



MSCI ESG Manager

MSCI ESG Manager is an online ESG research and analytics platform designed to provide asset managers and owners with an integrated suite of tools to efficiently manage research, analysis and compliance tasks across the spectrum of environmental, social and governance (ESG) factors.

Key Features and Benefits

One Integrated Platform: MSCI ESG Manager brings together MSCI ESG research and analytics in one platform.

Robust Functionality: MSCI ESG Manager provides robust functionality to screen portfolios, generate restricted lists, download research reports and data, and receive email alerts on notable research changes.

Support ESG Integration and PRI Compliance: Integrating ESG into the investment process is the first requirement for UN Principles for Responsible Investment (UN PRI) signatories and is increasingly being mandated and scrutinized by asset owners. MSCI ESG Intangible Value Assessment (IVA) looks at the financial relevance of ESG factors and is the right tool for meeting ESG integration requirements.

Comply with International Standards: MSCI ESG Manager's Impact Monitor research allows institutional investors to analyze a company's significant social and environmental impacts and its ability to manage those impacts. Investors are able to determine how well companies adhere to international norms and principles, and to assess company strategies, disclosure and performance with respect to these norms and principles.

Manage ESG Restrictions: MSCI ESG Manager's Business Involvement Screening Research allows investors to identify all global publicly-traded companies involved in activities such as the production of controversial weapons, tobacco products, or those that violate religious screening mandates such as Catholic or Islamic Values. It also allows investors to divest from companies that violate legislative mandates that prohibit investment in companies that operate in Sudan, Iran etc.

Receive Timely Email Alerts: MSCI ESG Manager provides institutional investors with the ability to set and receive customized email alerts for important ESG changes to their portfolios.

| | | | | ngaet Monitor Val-Mart Stores, Inc. | | | | | MSCI ESC Presents | | | | | | | | |
|--|---|----------------------------------|-------------------------|--|---------------------------------------|---------|--------------|----|---|--------------------|---|--|---|-----------------------------------|-------------------|-----------------------------------|-----------|
| | | | 6 0 | CKER: WMMT KES SUIS-INDUSTRY: Retail + Food & Staples DUNTRY: US IST REVIEWED: Jan 29, 2013 | | R R | | ov | Wal-Mart S | | | | | | | | SCI |
| ASCI ESG Manager | | 0 | Erler Name, Ticker, C | OVERALL ASSESSMENT | | | | | TICKER: WMT | d - Erect B | Ganias | | RATING DATE: Nov 12, 2012 PREVIOUS RATING: 88 | | | IVA RAI | TING |
| usbries issuers Screener 2 Menuer Screen Barder B | Portiblios Alerts Data Feed | | | he company is involved in very severe controversies related to | o its ESG impact. | | | | | | | per Centers | RATING TREND: Downgrade 🕹 | | | В | |
| en Name: (new) | 🔚 Save Screes 🔓 Cervert Is Advi | noed Screen 😘 Clear Screen • | | PERFORMANCE OVERVIEW | | | | | ESG PILLAR PERF | ORMANC | t | | KEY ISSUES | | | | |
| Factor Name | | Operator Criteria | | | | | | | | | | | | | | | |
| a Tobacce Prod | Tobacco Producer ucer - Maximum Percentage of Revenue | - True >= 0 | 0 | ONTROVERSIES ASSESSMENT O 0 | PERFORMANCE HIGHLIGHTS | | | | | Score | Percentile | Weight | | Score vs. Average | Percentile | Controversie | s Weig |
| 1 | Gambling - Operations | * True | W | al-Mart has been involved in serious labor rights, overnance, customer relations and environment | | 0 | ontrovensies | | Environmental | 6.5 | 82 nd | 24.0% | Product Carbon Footprint | 3.1 | 100 th | None | 10.0 |
| T I S | Claster Bomb - Manufacturer Landmine - Manufacturer | - True - True | 0 | controversies resulting to significant settlements and fines. Of particular concern are recurrent lawsuits against the | | Company | Score A | | | | | | Raw Material Sourcing | 53 | 50 th | Moderate | 14 |
| | | | h. | impany related to wages, overtime pay, health benefits, arassment, discrimination as well as the alleged use of | ENVIRONMENT | 0 | 4 | 0 | Social | 1.7 | 3 rd | 51.0% | Labor Management | 5.5 | 0** | Very Severe | 17 |
| | | | | ndocumented immigrant and child labor. | Supply Chain Management | 0 | 4 | 0 | | | | | Court Barbala barbarbarbarbarbarbarbarbarbarbarbarbarb | 3.6 | 29 th | Genera | 17 |
| | | | | The company has also been named a deficient in a biftypy care against its Mexican balancian, Yudi Adar Site Mexico payment of brite money to government efficial to obtain period. The control of the functional state of the biological balance areas of the functional state biological balance areas of the functional state concerned executives were not subcoloris. More meeting, the advection and another of engaging in the evision and money investment, | Toxic Spills & Releases | 0 | 4 | 0 | Governance | 2.6 6 ^m | | | Supply Chain Labor Standards | 4.0 | | Severe | 11 |
| | | | EV. | | CUSTOMERS | 0 | 2 | 0 | | | | | Product Safety & Quality | 15 4.8 | 0 th | Severe | 17 |
| | | | pi | | Anticompetitive Practices | 0 | 2 | 0 | | | 6 ^m | 25.0% | Corruption & Instability | . | - | Very Severe | 20. |
| | | | h | | Customer Relations | 0 | 2 | 0 | | | | | Corporate Governance | 60 | 18 ⁴⁰ | Moderate | 5.0 |
| | | w | Marketing & Advertising | | 0 | 4 | 0 | | | | Corporate vovernance | | 7.0 | | Woderate | 24 | |
| | | | | | Product Quality & Safety | 0 | 2 | 0 | COMPETITIVE SE | T | | | RATING COMMENT | | | | |
| | | | | al-Mart continues to face allegations regarding stomer-related concerns including product safety related | | | | | Industry | Rating Di | stributio | | Wal-Mart Stores has been downgr | | | | |
| | | | | to toys, pharmaceutical services, as well as recalls of food products. The company has also been purportedly involved in anti-competitive practices, and overpricing. Additionally, the company has faced irigation related to its environmental management practices. Of particular concern | | 0 | 4 | 0 | 23% 26% 20% | | | in Mexico and shows poor performance in ensuring food safety in key growth m Following allegations in April 2012 of large-scale bribery in its Mexico subsidian investigations will weigh on the company's ability to execute its aggressive g | | | | ch as Ch | |
| Bald Screen: Erclar Selection | | | in | | Adverse Impact on Local Communities | 0 | 4 | 0 | | | | | | | | | |
| Categories Defense and Weapens > Landmine Factors | | | | | LABOR RIGHTS & SUPPLY CHAIN | 0 | 0 | | 2% | RX. | | 8% | more stringent regulatory scrutiny Mexico following the bribery scanda August 2012 that its growth would slow this market. The company also | | | ol, Wal-Mart an | nounce |
| Adult Entertainment | E Landroine | | 6 | the company's payment of USD 27.6 million in settlement | Collective Bargaining & Union | | 0 | ő | CCC B 88 88 | 888 | A AA | AAA | August 2012 that its growth would solve this manket. The company ano slow in China and Brazil for other reasons. WalMex, its Mexican subsidi scandal, is now facing new accusations of tax exasion and money launde | | | iary involved in t | the bri |
| Alcehol Alcehol - Retail 5 Pct | a Landmine - Investor V Landmine - Masutao Landmine - Ownersh | investor | | of a lawsuit alleging that its improper disposal of toxic westes in California. MANAGEMENT ASSESSMENT O S | Discrimination & Workforce Diversity | 0 | 2 | č | Top 3 Companies I Sainsbury PLC AUA Shoppers Drug Mart Corporation AUA Keske Oyj AUA Bottom 3 Companies | | | | scandal, is now facing new accusal | tons of tax evasion and m | | | |
| Animal Welfare | | | | | Employee Health & Safety | 0 | 3 | 0 | | | | | We continue to note the ongoing discrepancy between Wal Mart's hi related issues and its strong performance on environmental issues. The o | | | high risks regar | ing labor |
| Oefense and Weapons | | Ownership of a Landiline Company | | MANAGEMENT ASSESSMENT | Labor Management Relations | 0 | 0 | 0 | | | ation | | of gender discrimination in the US, which affect its reputatio resistance to new stores openings. However, on environm | | on as an emp | s as an employer and raise commun | |
| Coversity | 🖾 Lardnine - | Salety (Positive Indicator) | | | Supply Chain-Child Labor | 0 | 2 | 0 | | | ARA | to vasily outpace most North American retailers; the co | | pany matches European peers such | | | |
| Crutonment | | | | | Supply Chain-Other ILO Contraventions | 0 | 3 | 0 | | | Carrefour and Tesco in reducing the environmental impact of its stores, dia chain. | | | unoution need, and | and sug | | |
| ON | | | | | | | | | Wal-Mart Stores, | | | 8 | | | | | |
| | | | | | | | | | Walgreen Co | | | 8 | | | | | |
| Oanbing | | | - | for symbols and terms used in this report, please refer to the "Glossary of jum | oos and Terms" section. | | | Ľ | CV5/Caremark Co | wp. | | CCC | | | | | |
| Oanbing | | | | | 02013 MSO, Iw. | | | | | | | | | | | | |
| Conding Conditio Engineering | | | | | 02013 MSOL INC | | | L | *Arr terms used in this re | eport and jor | ar explorati | n of the Govern | ance score, please right to the Glossory section | at the back of the profile or ref | ir to the AA M | nhodologe | |

Product Overview*

| MSCI ESG Intangible Value Assessment | MSCI ESG Impact Monitor | MSCI ESG Business Involvement Screening Research | MSCI ESG Government Ratings | | | |
|---|---|---|--|--|--|--|
| Identifies ESG investment risks and opportunities not always captured by conventional analysis | Analyzes & monitors 'ESG controversies' and violations of global norms such as the UN Global Compact | Identifies the nature and extent of company business activities to support ESG portfolio screening | Assesses government-related ESG Risk Exposure and Risk Management Practices | | | |
| MSCI ESG IVA applies a 3-phased analytical approach: • Step 1: Identify Key ESG Drivers | We use 30 impact indicators grouped under the following criteria: | We offer a broad range of screening capabilities: • Screening for religious | We identify risk exposure and qualify management by: • Measuring government-related | | | |
| of Risks and Opportunity for Each Industry • Step 2: Evaluate Risk Exposure | Human Rights & Community Relations Labor Rights & Supply Chain | (e.g. Catholic), ethical and other social and environmental criteria (e.g. tobacco, weapons, nuclear) | endowments of natural, human and financial resources • Assessing their management | | | |
| Step 3: Rate and Rank Exposite Step 3: Rate and Rank Each Company against | Governance Environment | Global Sanctions screening, e.g. Sudan | and the ability to enable efficient utilization of those resources | | | |
| Sector Peers | • Customers | | | | | |
| Research: Industry, Company, and Thematic Reports Data: Overall, pillar, and indicator scores (0-10) and ratings (AAA-CCC) | Research: Company reports Data: Overall, pillar, and indicator scores (0-10) and flags (red/yellow/ green) | Research: Company reports Data Included: True/False indicators on involvement type and percentage of revenue | Research: Government-related reports Data: Overall, pillar, and indicator scores (0-10) and ratings (AAA-CCC) | | | |
| Equity Coverage: MSCI World, Emerging Markets, US, Canada, UK, Australia, and South Africa Indexes | Equity Coverage: MSCI World, Emerging Markets, US, Canada, UK, Australia, South Africa, and Africa Frontier Market Indexes | Equity Coverage: All publicly-traded companies Fixed-Income Coverage: Barclays Global Aggregate - | Coverage: Barclays Global Aggregate Index Treasuries and Governments (99% market value) and 65 Local Authorities | | | |
| Fixed-Income Coverage: Barclays Global Aggregate - Corporate Index (95% by market value) | Fixed-Income Coverage: Barclays Global Aggregate - Corporate Index (95% by market value) | Corporate Index (95% by market value) | | | | |
| * Additional bespoke coverage for further issu | les, screening criteria or universes of coverage | is available through MSCI ESG Research's Cust | om Research team. | | | |

Business Activities Global Sanctions • Arab Boycott of Israel Genetic Engineering North Korea Abortion & Contraceptives Adult Entertainment • Landmines & Cluster • Burma • Northern Ireland Alcohol Munitions Cuba OFAC Violations Animal Welfare Nuclear Power Foreign Corrupt Practices Act • Sudan • Defense & Weapons Stem Cell Research • Iran • Syria • Tobacco • Firearms Pork • Gambling • Predatory Lending

msci.com/esg | esgclientservice@msci.com

About MSCI ESG Research

MSCI ESG Research products and services 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 are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research is produced by MSCI's indirect wholly-owned subsidiary MSCI ESG Research Inc., a Registered Investment Adviser under the Investment Advisers Act of 1940.

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