

PABD

iShares Paris-Aligned Climate Optimized MSCI World ex USA ETF

Fund Description

PABD tracks a tier-weighted index of large- and mid-cap stocks in developed markets excluding the US. The fund utilizes ESG criteria aligned with the Paris Climate Agreement when selecting and weighing securities.

FactSet Analyst Report

PABD employs a climate-conscious strategy, focusing on large- and mid-cap stocks in developed markets excluding the US. The fund selects companies positioned favorably for the transition to a low-carbon economy. It begins by excluding stocks from the MSCI ex USA Index involved in civilian firearms, controversial weapons, nuclear weapons, oil and gas, oil sands, power generation, thermal coal mining, and tobacco. Remaining companies are screened based on categorical and threshold-based criteria across five ESG impact categories: environment, human rights and communities, labor rights and supply chain, customers, and governance. Additional constraints include lowering carbon intensity, minimizing physical risk exposure, and boosting green revenue. The fund prioritizes securities based on their potential to decrease greenhouse gas intensity. An optimizer is used to keep sector exposure within +/- 5% of the parent index, excluding the energy sector. The index is rebalanced semi-annually. Prior to June 2, 2025 the fund name did not include the reference to the ESG score being optimized.

