

USCA

Xtrackers MSCI USA Climate Action Equity ETF

Fund Description

USCA tracks a market cap-weighted index of large- and mid-cap US stocks, selected as a leader in their respective GICS sector for emphasizing climate-friendly objectives. The process screens securities based on ESG research from MSCI.

FactSet Analyst Report

USCA provides a climate-friendly approach to investing in the US large- and mid-cap space. The fund tracks an index screened toward stocks considered leaders in taking actions relating to climate transition. The fund drafts its selection universe from the MSCI USA Index, removing those involved in controversial business activities. The fund also screens out firms that are non-compliant with norms on the environment, human rights, governance, and carbon reduction goals approved by the United Nations Global Compact, and other SBTi. A screen for companies with bleak climate risk management removes the bottom quarter from each sector. The remaining stocks undergo a security-level assessment based on: (i) science-based target initiative, (ii) greenhouse gas intensity, (iii) emission track record, and (iv) green business revenue. Based on the assessment, the top 50% within each sector are selected. The index is market cap-weighted and rebalances on a semi-annual basis.

