

# MSCI World ESG Focus Index (USD)

The MSCI World ESG Focus Index is based on MSCI World Index, its parent index, which includes large and mid-cap stocks across 23 Developed Market (DM) countries\* across the world. The Index is designed to maximize exposure to positive environmental, social and governance (ESG) factors while exhibiting risk and return characteristics similar to those of the MSCI World Index. The index is constructed by selecting constituents from MSCI World Index through an optimization process that aims to maximize exposure to ESG factors for a target tracking error budget under certain constraints. The index is sector-diversified and targets companies with high ESG ratings in each sector. Tobacco and Controversial Weapons companies are not eligible for inclusion.

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

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (JUN 2009 – JUN 2024)



## ANNUAL PERFORMANCE (%)

Year	MSCI World ESG Focus	MSCI World
2023	23.12	23.79
2022	-19.17	-18.14
2021	21.55	21.82
2020	17.22	15.90
2019	28.72	27.67
2018	-8.51	-8.71
2017	23.16	22.40
2016	7.51	7.51
2015	-1.33	-0.87
2014	5.31	4.94
2013	27.13	26.68
2012	15.42	15.83
2011	-6.28	-5.54
2010	11.07	11.76

## INDEX PERFORMANCE – NET RETURNS (%) (JUN 28, 2024)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Nov 30, 2006
					3 Yr	5 Yr	10 Yr		
MSCI World ESG Focus	2.24	2.93	19.68	11.56	6.13	11.72	9.19	7.23	
MSCI World	2.03	2.63	20.19	11.75	6.86	11.78	9.16	7.18	

## FUNDAMENTALS (JUN 28, 2024)

Div Yld (%)	P/E	P/E Fwd	P/BV
1.88	22.18	18.57	3.51
1.80	22.07	18.57	3.42

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 2006 – JUN 28, 2024)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Nov 30, 2006	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI World ESG Focus	1.01	0.70	27.83	17.41	17.84	15.16	0.26	0.59	0.55	0.42	57.90	2007-10-31–2009-03-09
MSCI World	1.00	0.00	2.25	17.23	17.80	15.03	0.30	0.60	0.56	0.42	57.82	2007-10-31–2009-03-09

<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

\* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the USA.

The MSCI World ESG Focus Index was launched on Mar 31, 2017. 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**

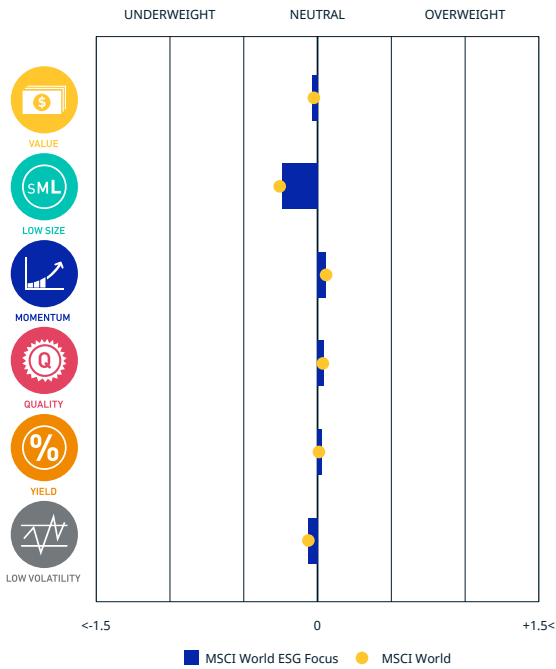
	MSCI World ESG Focus	MSCI World
<b>Number of Constituents</b>	383	1,430
	Weight (%)	
<b>Largest</b>	4.83	4.77
<b>Smallest</b>	0.07	0.00
<b>Average</b>	0.26	0.07
<b>Median</b>	0.17	0.02

**TOP 10 CONSTITUENTS**

	Index Wt. (%)	Parent Index Wt. (%)	Sector
MICROSOFT CORP	4.83	4.77	Info Tech
NVIDIA	4.79	4.67	Info Tech
APPLE	4.56	4.67	Info Tech
AMAZON.COM	2.66	2.73	Cons Discr
ALPHABET C	1.89	1.41	Comm Srvc
META PLATFORMS A	1.57	1.67	Comm Srvc
LILLY (ELI) & COMPANY	1.16	1.11	Health Care
ALPHABET A	1.08	1.62	Comm Srvc
BROADCOM	0.98	1.07	Info Tech
TESLA	0.88	0.86	Cons Discr
<b>Total</b>	<b>24.40</b>	<b>24.57</b>	

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

**MSCI FACTOR BOX**



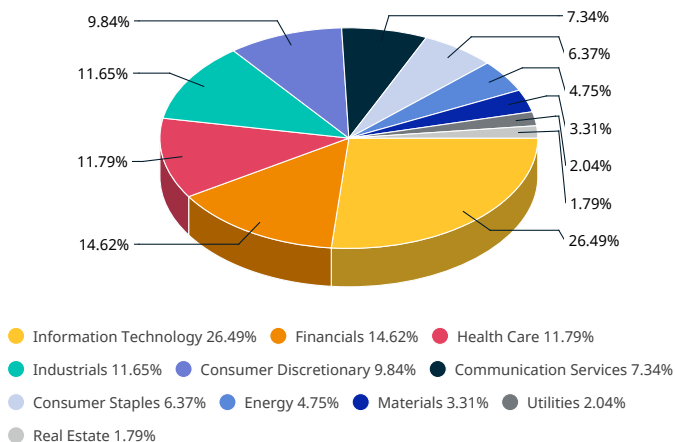
**MSCI FaCS**

- 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

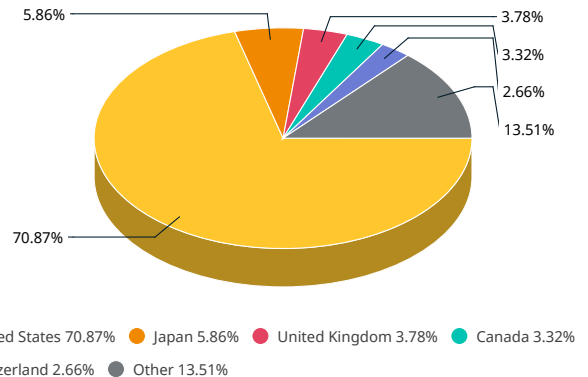
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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**

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 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. To learn more, please visit [www.msci.com](http://www.msci.com).

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