**MSCI ESG INDEXES**

**THE COMBINATION OF MSCI’S LEADING INDEX AND ESG RESEARCH EXPERTISE**

MORE THAN 900 EQUITY AND FIXED INCOME INDEXES USED BY INSTITUTIONAL INVESTORS FOR INDEX-BASED INVESTMENT PRODUCTS, RISK AND RETURN ANALYSIS, REPORTS ON COMPLIANCE WITH ESG MANDATES, AND POLICY BENCHMARKS.

---

**KEY FEATURES**

**Integrated Business Model**
- Control over the quality and content of the ESG research
- Alignment between the research and the indexes
- Consistency between the ESG and standard indexes

**Quality ESG Research**
- MSCI ESG Research has a 40 year legacy based on GMI Ratings, KLD, Innovest and IRRC

**Experience**
- ESG research since 1972 and indexes since 1990
- MSCI’s 40 years of index experience

**Client Service Excellence**
- Committed relationship management process
- Backed by a dedicated ESG client service team.
- 24/5 client service

---

**INTEGRATION**

**VALUES**

**IMPACT**

---

*Broad ESG – Methodology is based on ESG Ratings reflecting a combination of environmental, social and governance issues
*Themes – Methodology is based on data for specific ESG issue(s)

---

* MSCI ESG Research is the successor to ESG Pioneers KLD, Innovest and IRRC, which were acquired through MSCI’s acquisition of RiskMetrics. The MSCI ESG Indexes use ratings and other data, analysis and information supplied by MSCI ESG Research, MSCI ESG Research is produced by MSCI’s subsidiary, MSCI ESG Research LLC.

* Source: MSCI ESG Research as of April 2018. Includes full time employees and allocated staff performing non-investment advisory tasks.
OVERVIEW

MSCI ESG Indexes are designed to help clients incorporate environmental, social and governance (ESG) factors into their investment decision making processes. The MSCI ESG Indexes are grouped into the following main categories:

<table>
<thead>
<tr>
<th>Indexes</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MSCI ESG Leaders Indexes</strong></td>
<td>These indexes target the highest ESG-rated companies making up 50% of the adjusted market capitalization in each sector of the underlying index. The indexes are designed for investors seeking exposure to companies with strong sustainability profiles with relatively low tracking error to the underlying equity market and are reconstituted annually. The MSCI ESG Leaders Indexes includes the MSCI ACWI ESG Leaders Index, MSCI World ESG Leaders Index and MSCI EM ESG Leaders Index.</td>
</tr>
<tr>
<td><strong>MSCI SRI Indexes</strong></td>
<td>These indexes consist of companies with the highest ESG ratings making up 25% of the adjusted market capitalization in each sector of a parent MSCI index, after excluding companies involved in alcohol, tobacco, gambling, civilian firearms, military weapons, nuclear power, adult entertainment and genetically modified organisms (GMOs). In addition to MSCI ACWI SRI Index, MSCI World SRI Index and MSCI EM SRI Index, region and country sub-indexes are available. It also includes the MSCI KLD 400 Social Index, which was launched in May 1990 and is one of the first SRI indexes.</td>
</tr>
<tr>
<td><strong>MSCI ESG Universal Indexes</strong></td>
<td>The MSCI ESG Universal Indexes are created by re-weighting free-float market cap weights based upon certain ESG metrics tilting away from free-float market cap weights, the indexes enhance exposure to those companies that demonstrate both a higher MSCI ESG Rating and a positive ESG trend, while maintaining a broad and diversified investment universe. Current suite of indexes include - MSCI ACWI ESG Universal, MSCI World ESG Universal, MSCI EM ESG Universal, MSCI Europe ESG Universal and MSCI USA ESG Universal Index.</td>
</tr>
<tr>
<td><strong>MSCI Global ex Controversial Weapons Indexes</strong></td>
<td>These indexes are designed for investors who wish to avoid investments in cluster bombs, land mines, chemical and biological weapons, and depleted uranium weapons. The selection universe for the MSCI Global ex Controversial Weapons Indexes is defined by the constituents of MSCI AWCI. In addition to MSCI ACWI ex Controversial Weapons Index, MSCI World ex Controversial Weapons Index, and MSCI EM ex Controversial Weapons Index, region and country sub-indexes are available.</td>
</tr>
<tr>
<td><strong>MSCI Global Environmental Indexes</strong></td>
<td>The MSCI ESG Environmental Indexes include Low Carbon, Fossil Fuels Exclusion Thematic indexes, etc. Increasingly, institutional investors may need to consider how climate change may present risks and opportunities and how to manage carbon exposure in their portfolios. These indexes are designed to support various low carbon investment strategies and include the MSCI Low Carbon Indexes, MSCI Global Fossil Fuels Exclusion Indexes, and the MSCI Thematic Indexes.</td>
</tr>
<tr>
<td><strong>Barclays MSCI ESG Fixed Income Indices</strong></td>
<td>The Barclays MSCI ESG Fixed Income Indices comprise more than 500 standard and custom ESG fixed income indices representing the most widely used ESG strategies and investment objectives. It includes the Barclays MSCI Green Bond, Socially Responsible, Sustainability, and ESG Weighted Indices.</td>
</tr>
</tbody>
</table>
ABOUT MSCI ESG RESEARCH PRODUCTS AND SERVICES

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC. are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research LLC. is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc.

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 99 of the top 100 largest money managers, according to the most recent P&I ranking. For more information, visit us at www.msci.com.

The information contained herein (the “Information”) may not be reproduced or redisseminated in whole or in part without prior written permission from MSCI ESG Research. The Information may not be used to verify or correct other data, to create any derivative works, to create indexes, risk models, or analytics, or in connection with issuing, offering, sponsoring, managing or marketing any securities, portfolios, financial products or other investment vehicles. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. MSCI ESG Research is provided by MSCI Inc.’s subsidiary, MSCI ESG Research LLC., a Registered Investment Adviser under the Investment Advisers Act of 1940. 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. None of the Information or MSCI index or other product or service constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy. Further, none of the Information 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. The Information is provided “as is” and 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 MSCI INC. OR ANY OF ITS SUBSIDIARIES OR ITS OR THEIR DIRECT OR INDIRECT SUPPLIERS OR ANY THIRD PARTY INVOLVED IN THE MAKING OR COMPILING OF THE INFORMATION (EACH, AN “INFORMATION PROVIDER”) MAKES ANY WARRANTIES OR REPRESENTATIONS AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH INFORMATION PROVIDER HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING ANY OF THE FOREGOING AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL ANY OF THE INFORMATION PROVIDERS 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.

©2018 MSCI Inc. All rights reserved | CF50418