

SCHY

Schwab International Dividend Equity ETF

Fund Description

SCHY tracks a modified market-cap-weighted index of 100 high-dividend-yielding stocks located outside of the US. Stocks are selected based on additional fundamental criteria and low volatility.

FactSet Analyst Report

SCHY is passively managed to screen the large- and midcap stock universe, outside of the US, for high-dividend-yielding stocks. Eligible stocks must have a record of consistently paying dividends for at least 10 consecutive years. Such companies are then ranked based on a composite score that measures cash flow to total debt, return on equity, indicated dividend yield and 5-year dividend growth rate. A volatility screen is then applied to the 400 highest ranked stocks, selecting the top 100 stocks for inclusion in the index. Caps are placed on individual holdings at 4%, sector exposures at 15%, and emerging market exposure at 15%. The index is reconstituted annually and rebalanced quarterly.

