

# MSCI SDG Alignment Tool

FROM MSCI ESG RESEARCH LLC

A holistic view of over 8,600 issuers' net contribution to the UN Sustainable Development Goals

Our SDG Alignment Tool is designed to provide a holistic view of companies' net contribution – both positive and negative – towards addressing each of the 17 UN Sustainable Development Goals (SDGs). SDG Alignment assessments and scores include analysis of companies' operations, products and services, policies, and practices and their net contribution – positive and adverse – to addressing key global challenges.



## Key features and benefits

- **Validated & refined:** Our framework has been built following “Institutional Investing for the SDGs,” our 2018 joint discussion paper with the OECD, an international organization that works to shape policies that foster prosperity, equality, opportunity and well-being for all. We have also engaged and used extensive input from our global client base.
- **Broad coverage:** Our SDG Alignment Tool offers broad coverage of over 8,600 equity and fixed income issuers.
- **Holistic view of alignment:** The MSCI SDG Alignment framework is built on an understanding that companies may contribute to the goals in a variety of ways, both positive and negative, through their operations and the products and services they provide. We leverage publicly available information, rather than solely relying on companies' self-declared alignment with the goals.
- **Easily customizable:** The MSCI SDG Alignment framework is designed to allow for flexible use of the model towards specific goals or focused on specific alignment dimensions (i.e., Product Alignment that assesses impact from products and services or Operational Alignment that analyzes impact from operations)
- **Strong foundation:** Our framework is powered by quality, tested data inputs from MSCI ESG Research's core research products, including Sustainable Impact Metrics, ESG Controversies, ESG Ratings and Business Involvement Screening Research – underpin the model.
- **Easy access:** Scores and metrics available via data feed as well as on our client platform, MSCI ESG Manager and soon via BarraOne and Barra Portfolio Manager.

## How can SDG Alignment help investors?

SDG Alignment is designed to support clients looking to:



## Methodology

The MSCI SDG Alignment framework provides 17 SDG Net Alignment scores and 17 SDG Net Alignment assessments (including Strongly Aligned, Aligned, Neutral, Misaligned and Strongly Misaligned) for each of the 17 global goals. In addition, the model offers assessments and scores for two dimensions, product alignment and operation alignment, for each company and for each of the 17 goals.

## Publicly Available Sources

MSCI collects data from publicly available sources: corporate disclosure, media sources, government databases, NGO, trade and industry associations, multilateral organizations, academic think tanks. We invite companies to review available data and estimation models, but we do not accept data shared by companies that has not been disclosed to public.

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