

ESGS

Columbia Sustainable U.S. Equity Income ETF

Fund Description

ESGS tracks an index composed of 100 U.S. equities (excluding REITs) that exhibit a minimum ESG rating (as determined by MSCI) and dividend characteristics.

FactSet Analyst Report

ESGS consists of large- and midcap stocks pulled from the MSCI USA Index, excluding REITs, selected and weighted according to their dividend characteristics. In order to be eligible for inclusion in the fund, each company must have a minimum MSCI ESG Rating of BB and a 1% dividend yield. The minimum ESG (environmental, social, and corporate governance) rating indicates that all companies in the fund have positive exposure to ESG issues. Eligible securities are scored based on their dividend yield, dividend growth, and cash-based dividend coverage. Dividend growth is the ratio of the difference between the current and previous dividend per share by the previous annual dividend per share. Cash-based dividend coverage measures free cash flows against their current annualized dividend. The top 100 scoring stocks are selected for inclusion in the fund, and weighted according to the same score.

