

# MSCI USA ESG Screened Index (USD)

The MSCI USA ESG Screened Index is based on the MSCI USA Index, its parent index, and includes large and mid-cap securities of the U.S. equity markets. The index excludes companies from the parent index that are associated with controversial, civilian and nuclear weapons and tobacco, that derive revenues from thermal coal and oil sands extraction and that are not compliant with the United Nations Global Compact principles.

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (MAY 2012 – NOV 2021)



## ANNUAL PERFORMANCE (%)

Year	MSCI USA ESG Screened	MSCI USA
2020	22.20	20.73
2019	31.29	30.88
2018	-4.69	-5.04
2017	21.17	21.19
2016	10.72	10.89
2015	1.48	0.69
2014	13.20	12.69
2013	32.41	31.79

## INDEX PERFORMANCE – NET RETURNS (%) (NOV 30, 2021)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 2012
					3 Yr	5 Yr	10 Yr		
MSCI USA ESG Screened	-0.89	1.18	27.73	22.53	21.36	18.23	na	16.27	
MSCI USA	-1.05	0.80	26.66	21.69	20.48	17.64	na	15.79	

## FUNDAMENTALS (NOV 30, 2021)

Div Yld (%)	P/E	P/E Fwd	P/BV
1.24	25.24	21.91	4.94
1.31	25.07	21.59	4.88

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2012 – NOV 30, 2021)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 2012	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI USA ESG Screened	1.01	0.51	3.01	19.01	15.76	na	1.06	1.07	na	1.14	33.95	2020-02-19–2020-03-23
MSCI USA	1.00	0.00	2.83	18.85	15.59	na	1.03	1.04	na	1.12	34.16	2020-02-19–2020-03-23

<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 USA ESG Screened Index was launched on Oct 22, 2018. Data prior to the launch date is back-tested data (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

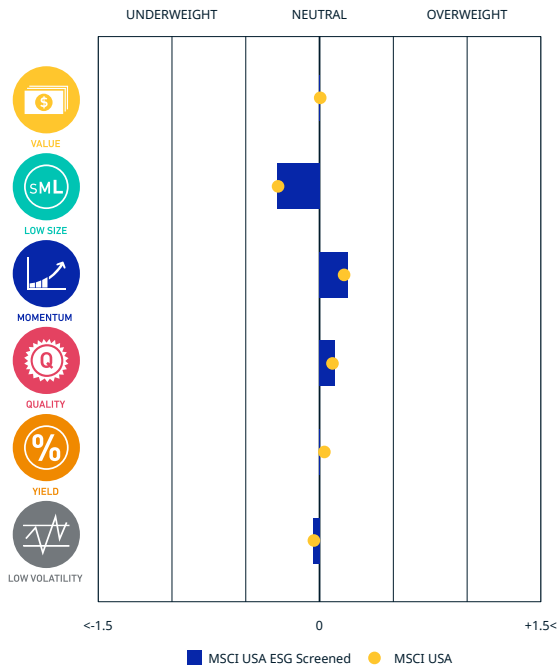
	MSCI USA ESG Screened	MSCI USA
<b>Number of Constituents</b>	587	624
	Weight (%)	
<b>Largest</b>	6.94	6.66
<b>Smallest</b>	0.01	0.01
<b>Average</b>	0.17	0.16
<b>Median</b>	0.07	0.06

### TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
APPLE	6.94	6.66	Info Tech
MICROSOFT CORP	5.95	5.71	Info Tech
AMAZON.COM	4.00	3.84	Cons Discr
TESLA	2.36	2.26	Cons Discr
ALPHABET A	2.15	2.06	Comm Srvc
ALPHABET C	2.09	2.00	Comm Srvc
NVIDIA	2.05	1.97	Info Tech
META PLATFORMS A	1.96	1.88	Comm Srvc
JPMORGAN CHASE & CO	1.21	1.16	Financials
HOME DEPOT	1.07	1.03	Cons Discr
<b>Total</b>	<b>29.77</b>	<b>28.58</b>	

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

#### MSCI FACTOR BOX



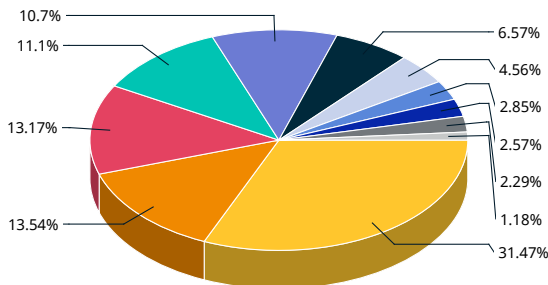
#### MSCI FaCS

- 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



- Information Technology 31.47%
- Consumer Discretionary 13.54%
- Health Care 13.17%
- Financials 11.1%
- Communication Services 10.7%
- Industrials 6.57%
- Consumer Staples 4.56%
- Real Estate 2.85%
- Energy 2.57%
- Materials 2.29%
- Utilities 1.18%

## INDEX METHODOLOGY

The MSCI ESG Screened Indexes aim to represent the performance of an investment strategy that excludes companies from the parent index that are involved in business activities of Controversial Weapons, Nuclear Weapons, Civilian Firearms, Tobacco, Thermal Coal, Oil Sands. In addition to the above, companies that fail to comply with the United Nations Global Compact Principles are also excluded from the MSCI ESG Screened Indexes. The indexes are maintained following the [MSCI Global Investable Indexes \(GIMI\) Methodology](#) – a comprehensive and consistent approach to index construction that allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. This methodology aims to provide exhaustive coverage of the relevant investment opportunity set with a strong emphasis on index liquidity, investability and replicability.

The index is reviewed in February, May, August and November, coinciding with the quarterly and semiannually index reviews of MSCI Global Investable Market Indexes.

## FACTOR BOX AND FaCS METHODOLOGY

MSCI FaCS is a standard method ([MSCI FaCS Methodology](#)) 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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