

## MSCI ESG Research Scores Funds on Sustainability

### Over 100 ESG Metrics for each fund measuring exposure to ESG factors including carbon footprint

**New York – March 8, 2016** – [MSCI](#) today announced it has expanded its MSCI ESG Research coverage to include approximately 21,000 mutual funds and ETFs. MSCI ESG Fund Metrics will measure the Environmental, Social and Governance (ESG) characteristics of portfolio holdings and rank or screen funds based on a diverse set of factors including sustainable impact, values alignment and ESG risks, including [carbon footprint](#).

“The development of Fund Metrics was based on client consultation, which included some of the world’s largest wealth managers who are looking for greater insight into the ESG attributes of their portfolios, reflecting growing attention to ESG among investors,” said, Eric Moen, Managing Director of MSCI ESG Research. “The demand from clients who want to consider ESG criteria to align their investments with their values is continuously increasing. Fund Metrics is a natural extension of our ESG ratings and research, adding even more transparency as the sustainable investing movement gains momentum.”

Each fund will receive an overall score, the Fund ESG Quality Score, a peer group percentile rank and individual E- S- and G- Scores. The ESG Quality Score reflects the ability of the underlying holdings to manage medium- to long-term risks and opportunities. Clients will also have access to over 100 Fund Metrics to evaluate the ESG attributes of their portfolio and fall into three categories: sustainable impact, values alignment and risks.

“Transparency around the ESG Quality of a fund’s holdings may be used by clients to complement their evaluation and due diligence of fund managers but it does not provide an indication of the quality of a fund manager’s ESG strategy, capabilities, process or intentionality,” Moen added.

MSCI ESG Fund Metrics will be available directly from MSCI ESG Research and on third-party platforms through 2016.

MSCI ESG Research is the world’s largest provider of ESG ratings, research and data<sup>1</sup>. Some of the largest wealth managers and 47 of the top 50 global asset managers<sup>2</sup> incorporate MSCI ESG Research into their investment-decision making process.

Anna Snider, head of due diligence for Merrill Lynch Global Wealth and Investment Management CIO Office, said, “Merrill Lynch is committed to providing innovative impact investing solutions. We are delighted to see that MSCI ESG Research now provides tools designed to assist with fund due diligence and monitoring on ESG and Impact characteristics.”

Sasja Beslik, head of responsible investment at Nordea Asset Management, said, “We are committed to providing our clients with greater visibility of the long term risks to their portfolios. It is great to see MSCI ESG Research offer more tools designed to bring greater fund-level transparency and assist with measuring a portfolio on a diverse set of ESG characteristics.”

---

<sup>1</sup> By client coverage based on public information produced by Sustainalytics, EIRIS, Trucost, as of February 2016

<sup>2</sup> Based on P&I and Towers Watson data, as of December 2015

In a statement, Credit Suisse said, “The demand from clients who want to consider ESG criteria and wish to align their investments with their values is continuously increasing. We help them better assess ESG related risks to ultimately achieve a sustainable impact through their investments – without compromise on the performance side. We are delighted to see MSCI ESG Research now offer more tools designed to bring great transparency to portfolios.”

-Ends-

## About MSCI

For more than 40 years, MSCI’s research-based indexes and analytics have helped the world’s leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research.

Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research.

MSCI serves 97 of the top 100 largest asset managers, based upon P&I data as of December 2014 and MSCI client data as of June 2015.

For more information, visit us at [www.msci.com](http://www.msci.com).

## Media Inquiries

### New York

Kristin Meza, MSCI + 1 212 804 5330/kristin.meza@msci.com

### London

Nick Denton | Christian Pickel, MHP Communications + 44 20 3128 8754/8208

## MSCI Global Client Service

EMEA Client Service + 44 20 7618.2222

Americas Client Service 1 888 588 4567 (toll free)

Asia Pacific Client Service + 852 2844 9333

This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the “Information”) is the property of MSCI Inc. or its subsidiaries (collectively, “MSCI”), or MSCI’s licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the “Information Providers”) and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or disseminated in whole or in part without prior written permission from MSCI.

The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.

Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.



The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.

It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, "Index Linked Investments"). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.

Index returns do not represent the results of actual trading of investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.

The Information may contain back tested data. Back-tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.

Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.

Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research Inc. and Barra LLC, may be used in calculating certain MSCI equity indexes. More information can be found in the relevant standard equity index methodologies on [www.msci.com](http://www.msci.com).

MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.'s revenue includes fees based on assets in investment products linked to MSCI equity indexes. Information can be found in MSCI's company filings on the Investor Relations section of [www.msci.com](http://www.msci.com)

MSCI ESG Research Inc. is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Except with respect to any applicable products or services from MSCI ESG Research, neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and neither MSCI nor any of its products or services is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Issuers mentioned or included in any MSCI ESG Research materials may include MSCI Inc., clients of MSCI or suppliers to MSCI, and may also purchase research or other products or services from MSCI ESG Research. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body.

Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD, FEA, InvestorForce, and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS)" is a service mark of MSCI and Standard & Poor's.