

# MSCI USA Small Cap ESG Leaders Index (USD)

The MSCI USA Small Cap ESG Leaders Index is a free float-adjusted market capitalization-weighted index designed to represent the performance of companies that are selected from the MSCI USA Small Cap Index ("Parent Index") based on Environmental, Social and Governance (ESG) criteria. These criteria exclude constituents based on involvement in specific business activities, as well as ESG ratings and exposure to ESG controversies. The Indexes are derived from the MSCI USA Small Cap Index and aim to achieve sector weights that reflect the sector weights of the corresponding Parent Index. The MSCI USA Small Cap ESG Leaders Index consists of Small cap companies in US markets. The Index construction targets 50% free float-adjusted market capitalization coverage of each Global Industry Classification Standard (GICS®) sector by selecting constituents primarily based on criteria including the ESG rating, the trend in that rating and the company's industry-adjusted ESG score. The Index is a member of the MSCI ESG Leaders Index series.

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

## CUMULATIVE INDEX PERFORMANCE – PRICE RETURNS (USD) (MAR 2009 – MAR 2024)



## ANNUAL PERFORMANCE (%)

Year	MSCI USA Small Cap ESG Leaders	MSCI USA Small Cap
2023	13.54	16.51
2022	-17.09	-18.43
2021	19.18	18.19
2020	15.03	17.12
2019	24.01	25.27
2018	-10.59	-11.37
2017	13.94	15.56
2016	19.47	17.79
2015	-4.58	-5.15
2014	5.16	6.02
2013	36.23	36.28
2012	14.36	16.31
2011	-2.96	-4.35
2010	26.69	26.33

## INDEX PERFORMANCE – PRICE RETURNS (%) (MAR 29, 2024)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Dec 29, 2000	FUNDAMENTALS (MAR 29, 2024)			
					3 Yr	5 Yr	10 Yr			Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI USA Small Cap ESG Leaders	3.95	5.67	15.97	5.67	1.74	8.03	7.37	6.98		1.56	26.56	18.21	2.24
MSCI USA Small Cap	3.66	5.28	18.53	5.28	1.67	8.48	7.50	8.25		1.52	30.79	20.19	2.29

## INDEX RISK AND RETURN CHARACTERISTICS (DEC 29, 2000 – MAR 29, 2024)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Dec 29, 2000	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI USA Small Cap ESG Leaders	na	na	19.75	20.11	22.64	18.99	0.05	0.37	0.39	na	61.62	2007-06-04–2009-03-09
MSCI USA Small Cap	1.00	0.00	10.18	20.77	23.41	19.51	0.05	0.38	0.40	0.41	60.53	2007-06-04–2009-03-09

<sup>1</sup> Last 12 months <sup>2</sup> Based on monthly price returns data <sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

The MSCI ESG Leaders Indexes are products of MSCI Inc. that utilize information such as company ratings and research produced and provided by MSCI ESG Research LLC (MSCI ESG Research), a subsidiary of MSCI Inc.

The MSCI USA Small Cap ESG Leaders Index was launched on Jan 02, 2007. 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

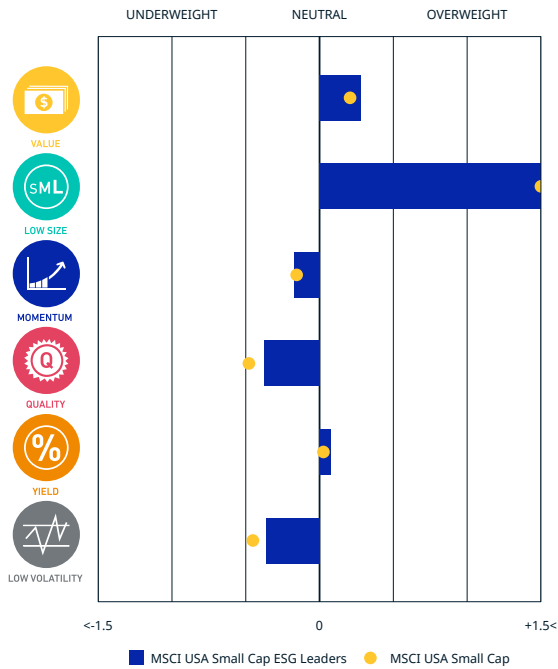
	MSCI USA Small Cap ESG Leaders	MSCI USA Small Cap
Number of Constituents	725	1,768
Weight (%)		
Largest	0.74	0.54
Smallest	0.01	0.00
Average	0.14	0.06
Median	0.10	0.04

TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
EMCOR GROUP	0.74	0.35	Industrials
SAIA	0.70	0.33	Industrials
NUTANIX A	0.67	0.32	Info Tech
TOPBUILD CORP	0.63	0.30	Cons Discr
REINSURANCE GRP AMERICA	0.57	0.27	Financials
US FOODS HOLDING	0.57	0.27	Cons Staples
NVENT ELECTRIC PLC	0.56	0.27	Industrials
FLEX	0.56	0.27	Info Tech
ADVANCED DRAINAGE SYSTEM	0.54	0.26	Industrials
SHOCKWAVE MEDICAL	0.54	0.26	Health Care
Total	6.09	2.90	

FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

MSCI FACTOR BOX



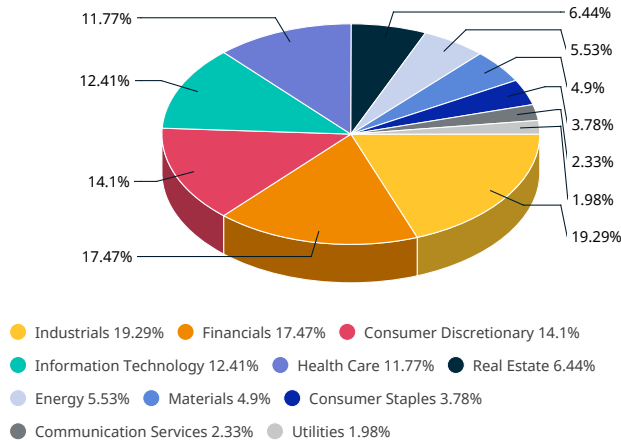
MSCI FaCS

- 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



## 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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