The MSCI ESG AGR model is designed to help institutional investors, insurers and other financial institutions understand and manage accounting risk. With coverage for over 29,000 companies worldwide, AGR ratings help identify potential accounting irregularities that may go undetected by traditional research methods.

Key features and benefits

Identify and quantify risks around financial disclosures
AGR is designed to identify extreme values in accounting and non-accounting metrics that may be indicators of opaque and potentially misleading financial reporting. Updated quarterly, AGR scores range in percentile from 1-100, with lower values representing greater risks.

Identify targets for engagement
AGR supports investors with engagement strategies by providing in-depth details of each metric that contributes to the overall score. Reports include an overview, risk impact summary, metric definitions, and a history of contributing events in order to help investors understand the issues.

Screen on ratings and metrics
AGR Ratings are available online through the MSCI ESG Manager platform, allowing clients to screen for a desired range of ratings or specific metrics of interest.

Assess specific risks with customized applications
Identify companies at risk for securities class action litigation with AGR’s Litigation Risk Model and companies in severe financial distress with AGR’s Financial Distress Model. Both models are updated monthly.

Breadth and depth of coverage
AGR evaluates approximately 29,000 companies in North America, Asia Pacific, Japan, Western Europe and Emerging Markets. Primarily based on accounting elements related to revenue and expense recognition and asset-liability valuation, the addition of events like officer changes, late or amended filings, add a lense on management behavior.
**Product overview**

MSCI ESG AGR uses a quantitative approach to identify risks in the financial reporting practices and accounting governance of publicly listed companies. Metrics that are outliers relative to peers or whose change over time is extreme are flagged as concerns. Metrics contributing to the score include traditional fundamental ratios used to evaluate corporate strength and profitability, as well as forensic ratios. Updated quarterly, the AGR score ranges in percentiles from 1-100, with lower values representing greater risks.

Within each geographical region (North America, Western Europe, Japan, Asia-Pacific, and Emerging Markets) we report the AGR in percentiles from 1 to 100, worst to best and also classify them as:

- **Very Aggressive** comprising 10% of the total universe
- **Aggressive** comprising 25% of the total universe
- **Average** comprising 50% of the total universe
- **Conservative** comprising 15% of the total universe

**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**

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.