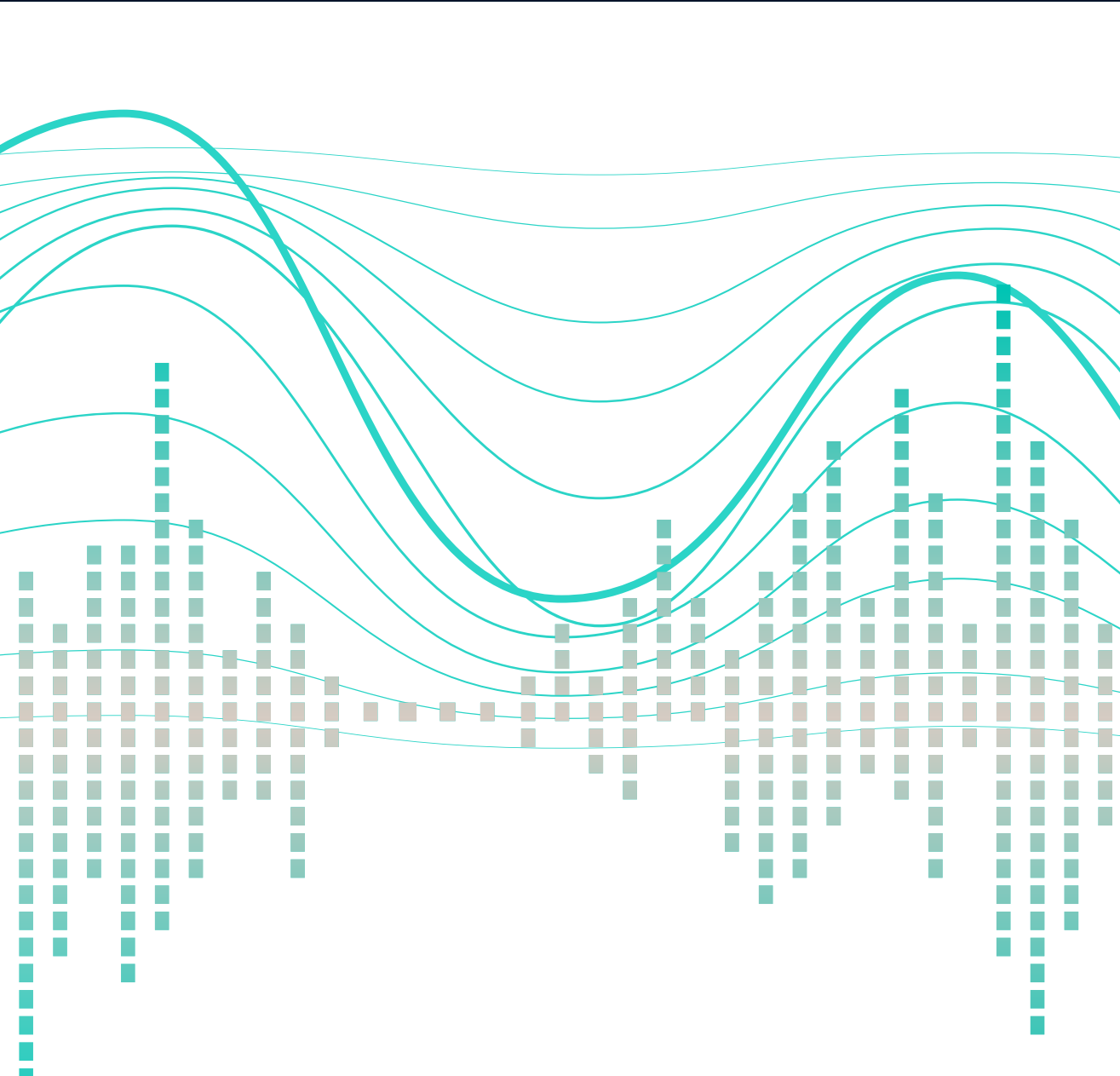




MSCI ESG Ratings

Providing institutional investors with a more robust ESG integration tool to help them mitigate risk and enhance long term value creation.



Integrating MSCI ESG Ratings into investment decision making can help identify risks or opportunities that may not be captured by conventional financial analysis.

Eric Moen
Managing Director, MSCI ESG Research

MSCI ESG Ratings

More insight. More context. More informed decisions.

MSCI ESG Ratings helps investors identify environmental, social and governance (ESG) risks and opportunities within their portfolio. We research and rate companies on a 'AAA' to 'CCC' scale according to their exposure to industry-specific ESG risks and their ability to manage those risks relative to peers.

Overview

We have over 40 years of experience through our legacy companies collecting, cleaning, standardizing and modelling ESG data from thousands of sources to create a precision tool for a clear signal of ESG performance.

MSCI ACWI ESG Leaders Index, powered by MSCI ESG Ratings, has out-performed the MSCI ACWI Index in 8 of the last 10 years.

185+

ESG Analysts
(Over 325 FTE²)

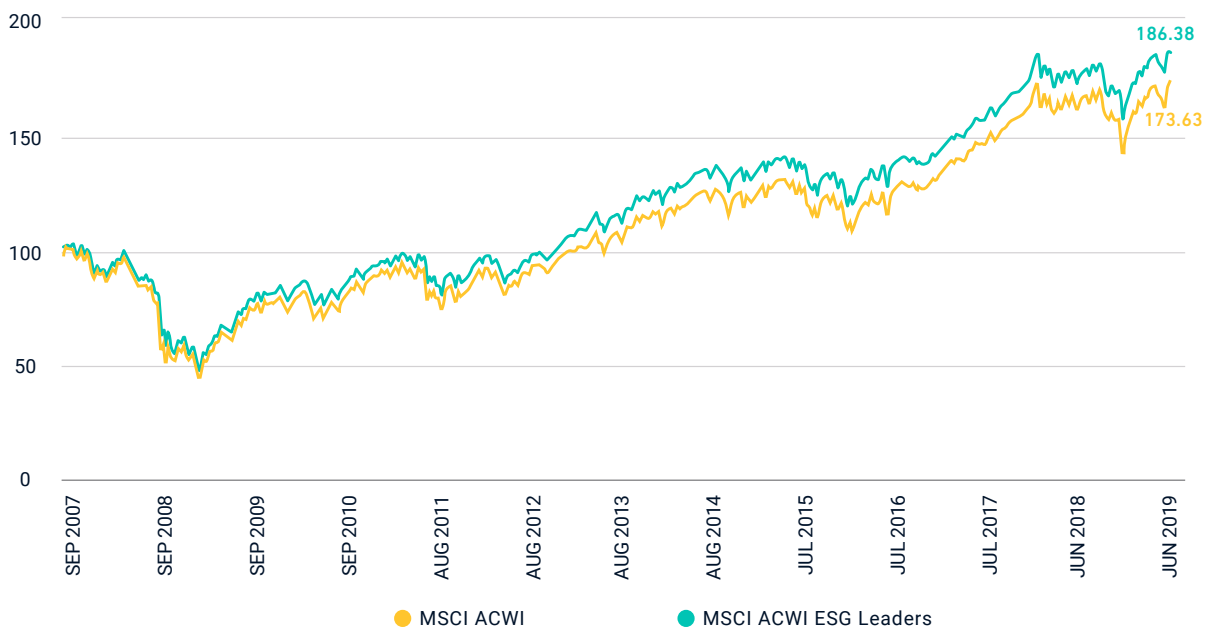
1,000

ESG Equity and
Fixed Income Indexes

1,300

Clients
Worldwide

Cumulative index performance – gross returns (USD) Sep 2007 – Jun 2019



¹ Source: MSCI ESG Research as of March 2019. Includes full time employees, employees of foreign affiliates providing investment advisory services to MSCI ESG Research LLC, and global allocated staff performing non-investment advisory tasks.

Key features and benefits

Market leading corporate governance insights

For each company, 96 unique corporate governance metrics that look at board, pay, ownership and control, and accounting practices.

Robust data on boards and directors

Data on board size, tenure and director election standards; director age and gender diversity; plus financial, industry and risk management expertise on key board committees.

Precision approach to identify industry outliers

156 industry model variants to focus on the key issues that pose the most significant risk to a company relative to its industry peers.

Risk exposure not disclosure

Risk management efforts assessed in the context of a granular breakdown of widely reported business and geographic exposure to ESG risks. Emphasis on performance, not disclosure.

Extensive coverage

7,500 companies (13,500 total issuers, including subsidiaries) and more than 650,000 equity and fixed income securities globally.

Daily updates

Continuous evaluation of ESG risks, including daily monitoring of 2,100 media publications and regular updates of public documents and third-party data sets.

Global in-house team

Global, multilingual team of analysts and client service professionals providing around the clock expertise and support to help clients find the best way to integrate ESG into their investment processes.

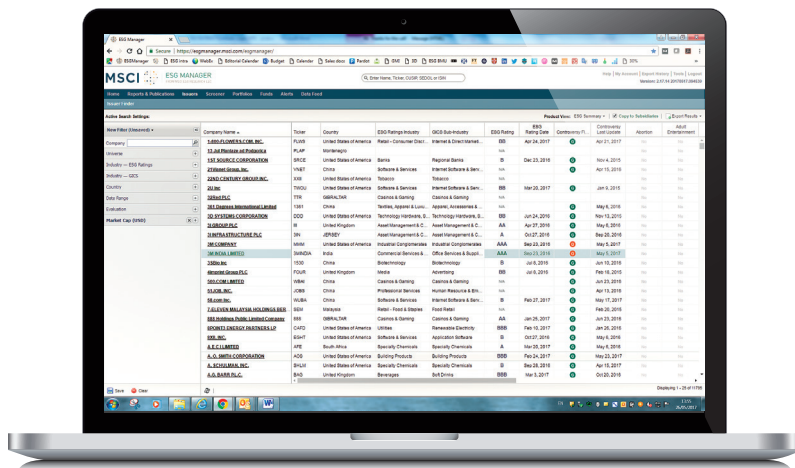
Gold standard data provider

MSCI ESG Research has been recognized as a 'Gold Standard data provider' by the Deep Data Delivery Standard.

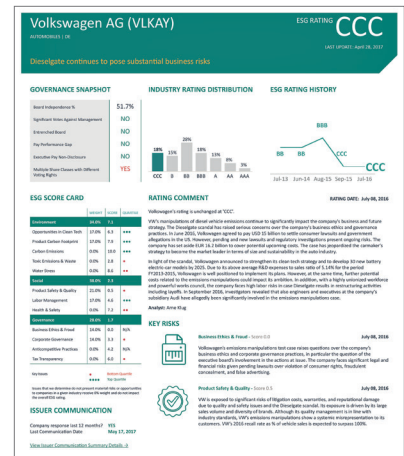
MSCI ESG Ratings and ESG Indexes

MSCI ESG Ratings are the foundation of many of the 1,000 MSCI ESG Indexes.

Visit [msci.com/esg-indexes](https://www.msci.com/esg-indexes)



MSCI ESG Ratings as seen on the MSCI ESG Manager platform



Tear sheets designed to highlight the key material risks and opportunities driving the ESG Rating

IRRI Awards Survey: MSCI voted 'best' for research, data and indexes 2015, 2016, 2017 and 2018/19



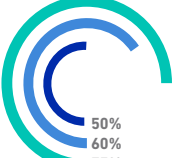
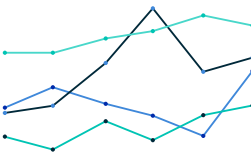
Methodology

ESG Rating of 7,500 companies (13,500 total issuers, including subsidiaries) and more than 650,000 equity and fixed income securities globally

Our approach

Data	Metrics	Evaluation	Rating
<p>No questionnaires</p> <p>We collect and standardize public data:</p> <ul style="list-style-type: none"> • Government and NGO datasets • Company disclosure documents • 2,100 media sources 	<ul style="list-style-type: none"> • Standardized methodology to assess company Risk Exposure and Risk Management relative to industry peers • MSCI's ESG corporate communications team engages with companies for verification and data quality control 	<ul style="list-style-type: none"> • Industry-specific Key Issues are scored (0-10) using a rules-based methodology • Daily monitoring and weekly update of controversies and events 	<ul style="list-style-type: none"> • Key ESG Issue scores and weights combine to create an overall ESG rating (AAA – CCC) relative to industry peers • Ratings are subject to industry and market-led checks and formal committee review

Outputs

 <p>Company, Industry & Thematic Reports</p>	 <p>Portfolio Analytics</p>	 <p>Data Feeds</p>	 <p>Indexes</p>
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Additional insight into significant ESG risks and opportunities through:

- Company reports
- Industry reports
- Thematic reports
- Analyst calls and webinars

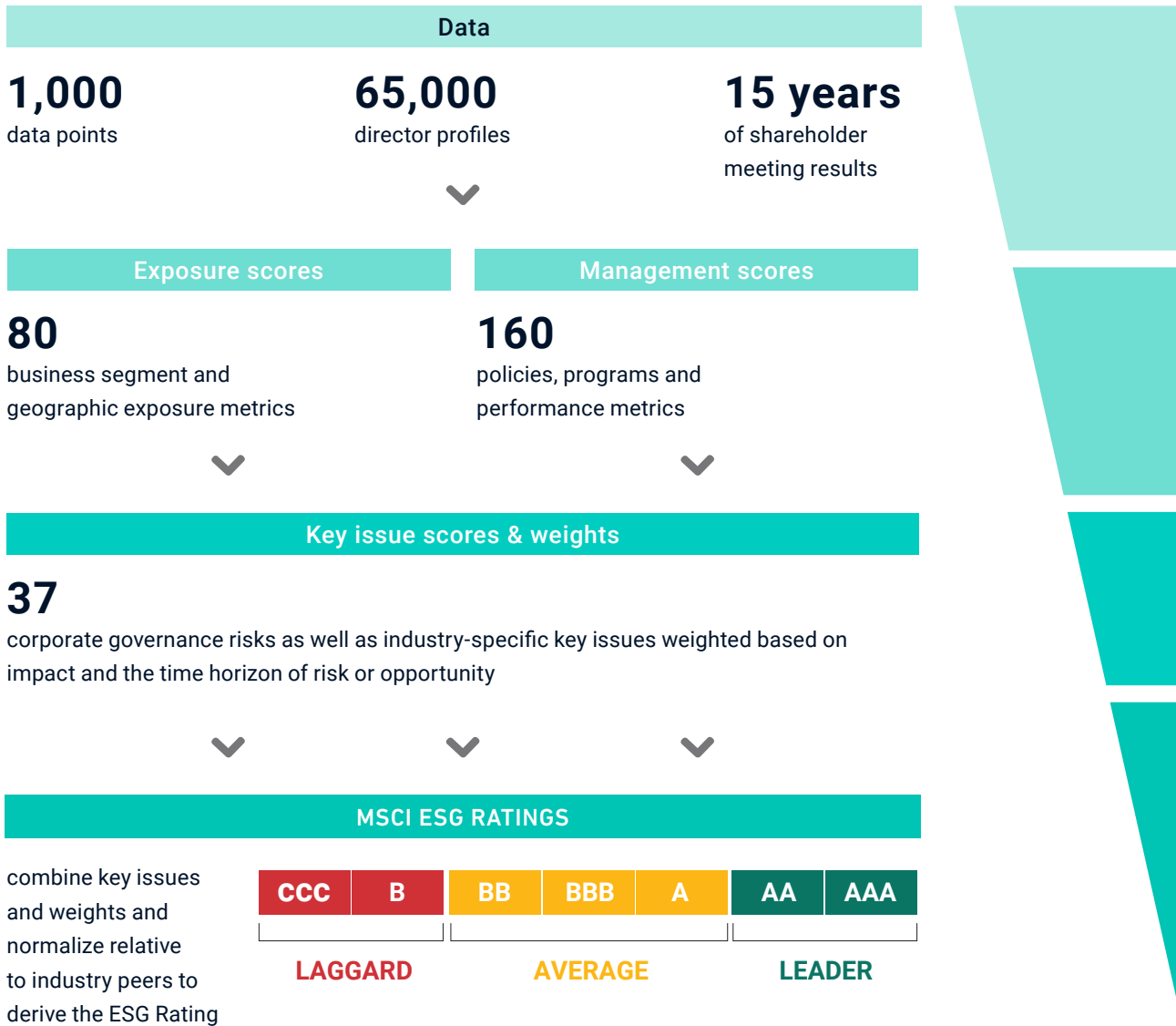
Available on:

Barra®, RiskMetrics® RiskManager, FactSet, MSCI Beon, Barclays POINT, StyleResearch, Aladdin, MSCI ESG Manager or integrated into client platforms

➔ **More insight. More context. More informed decisions.** ←

The making of an MSCI ESG Rating

MSCI ESG Ratings is designed to provide more data with more context to support more informed decisions for the modern institutional investor.



How our clients use MSCI ESG Ratings



 Powering better
investment decisions.



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 Inc.

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.

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