulative revenue from six areas: alternative energy, energy efficiency, green building, sustainable water, pollution prevention and control, and sustainable agriculture. The index excludes companies that faced very severe controversies related to environmental, social and governance issues in the last three years, as well as companies involved in controversial weapons. The fund is among dozens of ETFs that target companies that compare favorably on environmental, social and governance criteria, also known as ESG. ESG funds are an increasingly popular segment of the ETF marketplace, offering values-driven investors a diverse portfolio of U.S. stocks without compromising their conscience. ERTH is part of a narrower subset of ESG known as impact funds, whose goal is to invest in companies that try to bring about a measurable, beneficial social or environmental impact. Invesco's fund fees are reasonable for the segment, though fees for impact ETFs tend to be significantly higher than plain-vanilla index funds and some broad-based ESG funds. The holdings are also significantly narrower. Due to the increased diversification and concentration risk of its portfolio, ERTH is not a good replacement for a core global equity position though it may be a good complement for investors committed to sustainable businesses. Prior to March 24, 2021, the fund traded under a different name and ticker and followed a different index and strategy. The was formerly known as the Invesco Cleantech ETF and traded under the ticker PZD.

ESG Themes and Scores

7.49/10

ESG Rate

85.49%

Global Percentile

95.48%

Peer Percentile

Performance Data

	ERTH	ETF Database Category Average	Factset Segment Average
1 Month	-4.47%	-7.76%	-0.64%
3 Month	0.67%	8.32%	3.92%
YTD Return	0.49%	16.08%	5.65%
1 Year Return	12.83%	51.87%	10.98%
3 Year Return	1.42%	7.46%	1.32%
5 Year Return	-5.82%	0.20%	-0.40%

Top 5 Holdings

Symbol	Holding	% Assets
DLR	Digital Realty Trust, Inc.	5.25%
TSLA	Tesla, Inc.	4.70%
NVDA	NVIDIA Corporation	4.57%
1211	BYD Company Limited Class H	4.07%
FSLR	First Solar, Inc.	3.64%

Vitals

Issuer	Invesco
Brand	Invesco
Structure	ETF
Expense Ratio	0.66%
Inception	Oct 24, 2006
Index Tracked	MSCI Global Environment Select Index - Discontinued as of 01-JUL-2024

ETF Database Themes

Category	Alternative Energy Equities
Asset Class	Equity
Asset Class Size	Multi-Cap
Asset Class Style	Blend
Region (General)	Developed Markets
Region (Specific)	Broad

FactSet Classifications

Segment	Equity: Global Environment
Category	Sector
Focus	Theme
Niche	Environment
Strategy	ESG
Weighting	Market Cap

