

# MSCI Europe Climate Action Index (USD)

The MSCI Europe Climate Action Index is designed to represent the performance of companies that have been assessed to lead their sector peers in terms of their positioning and actions relative to a climate transition. MSCI Climate Action Indexes use MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics to identify companies that are involved in the following business activities such as Controversial Weapons, Tobacco, Thermal Coal Mining, Oil Sands and Nuclear Weapons.

For a complete description of the index methodology, please see [Index methodology - MSCI](#).

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (NOV 2018 – OCT 2024)



## ANNUAL PERFORMANCE (%)

Year	MSCI Europe Climate Action	MSCI Europe
2023	20.85	19.89
2022	-16.57	-15.06
2021	15.45	16.30
2020	6.69	5.38
2019	23.90	23.77

## INDEX PERFORMANCE – NET RETURNS (%) (OCT 31, 2024)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Nov 30, 2018
					3 Yr	5 Yr	10 Yr		
MSCI Europe Climate Action	-6.18	-2.09	23.03	5.90	2.82	6.64	na	7.74	
MSCI Europe	-5.89	-1.80	22.43	6.13	3.00	6.91	na	7.84	

## FUNDAMENTALS (OCT 31, 2024)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.02	15.66	14.31	2.35
3.26	14.73	13.25	2.04

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 2018 – OCT 31, 2024)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2, 3</sup>			Since Nov 30, 2018	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI Europe Climate Action	0.93	2.44	18.10	17.73	18.22	na	0.04	0.31	na	0.38	32.40	2020-01-17–2020-03-23
MSCI Europe	1.00	0.00	3.34	18.35	19.35	na	0.05	0.32	na	0.37	35.69	2020-01-17–2020-03-23

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly net returns data

<sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

The MSCI Europe Climate Action Index was launched on Oct 04, 2022. Data prior to the launch date is back-tested test (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance – whether actual or back-tested – is no indication or guarantee of future performance.

**INDEX CHARACTERISTICS**

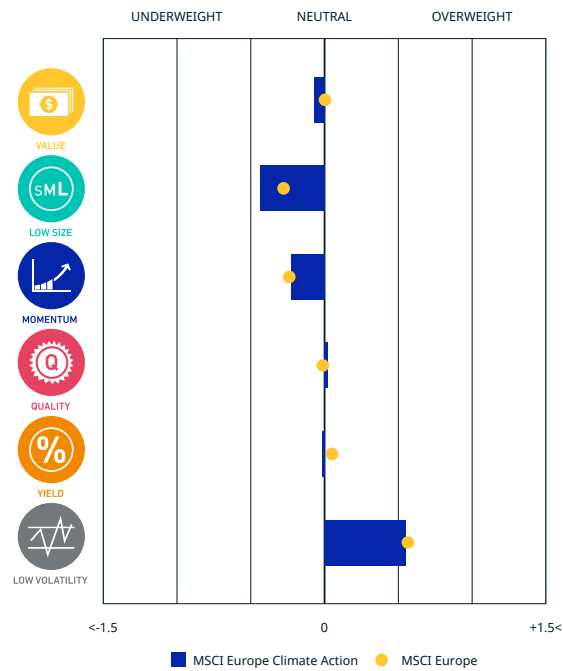
	MSCI Europe Climate Action	MSCI Europe
<b>Number of Constituents</b>	206	414
	Weight (%)	
<b>Largest</b>	4.20	3.31
<b>Smallest</b>	0.04	0.01
<b>Average</b>	0.49	0.24
<b>Median</b>	0.21	0.10

**TOP 10 CONSTITUENTS**

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
NOVO NORDISK B	DK	4.20	3.31	Health Care
ASML HLDG	NL	3.58	2.49	Info Tech
NESTLE	CH	3.28	2.29	Cons Staples
SAP	DE	3.23	2.25	Info Tech
ASTRAZENECA	GB	2.92	2.04	Health Care
ROCHE HOLDING GENUSS	CH	2.89	2.01	Health Care
NOVARTIS	CH	2.84	1.98	Health Care
LVMH MOET HENNESSY	FR	2.42	1.69	Cons Discr
HSBC HOLDINGS (GB)	GB	2.25	1.57	Financials
UNILEVER PLC (GB)	GB	2.01	1.40	Cons Staples
<b>Total</b>		<b>29.62</b>	<b>21.04</b>	

**FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN**

**MSCI FACTOR BOX**



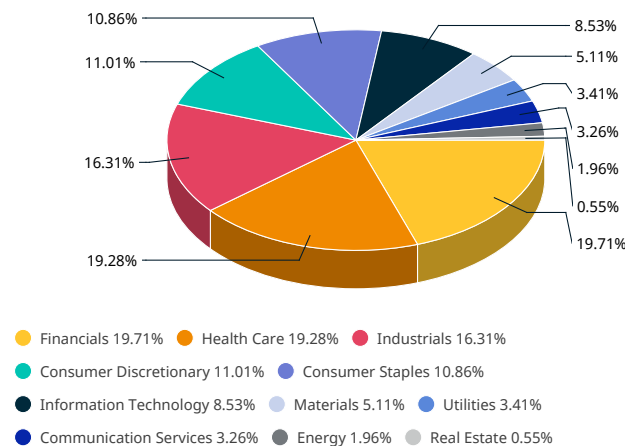
**MSCI FaCS**

- VALUE**  
Relatively Inexpensive Stocks
- LOW SIZE**  
Smaller Companies
- MOMENTUM**  
Rising Stocks
- QUALITY**  
Sound Balance Sheet Stocks
- YIELD**  
Cash Flow Paid Out
- LOW VOLATILITY**  
Lower Risk Stocks

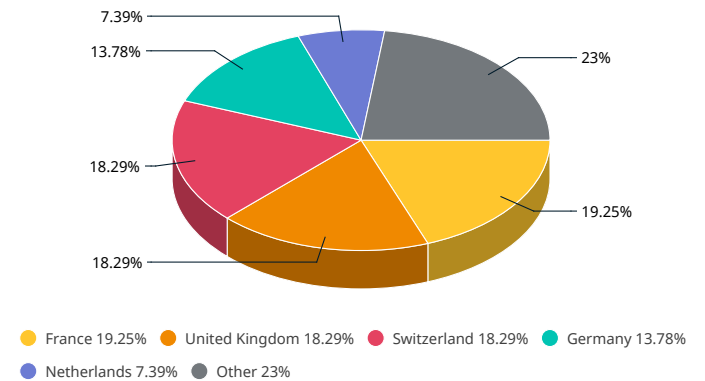
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

**SECTOR WEIGHTS**



**COUNTRY WEIGHTS**



**MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))**

MSCI FaCS is a standard method for evaluating and reporting the Factor characteristics of equity portfolios. MSCI FaCS consists of Factor Groups (e.g. Value, Size, Momentum, Quality, Yield, and Volatility) that have been extensively documented in academic literature and validated by MSCI Research as key drivers of risk and return in equity portfolios. These Factor Groups are constructed by aggregating 16 factors (e.g. Book-to-Price, Earnings/Dividend Yields, LT Reversal, Leverage, Earnings Variability/Quality, Beta) from the latest Barra global equity factor risk model, GEMLT, designed to make fund comparisons transparent and intuitive for use. The MSCI Factor Box, which is powered by MSCI FaCS, provides a visualization designed to easily compare absolute exposures of funds/indexes and their benchmarks along 6 Factor Groups that have historically demonstrated excess market returns over the long run.

**ABOUT MSCI**

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