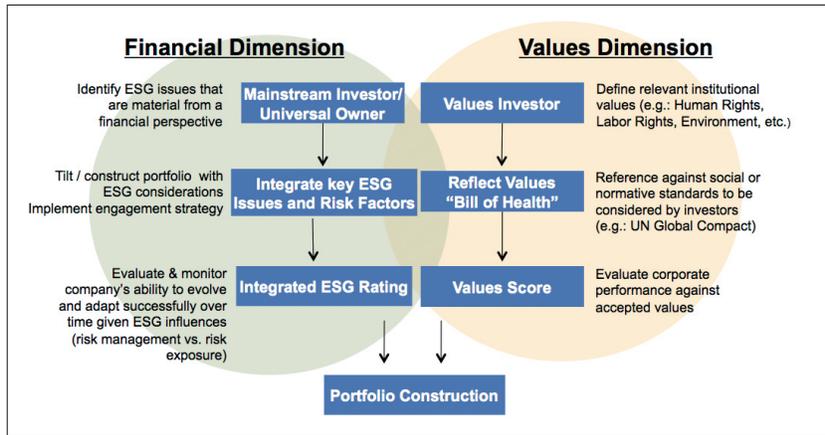


# MSCI ESG Research



MSCI offers a wide range of ESG products and services, backed by a global team of analysts and researchers, to support the investment processes of a wide array of institutional investors including pension funds, asset managers and hedge funds. The **MSCI ESG Research** products and services are designed to address both the financial and the values dimensions of ESG investment strategies.

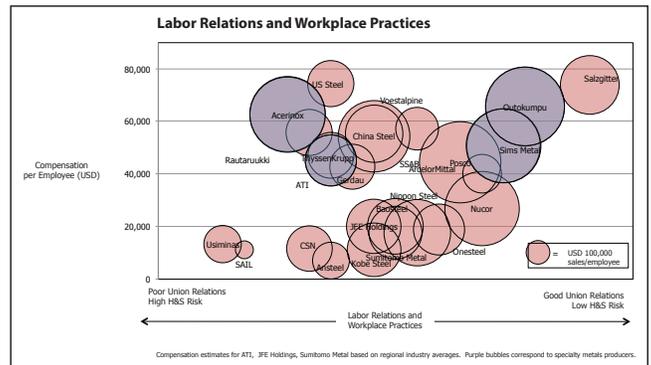
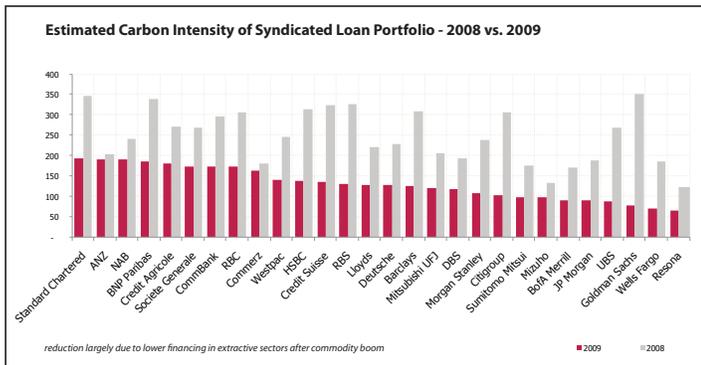


## MSCI ESG Research products and services include the following:

- ESG Ratings
- Industry Level Reports & Analysis
- Norms-based Screening (UN Global Compact)
- Controversy Alerts
- Compliance Screening
- Screening data for ESG Indices
- Carbon & Climate Risk Analysis
- Portfolio Management & Audit Tools
- Consulting & Custom Research

## ESG Ratings and Industry Analysis

- Macro-level analysis of ESG driving forces
- Bond style sector-based AAA-CCC rating system
- Industry specific analysis of sensitivity to environmental and social risk
- 40+ Industry Reports
- Historical data: 2000 – Present
- Pioneering quantitative analysis of the risk impact of critical ESG factors:
  - Water Scarcity
  - Carbon
  - Environmental Regulation
  - High Risk Consumer Finance
  - Clean Tech
  - Resource Efficiency
  - Labor Risk
  - Supply Chain



MSCI ESG Research is the successor to ESG pioneers KLD, Innovest and IRRC, which were acquired through MSCI's recent acquisition of RiskMetrics. The MSCI ESG Indices use ratings and other data, analysis and information supplied by MSCI ESG Research. MSCI ESG Research is produced by RiskMetrics's wholly-owned subsidiary, Institutional Shareholder Services Inc. ("ISS"), or its subsidiaries. Issuers mentioned or included in any ESG Research products or services may be a client of MSCI or a subsidiary of MSCI, including ISS, or the parent of, or affiliated with, a client of MSCI, ISS or another subsidiary of MSCI, including ISS Corporate Services, Inc. which provides tools and services to issuers.

## Norms-Based Screening and Controversy Alerts

- Identifies violations of global norms and conventions and rates severity of violation
- Evaluates performance and strategy across to four themes:
  - human rights
  - labor rights
  - environmental issues
  - corruption
- Provides an overall assessment of corporate ESG compliance
- Provides ratings and assessment of strategy, as well as systems to manage sector specific risks, ESG impacts, and to avoid violations
- Background information on violations, strategy, and systems
- Coverage: 2,000+ global companies
- Custom screening available

**Legend:**  
■ Negligible Business Involvement  
■ Moderate Involvement  
■ Significant Involvement  
■ Export results to Excel

Company Name	International Norms					Summary	Overall
	HR	LR	ENV	GI/AC	Summary		
AFRICAN RAINBOW MINERALS LTD	Green	Green	Green	Green	Green	Green	Green
ALCOA INC.	Green	Green	Green	Green	Green	Green	Green
ALUMINA LTD	Green	Green	Green	Green	Green	Green	Green
ALUMINUM CORPORATION OF CHINA LTD.	Green	Green	Green	Green	Green	Green	Green
AMG ADVANCED METALLURGICAL GROUP NV	Green	Green	Green	Green	Green	Green	Green
ANGLO AMERICAN PLC	Green	Green	Green	Green	Green	Green	Green
ANTOFAGASTA PLC	Green	Green	Green	Green	Green	Green	Green
ARCH COAL INC.	Green	Green	Green	Green	Green	Green	Green
ATH RESOURCES PLC	Green	Green	Green	Green	Green	Green	Green
AURORA MINERALS LTD.	Green	Green	Green	Green	Green	Green	Green
BANNERMAN RESOURCES LTD	Green	Green	Green	Green	Green	Green	Green
BOLIDEN AB	Green	Green	Green	Green	Green	Green	Green
CAMECO CORP.	Green	Green	Green	Green	Green	Green	Green
CENTURY ALUMINUM COMPANY	Green	Green	Green	Green	Green	Green	Green
CHINA COAL ENERGY COMPANY LIMITED	Green	Green	Green	Green	Green	Green	Green
CHINA METAL RECYCLING HOLDINGS LIMITED	Green	Green	Green	Green	Green	Green	Green

## Compliance Screening

- New flexible interface for online screening with portfolio upload capabilities
  - Products: Tobacco, Weapons, Gambling
  - Countries: Burma, Sudan, Iran
  - Issues: Animal Testing, Stem Cell
  - Sustainability: Environment, Human Rights, Employee Safety, Discrimination
  - Standard Packages – including SRI, Catholic Values
- Uses MSCI's securities database
- Data feeds and flexible delivery formats are easily integrated into client trading and compliance systems

**Screening Factors:**

Order	Factor Name	Operator	Criteria	
1	Adult Entertainment Producer - XXX Rated Film or V.L.	=	True	X
2	Adult Entertainment Producer - Print Media	=	True	X
3	Alcohol - Producer	=	True	X
4	Alcohol - Distributor	=	True	X
5	Gambling - Operations	=	True	X
6	Tobacco - Distributor	=	True	X
7	Tobacco - Producer	=	True	X

**Screening Results:**

Company Name	Country	AE_PROD_PNT	AE_PROD_XXX	ALC_DISTRIBUTOR	ALC_PRODUCER	GAM_OPERATIO	TOR_DISTRIBUTOR	TOR_PRODUCER
ADVANTA SA	PL			T				
ADV Products Corp	US				T			
AMCOL Distribution Company	US					T		
ASahi Beverages S.A. Ltd.	JP			T				
AT&T Corp Ltd	AU				T			
Arcor Brewery Ltd	DE			T				
Artelia AG	DE				T			
Adrianna PLC	GB			T				
Adria Group Ltd	HR						T	
Adult Shoe.com Ltd	AU		T					
African Distillers Ltd	ZW				T			
African Resources Development AG	DE				T			
All India Company for Investment PLC	IN						T	
Alfa AB	LT							
Alpiner-Brauhaus AG	DE				T			
Alliance One International Inc.	US						T	
Alpha Tobacco	BD							T
Altria Group, Inc.	US		T	T				T
Ambera SA	PL			T	T			

## MSCI ESG Indices

- MSCI ESG Indices bring together the widely-accepted MSCI Global Investable Market Indices Methodology with in-depth analysis and ratings from MSCI ESG Research
- MSCI ESG Indices are designed to help clients incorporate environmental, social and governance (ESG) factors into their investment decisions
- MSCI is the only major index provider with a separate in-house ESG research business unit
- MSCI ESG Indices are grouped into three main categories:
  - **ESG Best-of-Class Indices**, such as the MSCI World ESG Index, integrate sustainability analysis into the index construction process by including companies with high ESG ratings relative to their sector peers
  - **Values-Based Indices**, such as the MSCI KLD 400 Social Index, include companies that are compatible with certain values, norms or ethical standards, in addition to screening for companies with high ESG ratings relative to their sector peers
  - **Environmental Indices**, such as the MSCI Global Environment Index, include companies whose products and services focus on specific environmental themes such as alternative energy or clean technology
- Custom MSCI ESG Indices are also available

[www.msci.com/esg](http://www.msci.com/esg) | [esgclientservice@msci.com](mailto:esgclientservice@msci.com)

MSCI is a leading provider of investment decision support tools to investors globally, including asset managers, banks, hedge funds and pension funds. MSCI products and services include indices, portfolio risk and performance analytics, and governance tools.

The company's flagship product offerings are: the MSCI indices which include over 120,000 daily indices covering more than 70 countries; Barra portfolio risk and performance analytics covering global equity and fixed income markets; RiskMetrics market and credit risk analytics; ISS governance research and outsourced proxy voting and reporting services; FEA valuation models and risk management software for the energy and commodities markets; and CFRA forensic accounting risk research, legal/regulatory risk assessment, and due-diligence. MSCI is headquartered in New York, with research and commercial offices around the world.

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