

# SPDR MSCI USA Climate Paris Aligned UCITS ETF

## Duurzaamheidsinformatie voor artikel 8-fonds - website



### A. Samenvatting

Het SPDR MSCI USA Climate Paris Aligned UCITS ETF ("Fonds") is een indexfonds dat de prestaties volgt van de MSCI USA Climate Paris Aligned Index. De index is aangewezen voor het behalen van de ecologische of sociale kenmerken die door het fonds worden gepromoot. De ecologische en sociale kenmerken die het fonds promoot, komen overeen met die van de index die door het fonds is aangewezen. De index beoogt om de prestaties te volgen van een deelverzameling van aandelen van bedrijven uit de MSCI USA Index (de "Bovenliggende Index"), om de blootstelling aan transitierisico's en fysieke klimaatrisico's te verlagen en tegelijkertijd kansen te benutten die voortkomen uit de transitie naar een koolstofarme economie, waarbij wordt gestreefd naar afstemming op het Klimaatakkoord van Parijs zoals dat is vastgesteld overeenkomstig het Raamverdrag van de Verenigde Naties inzake klimaatverandering (het "Klimaatakkoord van Parijs").

Dit financiële product promoot ecologische of sociale kenmerken, maar heeft geen duurzame beleggingsdoelstelling.

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De beleggingsbeheerder en/of de onderbeheerder zal uit naam van het fonds beleggen op basis van de replicatiestrategie, zoals nader beschreven in het hoofdstuk "Investment Objectives and Policies – Index Tracking Funds" van het prospectus, en zal voornamelijk beleggen in de effecten van de index, altijd in overeenstemming met de in het prospectus vermelde beleggingsbeperkingen.

De vermogensbeheerder hanteert een bindende ESG-methodologie met als doel een portefeuille samen te stellen waarin minstens 90% van de activa van het fonds is belegd in effecten die afgestemd zijn op de door het fonds gepromote ecologische en sociale kenmerken. Het restant (<10%) van de portefeuille, bestaande uit contanten en equivalente middelen die naar het inzicht van de vermogensbeheerder worden aangehouden, zal niet op de gepromote ecologische en sociale

kenmerken afgestemd zijn. Voor zover het fonds financiële derivaten kan gebruiken, worden deze niet gebruikt om de door het fonds gepromote ecologische of sociale kenmerken te bereiken. Het fonds verbindt zich niet om duurzame beleggingen te verrichten in de zin van de SFDR of de Taxonomieverordening.

Het aandeel van de portefeuille van het fonds dat wordt belegd in effecten die zijn opgenomen in de index zal een duurzaamheidsindicator vormen om de mate van realisering van elk van de ecologische of sociale kenmerken die worden gepromoot door het fonds te meten.

De link naar de indexmethodologie waarin de door het fonds gepromote ecologische of sociale kenmerken zijn opgenomen, is beschikbaar in het betreffende supplement en is hieronder opgenomen.

Meer informatie over de databronnen die zijn gebruikt om de relevante ecologische of sociale kenmerken te behalen, vindt u in de indexmethodologie.

Het is mogelijk dat de indexprovider fouten maakt, zoals een onjuiste beoordeling van de screeningcriteria zoals beschreven in het beleggingsbeleid en/of het toelaten van onjuiste effecten of het uitsluiten van juiste effecten tijdens het screeningproces. ESG-gegevens kunnen op bepaalde aannames, voorspellingen, prognoses, visies en opinies zijn gebaseerd, die op huidige markttrends of verwachte toekomstige gebeurtenissen gebaseerd kunnen zijn. Gezien de aard van gegevensmodellen, methodologieën en aannames, die in ontwikkeling en innovatief zijn, en de inherente onzekerheid bij het voorspellen van toekomstige gebeurtenissen, kan niet worden gegarandeerd dat de ESG-gegevens altijd nauwkeurig of juist zijn of dat de ESG-gegevens voldoen aan de doelen of vereisten van een specifieke klant of belegger. Bovendien is het mogelijk dat er geen gegevens beschikbaar zijn door het ontbreken van databronnen.

SSGA houdt toezicht op externe leveranciers, inclusief indexproviders, in overeenstemming met het risicobeheerprogramma voor derden. SSGA overlegt regelmatig met indexproviders voor het evalueren van het dienstverleningsniveau en voert ook gerichte beoordelingen uit van de processen, systemen en systeemcontroles, gegevens, kwaliteitscontroles en IT-beveiliging van de indexproviders.

Het engagementbeleid van SSGA is niet rechtstreeks in de beleggingsstrategie van het fonds geïntegreerd. Het Asset Stewardship-programma van SSGA brengt echter alle stem- en engagementactiviteiten voor alle activaklassen samen, ongeacht de beleggingsstrategie of geografische regio, inclusief voor het fonds.

Het fonds heeft de index aangewezen voor het behalen van de ecologische of sociale kenmerken die door het fonds worden gepromoot. De index wordt elke zes maanden herschikt aan het einde van de laatste werkdag van mei en november.

Raadpleeg hiervoor de methodologie van de MSCI USA Climate Paris Aligned Index:

[https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_Climate\\_Paris\\_Aligned\\_Indexes.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_Climate_Paris_Aligned_Indexes.pdf)



## **B. No sustainable investment objective**

The Fund promotes environmental or social characteristics, but does not have as its objective a sustainable investment.



## **C. Environmental or social characteristics of the financial product**

The environmental and/or social characteristics promoted by the Fund are those promoted by the MSCI USA Climate Paris Aligned Index (the "Index") which the Fund tracks. The Index aims to reflect the performance of a sub-set of equity securities of companies within the MSCI USA Index (the "Parent Index"), to reduce exposure to transition and physical climate risks while pursuing opportunities arising from the transition to a lower-carbon economy and seeks to align with the Paris Agreement adopted under the United Nations Framework Convention on Climate Change requirements (the "Paris Agreement").



## **D. Investment Strategy**

The investment policy of the Fund is to track the performance of the Index (or any other index determined by the Directors from time to time to track substantially the same market as the Index) as closely as possible, while seeking to minimise as far as possible the tracking difference between the Fund's performance and that of the Index.

The Index aims to reflect the performance of a sub-set of equity securities of companies within the Parent Index which are selected and weighted in accordance with the Index methodology. The Index methodology aims to reduce exposure to transition and physical climate risks while pursuing opportunities arising from the transition to a lower-carbon economy and seeking to align the Fund's portfolio with the Paris Agreement adopted under the Paris Agreement. The Parent Index measures the performance of large and mid-capitalisation stocks of the U.S. equity markets. The Index aims to exceed the minimum standards for EU Paris-Aligned benchmarks set out in the Commission Delegated Regulation (EU) 2020/1818 for the methodology of benchmark indices that would be aligned with the objectives of the Paris Agreement. The Index excludes certain companies based on their involvement in the following controversial business activities: controversial weapons, tobacco, oil and gas, and thermal coal mining and power generation, with further detail on how the Index provider defines what constitutes "involvement" outlined in the Index methodology. The Index also excludes companies which are identified by the Index provider as being involved in controversies that have a negative ESG impact on their operations and/or products and services based on an MSCI ESG controversy score ("MSCI ESG Controversy Score").

The Investment Manager and/or Sub-Investment Manager, on behalf of the Fund, will invest using the replication strategy as further described in the "Investment Objectives and Policies – Index Tracking Funds" section of the Prospectus, primarily in the securities of the Index, at all times in accordance with the Investment Restrictions set forth in the Prospectus.

Companies deemed not in violation by the Index provider of the UNGC principles are considered to exhibit good governance. For information on the methodologies used in the construction of the Index and further information on the exclusion criteria and data sources, please refer to MSCI's index methodology description which can be found at the following link:

[https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_Climate\\_Paris\\_Aligned\\_Indexes.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_Climate_Paris_Aligned_Indexes.pdf)



## **E. Proportion of investments**

Environmental and social characteristics are promoted via the adoption of screens and best in class criteria within the Index .

At least 90% of the Fund's assets are invested in securities that are constituents of the Index and aligned with environmental and / or social characteristics, while the Index provider applies ESG ratings on all the Index constituents. The Fund does not commit to making sustainable investments within the meaning of the SFDR or the Taxonomy Regulation. The Fund may hold 10% of its assets in cash or cash equivalents and derivatives used for currency hedging and efficient portfolio management purposes, at the Investment Manager's discretion. Such assets will not be aligned with environmental and social characteristics, nor will there be any environmental or social safeguards in place.

The Fund does not commit to making sustainable investments within the meaning of the SFDR or the EU Taxonomy Regulation.

The portfolio of the Fund is predominantly composed of securities that comply with the ESG standards outlined above and in the index methodology (and in ensuring that the portfolio is exempt of issuers having activities that would significantly harm this objective).



## **F. Monitoring of environmental or social characteristics**

Attainment of the relevant characteristics is evaluated using the indicators described below. The Index aims are:

- A reduction of overall greenhouse gas (GHG) intensity compared with the Parent Index;
- A minimum decarbonisation rate of GHG intensity reduction per year
- Exposure to sectors with a high impact on climate change at least equivalent to the Parent Index to align with the objectives of the Paris Agreement to include exposure to sectors that should actively reduce GHG emissions.

The index takes into account:

- Increased exposure to companies that publish emissions reduction targets, publish their annual emissions and reduce their GHG intensity;
- Contribution to reduced weighted average potential emissions intensity compared with the Parent Index;
- Contribution to increased overall low carbon transition (LCT) score compared with the Parent Index (i.e., lower overall exposure to companies facing risks from LCT and / or higher overall exposure to companies which may have opportunities from LCT), as determined by the index provider;
- Reduction in exposure to physical risk arising from extreme weather events compared with the Parent Index
- Contribution to increased overall exposure to companies with a minimum green-to-brown revenue ratio compared with the Parent Index with green revenues being those which reflect company revenues from products and services that have the potential to contribute to the low carbon transition versus brown revenues which have the potential to harm the environment and worsen the low carbon transition (for further information on the meaning of green and brown revenue and how they are calculated please refer to the index methodology);
- Contribution to increased overall green revenue compared with the Parent Index; and
- Constituent-level liquidity and diversification caps.

The Fund rebalances on a semi-annual basis, in line with the Index rebalancing frequency.



## **G. Methodologies**

The index methodology which captures the environmental or social characteristics promoted by the financial product is made available in the fund supplement.



## **H. Data sources and processing**

The data sources used to attain the relevant environmental or social characteristics are detailed in the index methodology.



## **I. Limitations to methodologies and data**

There is a risk that the index provider may make errors, such as incorrect assessment of the screen criteria described in the Investment Policy and/or include incorrect/exclude correct constituents in the screening process. ESG scoring and screening is subject to inherent methodological limits. Any assessment of ESG criteria by an Index is based on the data provided by third parties. Such assessments are dependent upon information and data that may be incomplete, inaccurate or unavailable, which could cause incorrect assessment of an issuer's ESG performance. In particular there may be potential inconsistencies, inaccuracy or a lack of availability of required ESG data, particularly where this is issued by external data providers. These limitations may include but are not limited to issues relating to: - Missing or incomplete data from companies (for example, relating to their capacity to manage their Sustainability Risks) which have been used as input for any scoring model; - The quantity and quality of ESG data to be processed; and - The identification of relevant factors for the ESG analysis.

ESG data may be based on certain assumptions, forecasts, projections, views and opinions which may be based on current market trends or anticipated future events. To assess company involvement in different activities and to estimate revenue shares as accurately as possible, data providers strive to obtain information directly from companies and issuers. Sources of data include annual reports, regulatory filings, sustainability reports, press releases, investor presentations, company websites, and other company disclosures. Given the developing and innovative nature of data models, methodologies and assumptions and the inherent uncertainty in predicting forward-looking events, it cannot be guaranteed that the ESG data is always accurate or correct or that the ESG data will satisfy the aims or requirements of any specific client or investor. Furthermore, there may be data that cannot be sourced due to the lack of availability of data sources.



## **J. Due diligence**

SSGA oversees external vendors, including index providers, in line with its third party risk management programme. SSGA engages with index providers regularly for service level reviews and also undertakes targeted reviews of index providers' processes, systems & systems controls, data, quality controls & IT security.



## K. Engagement policies

### Is engagement part of the environmental or social investment strategy?

☐ Yes

☒ No

While SSGA engagement policies are not directly embedded into the Fund's investment strategy, for SSGA the informed exercise of voting rights coupled with targeted and value-driven engagement is the most effective mechanism of creating value and managing Sustainability Risk for the investors. SSGA's Asset Stewardship programme consolidates all voting and engagement activities across asset classes, irrespective of investment strategy or geographic region. The engagement strategy is built on SSGA's ability to prioritise and allocate resources to companies and issues that have the greatest potential impact. SSGA's Asset Stewardship programme is underpinned by 3 separate pillars, that is, (i) providing information and guidance to investee companies on the development of ESG practices across key issues, (ii) engaging with portfolio companies to encourage transparent, accountable, high performing boards and companies, and (iii) by exercising voting rights in a manner that reflects long term investment objectives for the purpose of influencing the activity or behaviour of the issuers. To support this process, SSGA has developed proprietary in-house tools to help identify companies for active engagement based on various financial and ESG indicators.



## L. Reference benchmark

### Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the Fund?

☒ Yes

☐ No

The Fund is an index fund tracking the performance of the MSCI USA Climate Paris Aligned Index. The Index has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund. The Index aims to reflect the performance of a sub-set of equity securities of companies within the MSCI USA Index (the "Parent Index"), to reduce exposure to transition and physical climate risks while pursuing opportunities arising from the transition to a lower-carbon economy and seeks to align with the Paris Agreement adopted under the United Nations Framework Convention on Climate Change requirements (the "Paris Agreement").

The Index is rebalanced on a semi-annual basis, as of the close of the last business day of May and November.

Please refer to MSCI USA Climate Paris Aligned Index methodology:

[https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_Climate\\_Paris\\_Aligned\\_Indexes.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_Climate_Paris_Aligned_Indexes.pdf)

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The Fund uses (within the meaning of the Benchmark Regulation) the following MSCI Limited benchmark: MSCI USA Climate Paris Aligned Index. No MSCI Limited entity is listed on the ESMA Register referred to in Article 36 of the Benchmark Regulation. MSCI Limited is and remains authorized as a UK benchmark administrator regulated by the UK Financial Conduct Authority ("FCA") (and can be found on the FCA Financial Services Register), but will be considered a "third country" UK administrator vis-à-vis the EU and will not appear on the ESMA Register per Article 36 of the Benchmark Regulation unless and until the EU grants the UK "equivalence" or until MSCI is granted "endorsement" or "recognition".

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