

KLMT

Invesco MSCI Global Climate 500 ETF

Fund Description

KLMT tracks an index of 500 global equities that meet specific ESG criteria. The index selects and weights securities through an optimization process designed to minimize the exposure to climate change risks.

FactSet Analyst Report

KLMT is passively managed to hold 500 stocks from a broad global equity universe, meeting specific environmental and climate criteria. The index excludes companies involved in controversial business activities or implicated in controversies with potential negative ESG impact. It employs a methodology consistent with international norms, evaluating each company's reputational and brand risks across five ESG categories: environment, human rights & community impact, labor rights & supply chain, customers, and governance. Eligible stocks are selected and weighted using an optimization process focused on emission intensity and reduction targets. This process aims to (i) reduce revenue-related GHG emissions intensity by 10%, (ii) reduce financing-related GHG emissions intensity activities by 7%, and (iii) increase weight in companies with SBTi-approved GHG emissions reduction target(s). Country and sector weights are capped to align closely with the parent index.

