

KROP

Global X AgTech & Food Innovation ETF

Fund Description

KROP passively invests in global companies related to advancing innovation and technologies in the agricultural and food industry space.

FactSet Analyst Report

KROP tracks an index that combines two thematic exposures into one fund: agricultural technology and food innovation. The issuer defines agricultural technology as technologies used to increase crop yields, reduce farming labor, and optimize farming using controlled environments. While food innovation is defined as technologies used to produce plant/non-animal-based food alternatives, and reduce food waste in the supply chain. The issuer primarily uses a natural language processing algorithm to classify companies into three categories: pure-play, pre-revenue, and diversified, depending on their exposure to above mentioned business activities. The index then selects 20 pure-play companies from each theme. If less than 40 companies are selected, then pre-revenue and diversified companies may be included. Weighting is based on market-cap, pure-plays are capped at 12% per company and pre-revenue and diversified companies are capped at an aggregate of 15%. Rebalancing is done semi-annually.

