

KSET

KraneShares Global Carbon Offset Strategy ETF

Fund Description

KSET is passively managed to primarily hold futures contracts on voluntary carbon offset credits. The fund invests in GEOs and N-GEOs that mature in the next two years

FactSet Analyst Report

The security is being delisted. The last day of trading on an exchange is March 14, 2024. KSET is the first US-listed global carbon offset ETF. It provides broad exposure to the voluntary carbon market by investing in carbon offset futures that mature in the next two years and meet certain trading and price criteria. A carbon offset credit represents the reduction of a specific amount of carbon dioxide from the atmosphere. The fund consists of CME-traded Global Emissions Offsets (GEOs) and Nature-Based Global Emission Offsets (N-GEOs). These are designed to allow businesses to manage their GHG-reduction goals by purchasing today carbon offset credits for delivery in the future. The index weights eligible carbon offset credit futures based on liquidity. The fund may have some exposure to other types of carbon offset credit futures, including those issued under cap-and-trade regulatory regimes. KSET utilizes a Cayman Island subsidiary and may hold ultra-short term, investment grade debt as necessary collateral. Prior to August 1, 2022, the fund was actively managed.

