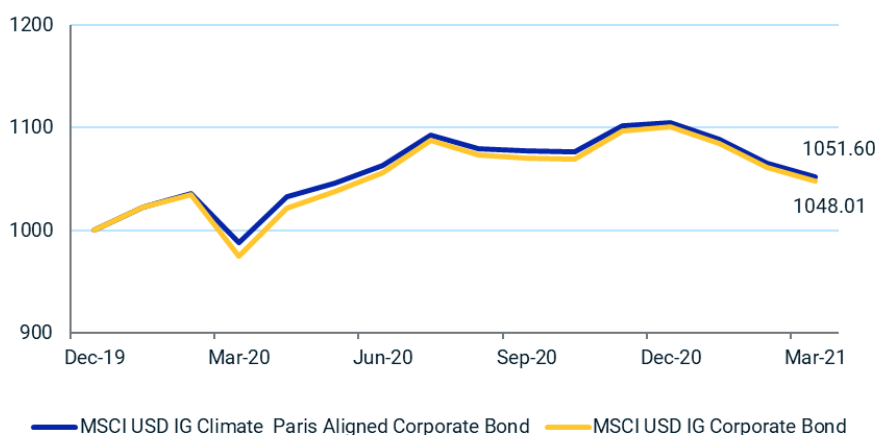


# MSCI USD IG Climate Paris Aligned Corporate Bond Index

The MSCI Fixed Income Climate Paris Aligned Indexes are designed to support investors seeking to reduce their exposure to transition and physical climate risks and who wish to pursue opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements. The MSCI Fixed Income Climate Paris Aligned Indexes incorporate the TCFD recommendations and are designed to exceed the minimum standards of the EU Paris-Aligned Benchmark.

## Cumulative index performance

USD RETURNS DEC 2019 – MAR 2021



## Annual performance (%)

Year	MSCI USD IG Climate Paris Aligned Corporate Bond	MSCI USD IG Corporate Bond
2020	10.46	10.03

## Index performance

USD RETURNS (%) MARCH 31, 2021

Index	1 Month	3 Months	1 Year	Year to Date	ANNUALIZED RETURN		
					3 Years	5 Years	Since Dec 31, 2019
MSCI USD IG Climate Paris Aligned Corporate Bond	-1.31	-4.80	6.42	-4.80	na	na	4.11
MSCI USD IG Corporate Bond	-1.28	-4.75	7.49	-4.75	na	na	3.82

## Index risk and return characteristics

MARCH 31, 2021

Index	Tracking Error (%)	Turnover* (%)	ANNUALIZED STD. DEVIATION (%)		
			3 Years	5 Years	Since Dec 31, 2019
MSCI USD IG Climate Paris Aligned Corporate Bond	0.73	85.78	na	na	7.97
MSCI USD IG Corporate Bond	-	43.31	na	na	8.89

\*Last 12 months

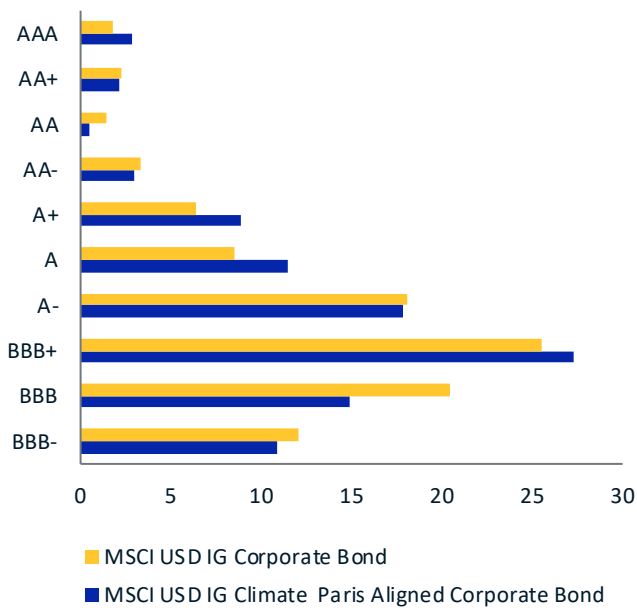
The MSCI USD IG Climate Paris Aligned Corporate Bond Index was launched on April 15, 2021. Data prior to the launch date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance – whether actual or back-tested – is no indication or guarantee of future performance.

## Index Profile

Maturity	# of securities	# of issuers	Market Weight (%)	Coupon*	Price*	Yield to Worst	Effective Duration	Effective Convexity	OAS** (bps)	Weighted Credit Rating
0-3 Years	424	189	18.98	2.84	104.20	0.15	1.78	0.04	36.62	A-
3-5 Years	383	196	18.51	3.02	106.64	1.05	3.67	0.16	60.32	A-
5-7 Years	300	160	14.45	3.06	106.67	1.47	5.29	0.30	70.19	A-
7-10 Years	352	190	16.99	3.33	105.92	2.49	7.48	0.67	86.90	BBB+
10+ Years	598	165	31.07	4.30	113.06	3.41	15.08	3.22	111.87	A-
<b>Aggregate</b>	<b>2057</b>	<b>348</b>	<b>100.00</b>	<b>3.44</b>	<b>108.05</b>	<b>1.92</b>	<b>7.74</b>	<b>1.19</b>	<b>95.85</b>	<b>A-</b>

\* Par Weighted  
\*\* Effective Duration Weighted

## Credit Rating Break Down



## ESG Metrics

	MSCI USD IG Climate Paris Aligned Corporate Bond	MSCI USD IG Corporate Bond
ESG Score	6.1	5.7
Environmental Pillar Score	6.6	6.2
Financed Carbon Emissions (t CO2e/\$M Invested)	5.3	35.1
Wtd Avg Carbon Intensity (t CO2e/\$M Sales)	37.8	117.7
Clean Technologies Solutions Revenue (Wtd Avg %)	4.8	2.4
Extreme Weather Climate VaR %	(0.2)	(0.4)
Social Pillar Score	4.6	4.5
Ties to Controversial Weapons (%)	-	0.0
Tobacco Involvement (%)	-	0.0
Very Severe Controversies (%)	-	0.1
Governance Pillar Score	4.7	4.7

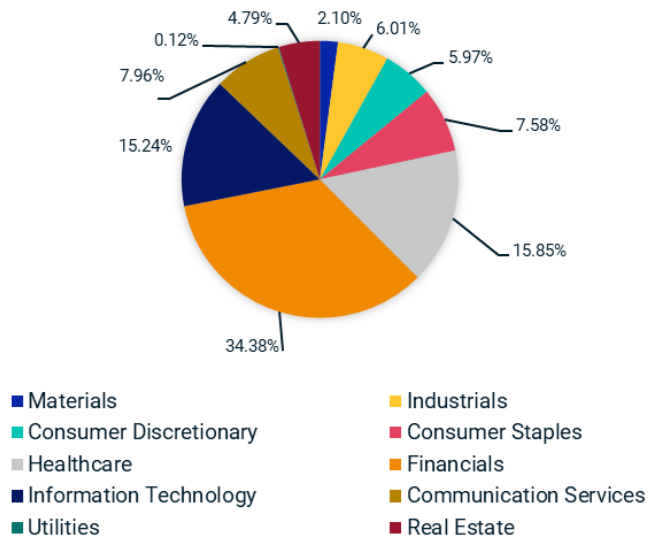
## Top 5 Securities

Security Name	Currency	Index Weight (%)	Parent Index Weight (%)	Sector	Security Credit Rating
GE 4.418 2035	USD	0.40	0.29	Industrials	BBB+
ABI 4.9 2046	USD	0.28	0.25	Consumer Staples	BBB+
GE 4.35 2050	USD	0.20	0.09	Industrials	BBB+
CVS 5.05 2048	USD	0.19	0.21	Healthcare	BBB
GE 5.875 2038	USD	0.19	0.08	Industrials	BBB+

## Top 5 Issuers

Issuer Name	Index Weight (%)	Parent Index Weight (%)	Sector
MORGAN STANLEY	3.02	2.11	Financials
BANK OF AMERICA CORP	3.01	3.23	Financials
JPMORGAN CHASE & CO	3.00	3.07	Financials
ORACLE CORP	2.21	1.46	Information Technology
VERIZON COMMUNICATIONS INC	1.91	1.78	Communication Services

## Sector Weights



## Index Methodology

The MSCI Fixed Income Climate Paris Aligned Indexes are constructed from their corresponding Parent Indexes following an optimization-based approach and aim to exceed the minimum technical requirements laid out in the EU Delegated Act, while aligning with the recommendations of the TCFD. The indexes are designed to align with a 1.5°C climate scenario using the MSCI Climate Value-at-Risk and a “self-decarbonization” rate of 10% year on year. The indexes aim to reduce exposure to physical risk arising from extreme weather events by at least 50% and shift index weight from “brown” to “green” using the MSCI Low Carbon transition score and by excluding categories of fossil-fuel-linked companies. Furthermore, the indexes also aim to increase the weight of companies which are exposed to climate transition opportunities and reduce the weight of companies which are exposed to climate transition risks. Finally, the indexes seek to reduce the weight of companies assessed as high carbon emitters using scope 1, 2 and 3 emissions and increase the weight of companies with credible carbon reduction targets through a the weighting scheme while achieving both a modest active share and a low turnover. The Indexes are rebalanced on a monthly basis to coincide with the monthly index review of the MSCI Corporate Bond Indexes. The pro forma Indexes are in general announced three business days before the effective date of rebalancing.

### ABOUT MSCI INC.

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