

NTZO

Impact Shares MSCI Global Climate Select ETF

Fund Description

NTZO tracks an index of global companies selected and weighted for lower carbon emissions and various ESG factors.

FactSet Analyst Report

NTZO targets global companies involved in the transition to a low carbon economy. The fund includes firms from the MSCI ACWI Index that are committed to credible emission reduction targets and have a track record of decarbonizing. The selection process starts with a series of exclusionary screens that removes companies that: 1) are engaged in controversial business activities, 2) faced severe ESG controversies, as defined by MSCI ESG Controversy Scores, 3) are non-compliant with the UN Global Compact Principles, and 4) have an MSCI ESG Rating below BB. Remaining securities are then optimized (subject to additional constraints and diversification rules) to meet certain climate change objectives that seek to: a) maximize the overall low carbon transition score, b) lower the weighted average carbon intensity, c) increase the weight of securities with credible carbon reduction targets, and d) significantly improve the portfolios ESG profile. The index reconstitutes semi-annually.

