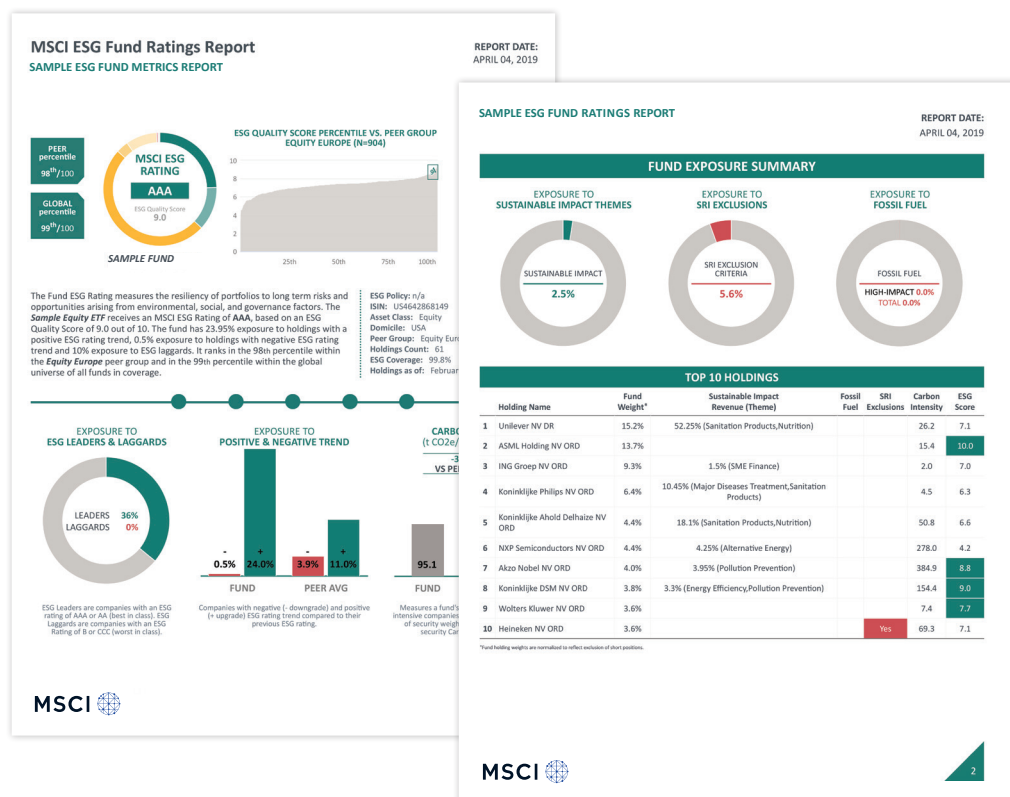


Critical ESG transparency for 52,000 mutual funds and ETFs globally

MSCI ESG Fund Ratings is designed to provide critical fund-level ESG transparency to support efforts to better understand and measure the ESG characteristics of portfolios, with an intuitive AAA-CCC rating and a diverse set of ESG exposure categories for over 52,000 mutual funds and ETFs.

Sample ESG Fund Ratings report



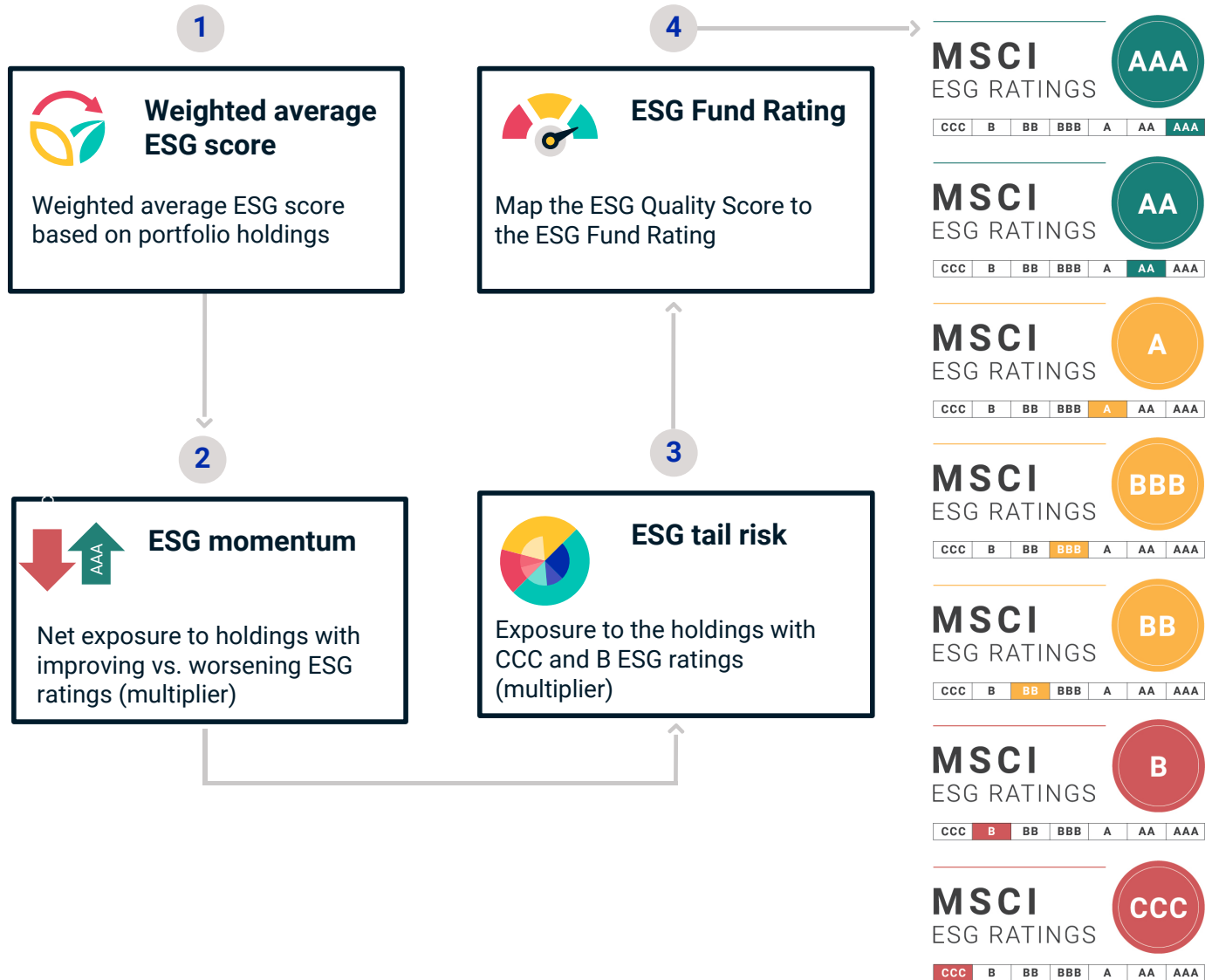
Report features update

- Indicates the top-level ESG Fund Rating as well as the fund ESG Quality Score (0-10 scale) and fund peer trend group average for comparison purposes
- Highlights fund exposure to over 200 metrics organized under three themes: values alignment, sustainable impact and ESG risks
- Identifies the top 10 fund holdings with detail on sustainable impact solutions revenue, fossil fuel ownership, SRI exclusion, and carbon intensity
- Showcases the fund holdings' ESG Fund Rating distribution and the ESG Fund Rating momentum trend, either positive or negative, over time
- Provides the fund carbon intensity compared to the peer group average and five MSCI indexes

Introducing MSCI ESG Fund Ratings

The top level rating, the MSCI ESG Fund Rating, is designed to assess the resilience of a fund's aggregate holdings to long-term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks.

The "Fund ESG Quality Score" is assessed using the underlying holdings' overall ESG scores, overall ESG ratings, and overall ESG ratings trend, and is calculated in three steps. The fund ESG Quality Score is then mapped to the AAA-CCC letter rating categories.



We provide insights across multiple dimensions:

- **ESG Fund Rating:** identify, screen, rank, and report on funds using the AAA-CCC signal
- **ESG momentum:** gain insight into a fund's ESG track record, which is designed to indicate fund exposure to holdings with a positive rating trend or worsening trend year over year
- **ESG tail risk:** understand fund exposure to holdings with worst-of-class ESG Fund Ratings of B and CCC

Over 200 additional exposure categories

To facilitate customization we offer a diverse set of approximately 200+ metrics that can be used to evaluate funds on ESG risks, exposure to sustainable impact themes, and values oriented issues.



Carbon footprint



Water exposure



Exposure to governance concerns



Exposure to sustainable impact themes



Exposure to SRI exclusions

Sustainable impact

Values alignment

Risk

Overall

- Sustainable impact themes (%)

Environmental

- Clean tech companies (%)
- Alternative energy (%)
- Energy efficiency (%)
- Green building (%)
- Pollution prevention (%)
- Sustainable water (%)

Social

- Social impact companies (%)
- Affordable housing (%)
- Education services (%)
- Nutritious food (%)
- Health care (%)
- Sanitation products (%)
- Social finance (%)

Controversies

- Severe environmental controversies (%)
- Severe labor controversies (%)
- Severe customer controversies (%)
- Severe human rights and community controversies (%)
- Severe governance controversies (%)

International norms standards

- UN global compact compliance violation (%)
- UN global compact compliance watch list (%)
- Human rights norms violation (%)
- Human rights norms watch list (%)
- Labor norms violation (%)
- Labor norms watch list (%)

Business involvement

- Catholic values flag (%)
- Islamic values flag (%)
- Sri exclusion criteria (%)
- Adult entertainment (%)
- Alcohol (%)
- Gambling (%)
- Genetic engineering - GMO (%)
- Nuclear power (%)
- Predatory lending (%)
- Tobacco (%)
- Controversial weapons (%)
- Weapons (%)

Scores & ranking

- Overall fund esg quality score (0-10)
- Fund quality score peer group percentile (0-100)
- Fund quality score global percentile (0-100)
- Environmental score (0-10)
- Social score (0-10)
- Governance score (0-10)
- ESG coverage (%)
- ESG leaders (%)
- ESG laggard (%)
- ESG average (%)
- ESG trend positive (%)
- ESG trend stable (%)

Environmental risks

- Carbon footprint
- Fossil fuel reserves (%)
- Water exposure (%)
- Water - high risk bus. Segment (%)
- Water - high risk geo (%)

Governance risks

- Board flag (%)
- Board independence (%)
- No female directors (%)
- Pay flag (%)
- Ownership & control flag (%)
- Accounting flag (%)

About MSCI ESG Research products and services

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC. are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc.

About MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

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