

MSCI USA ESG FOCUS INDEX (USD)

The MSCI USA ESG Focus Index is based on MSCI USA Index, its parent index, which includes large and mid cap stocks across the U.S. equity markets. 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 USA Index. The index is constructed by selecting constituents from MSCI USA 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.

CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (USD) (MAY 2006 – DEC 2017)



ANNUAL PERFORMANCE (%)

Year	MSCI USA ESG Focus	MSCI USA
2017	21.63	21.90
2016	11.80	11.61
2015	0.54	1.32
2014	14.76	13.36
2013	33.19	32.61
2012	15.54	16.13
2011	1.88	1.99
2010	14.63	15.45
2009	27.19	27.14
2008	-37.11	-37.14
2007	6.41	6.03

INDEX PERFORMANCE — GROSS RETURNS (%) (DEC 29, 2017)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 2006
					3 Yr	5 Yr	10 Yr		
MSCI USA ESG Focus	0.87	6.41	21.63	21.63	10.99	15.88	8.47	8.96	
MSCI USA	1.08	6.55	21.90	21.90	11.29	15.69	8.52	8.96	

FUNDAMENTALS (DEC 29, 2017)

Div Yld (%)	P/E	P/E Fwd	P/BV
1.86	24.88	19.05	3.33
1.86	24.41	18.77	3.29

INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2006 – DEC 29, 2017)

	Beta	Tracking Error (%)	Turnover (%) ¹	ANNUALIZED STD DEV (%) ²			SHARPE RATIO ^{2,3}			Since May 31, 2006	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI USA ESG Focus	1.00	0.59	24.11	10.22	9.59	15.19	1.02	1.55	0.57	0.58	55.15	2007-10-09—2009-03-09
MSCI USA	1.00	0.00	2.85	10.12	9.55	15.12	1.06	1.54	0.58	0.58	54.91	2007-10-09—2009-03-09

¹ Last 12 months ² Based on monthly gross returns data ³ Based on ICE LIBOR 1M

The MSCI USA ESG Focus Index was launched on Aug 11, 2016. 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.

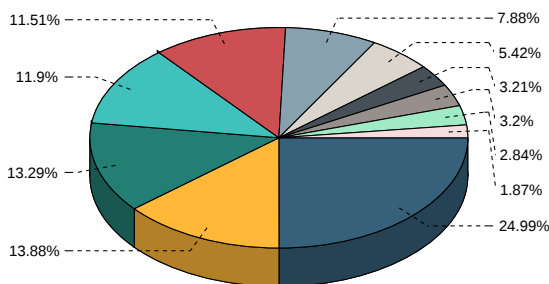
INDEX CHARACTERISTICS

	MSCI USA ESG Focus	MSCI USA
Number of Constituents	286	633
	Weight (%)	
Largest	3.74	3.65
Smallest	0.08	0.01
Average	0.35	0.16
Median	0.20	0.06

TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
APPLE	3.74	3.65	Info Tech
MICROSOFT CORP	3.13	2.61	Info Tech
AMAZON.COM	1.94	1.99	Cons Discr
FACEBOOK A	1.87	1.75	Info Tech
ALPHABET C	1.71	1.37	Info Tech
JPMORGAN CHASE & CO	1.64	1.57	Financials
JOHNSON & JOHNSON	1.60	1.57	Health Care
EXXON MOBIL CORP	1.59	1.48	Energy
PEPSICO	1.32	0.71	Cons Staples
3M CO	1.27	0.59	Industrials
Total	19.82	17.29	

SECTOR WEIGHTS



- Information Technology 24.99%
- Financials 13.88%
- Health Care 13.29%
- Consumer Discretionary 11.9%
- Industrials 11.51%
- Consumer Staples 7.88%
- Energy 5.42%
- Utilities 3.21%
- Real Estate 3.2%
- Materials 2.84%
- Telecommunication Services 1.87%

INDEX METHODOLOGY

MSCI ESG Focus Index is constructed by selecting constituents from its underlying parent index through an optimization process that aims to maximize exposure to ESG factors for a target tracking error budget under certain constraints. Tobacco and Controversial Weapons companies are excluded from the index. Securities of companies involved in very severe business controversies are not eligible for inclusion. Other exclusions include where companies do not have the controversy score or IVA rating or ESG score. Constituents are selected to maximize exposure to higher ESG IVA scores, subject to maintaining risk and return characteristics similar to the parent index. ESG IVA scores are normalized and factored into the optimization process. Further, the optimized portfolio is determined and the index is constructed using the most recent release of the Barra Open Optimizer in combination with the relevant Barra Equity Model. The Index is rebalanced on a quarterly basis coinciding with the regular Index Reviews of the MSCI Global Investable Market Indexes. Changes are effective at the beginning of March, June, September and December.

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