

# NZAC

## SPDR MSCI ACWI Climate Paris Aligned ETF

### Fund Description

NZAC tracks a tier-weighted index of large- and mid-cap global stocks selected and weighted based on ESG criteria that are compatible with the Paris Climate Agreement and carbon reduction goals.

### FactSet Analyst Report

NZAC takes a climate approach to investing in the global large- and mid-cap space. The index initially screens out stocks from the MSCI ACWI Index, that are involved in controversial weapons, tobacco, thermal coal mining, oil and gas, and power generation, as well as severe ESG controversies and environmental issues. The portfolio selection and weighting utilize an optimization process that minimizes exposure to physical and transition risks of climate change while providing exposure to sustainable opportunities. Optimization constraints include greenhouse gas intensity reduction, low carbon transition score, climate value-at-risk, green revenue, and fossil fuels-based revenue. The index also uses an optimizer to maintain the sector weighting in the parent index. The fund uses a sampling strategy to track its index, which is rebalanced semi-annually. Before April 22, 2022, NZAC traded as SPDR MSCI ACWI Low Carbon Target ETF (LOWC) and tracked the MSCI ACWI Low Carbon Target Index.

