

HEAT

Touchstone Climate Transition ETF

Fund Description

HEAT is an actively managed fund that invests in equity and equity-related securities of three categories tied to climate transition: solution providers, transition leaders, and adaption opportunities.

FactSet Analyst Report

HEAT is comprised of companies globally that are poised to benefit from a transitioning climate environment. The fund uses a proprietary ESG and sustainability methodology to identify companies that are solution providers, transition leaders and adaptation opportunities. Such companies are those who are coming up with solutions to avoid carbon emissions, shift to a less carbon-intensive production, and companies adapting to climate change consequences respectively. The funds selection process includes an evaluation of fundamental criteria to narrow down the portfolio to 40-60 high-conviction stocks. Equity-related positions may include stock options or warrants. The fund also employs quantitative screens and qualitative judgement to enhance its capability to monitor a companys progress in addressing pressing sustainability-related issues that may affect their organization. The funds sub-adviser may buy, sell or hold securities and adjust the portfolio any time, at their discretion.

