

SMLE

Xtrackers S&P SmallCap 600 ESG ETF

Fund Description

SMLE tracks a market-cap-weighted index of US small-cap stocks screened for various environmental, social, and governance factors.

FactSet Analyst Report

SMLE selects securities from the S&P SmallCap 600 Index that meet ESG screens, while maintaining similar risk and return as the index. Using various exclusionary screens, the fund eliminates companies: (1) involved in tobacco, weapons, and thermal coal, (2) those with Global Compact (GC) scores ranked in the bottom 5% of all UNGC-scored companies globally, (3) firms with ESG risks flagged by released Media and Stakeholder Analysis (MSA), and (4) those with S&P DJI ESG scores within the bottom 25% from each GICS industry group. Remaining companies are then ranked in descending order of their S&P DJI ESG scores, selecting securities until 75% of each industry groups market-cap is reached. Constituents are weighted by market-cap and rebalanced annually. Overall, SMLEs ESG take on the US small-cap stocks makes it a great complement to SNPE and MIDE which are Xtrackers ESG view on the US total market and midcaps, respectively.

