

MSCI ESG Metrics Addresses Critical Data Issues Associated With Measuring Global ESG Risk

New tool standardizes ESG risk data and adds new data set of 8,500 companies

New York – April 6, 2017 – [MSCI](#) Inc. (NYSE: MSCI) announced today the launch of MSCI ESG Metrics, provided by MSCI ESG Research LLC. This new tool delivers a standardized set of environmental, social and governance (ESG) metrics for 8,500 companies globally, that is usable for in-house analytical models or for clients developing their own investment strategies. ESG Metrics was developed to address critical issues with measuring a portfolio’s ESG risk where a lack of standardized data can be a significant barrier today.

Eric Moen, managing director and head of ESG products for MSCI ESG Research, said, "We understand our clients do not want to be inundated with data; they want relevant, comparable global datasets which provide a global picture of ESG risks to their investments."

He continued, "Drawing from the data collection and analytical experience we accumulated in the development of our flagship MSCI [ESG Ratings](#), this new tool gives clients a library of data points and metrics to help them understand their exposure to global ESG risks and identify regions or business segments where risks are highest."

The tool is designed to deliver a large set of standardized ESG data and simple flagged metrics that are comparable across a broad universe of 8,500 companies in the MSCI ACWI Investable Market Index (IMI):

- Phase I leverages MSCI ESG Research’s proprietary ESG risk models to introduce a new “risk exposure” dataset, mapping over 50,000 individual business and geographic segments to 22 macro risk factors, such as carbon regulation, water stressed regions, and corruption risks.
- Additional quantitative data and binary metrics are designed to enable institutional investors to measure the overall exposure of companies and portfolios to ESG risks.
- An expanded “controversies” data set flags companies involved in ESG controversies across 25 categories.
- Subsequent phases will further expand the risk exposure data set, and introduce new data points covering management practices and performance. Phase II expansion of the tool is expected later this year.

MSCI ESG Metrics is designed to be an extension of our flagship [MSCI ESG Ratings](#) product. MSCI ESG Ratings assess companies on the key issues that are most material to their industry. MSCI ESG Metrics is a new tool that expands the analysis by offering clients access to a set of underlying data and comparable metrics across the entire coverage universe enabling ESG portfolio risk exposure analysis and quantitative modeling.

[Use our interactive ESG Metrics map](#) to explore geographic exposure to: water stressed regions; fragile ecosystems; carbon regulation; chemical safety regulations; climate vulnerable regions; corruption & instability; poor workplace safety standards; frequent work stoppages and privacy regulations.

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 money managers, according to the most recent P&I ranking.

For more information, visit us at www.msci.com.

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