

NULV

Nuveen ESG Large-Cap Value ETF

Fund Description

NULV tracks an index of US large-cap value stocks that score highly on environmental, social, and governance (ESG) criteria. The fund is weighted using a multi-factor optimizer.

FactSet Analyst Report

NULV aims to invest in the most socially responsible firms while still providing reasonably market-like exposure to value stocks. The index selects large-cap stocks from the MSCI USA Value Index (the parent index), which itself selects value stocks according to price/book, forward price/earnings, and dividend yield. From there, NULV screens out companies involved in controversial businesses, such as alcohol, weapons, nuclear power, and gambling. Companies that exceed carbon emissions thresholds are also excluded. The remaining firms are scored on ESG factors, and the highest scoring firms within each sector (top 50% by market cap) are selected for inclusion in the index. The portfolio is weighted according to a multi-factor optimization algorithm, which tries to minimize any risk and return distortions created by the fund's ESG screen. The index is rebalanced and reconstituted quarterly starting each February.