MSCI ESG Controversies allows institutional investors to analyze a company’s significant social, environmental, and governance impacts by identifying company involvement in major ESG controversies, adherence to international norms and principles, and assessing company performance with respect to these norms and principles.

**Key features and benefits**

**Comply with international standards**
MSCI ESG Controversies can assist investors in determining how well companies adhere to international norms and principles such as the UN Global Compact and ILO Core Conventions.

**Manage reputational risk with timely alerts**
MSCI ESG Controversies scoring and flagging system alerts investors to potential reputational risks. Clients can set customized email alerts in order to remain informed of significant ESG changes to their portfolios.

**Identify targets for engagement**
MSCI ESG Controversies helps clients identify companies for further stakeholder engagement. Clients can use controversy details as well as severity assessments to determine a course of engagement with a company in their portfolio.

**Broad and in-depth Coverage**
Coverage extends to approximately 12,500 companies covering the MSCI ACWI IMI Index, in addition to 95% by market value of the Barclays Global Aggregate – Corporate Index.

**Availability on multiple platforms**
MSCI ESG Controversies is available on our proprietary online platform, MSCI ESG Manager, as well as through API delivery. It is also integrated within MSCI’s BarraOne and Barra Portfolio Manager platforms, as well as in FactSet and StyleResearch.
MSCI ESG Controversies analyses and monitors company management strategies and their actual performance:

The evaluation framework is designed to be consistent with international norms represented in numerous widely accepted global conventions.

Our global research analysts assess performance, looking for instances where companies are involved in major controversies or have breached the standards set by international bodies.

The MSCI ESG Controversies approach is stakeholder driven and covers the following five categories of stakeholder impact, organized against 28 indicators:

### MSCI ESG Controversies Coverage - Stakeholder ‘Pillars’ and ‘Indicators’

<table>
<thead>
<tr>
<th>Environment</th>
<th>Human rights &amp; community</th>
<th>Labor rights &amp; supply chain</th>
<th>Customers</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biodiversity &amp; land use</td>
<td>Impact on local communities</td>
<td>Labor management relations</td>
<td>Product safety &amp; quality</td>
<td>Bribery &amp; fraud</td>
</tr>
<tr>
<td>Toxic emissions &amp; waste</td>
<td>Human rights concerns</td>
<td>Health &amp; safety</td>
<td>Anticompetitive practices</td>
<td>Governance structures</td>
</tr>
<tr>
<td>Energy &amp; climate change</td>
<td>Civil liberties</td>
<td>Collective bargaining &amp; unions</td>
<td>Discrimination &amp; workforce diversity</td>
<td>Controversial investments</td>
</tr>
<tr>
<td>Water stress</td>
<td>Other</td>
<td>Child labor</td>
<td>Privacy &amp; data security</td>
<td>Other</td>
</tr>
<tr>
<td>Operational waste (Non-hazardous)</td>
<td>Other</td>
<td>Supply chain labor standards</td>
<td>Marketing &amp; advertising</td>
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<tr>
<td>Supply chain management</td>
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<td></td>
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<tr>
<td>Other</td>
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</tbody>
</table>

**Red:** Indicates that a company is involved in one or more very severe controversies.

**Orange:** Indicates that a company has been involved in one or more recent severe structural controversies that are ongoing.

**Yellow:** Indicates that the company is involved in severe-to-moderate level controversies.

**Green:** Indicates that the company is not involved in any major controversies.
Monitor compliance with global norms

- Identify news-based controversies linked to specific global norms and conventions
- Identify companies which fail a specific set of global norms
- Identify Watchlist companies for monitoring purposes
- Use detailed reports to support engagement activities

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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.

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