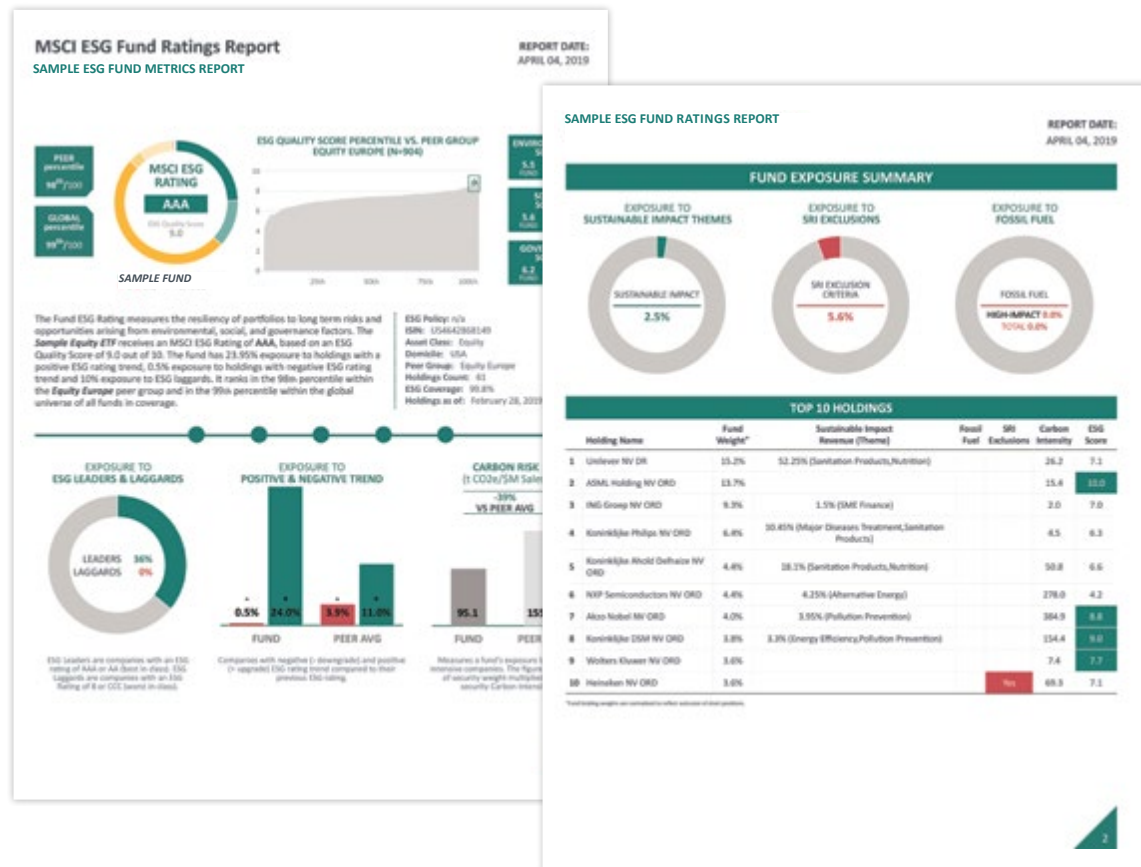


MSCI ESG Fund Ratings

ESG transparency for 67,000 mutual funds and ETFs globally

MSCI ESG Fund Ratings is designed to provide critical fund-level ESG transparency to support efforts to better understand and measure the ESG characteristics of portfolios, with an intuitive AAA-CCC rating and a diverse set of ESG exposure categories for over 67,000 mutual funds and ETFs.

Sample ESG Fund Ratings report



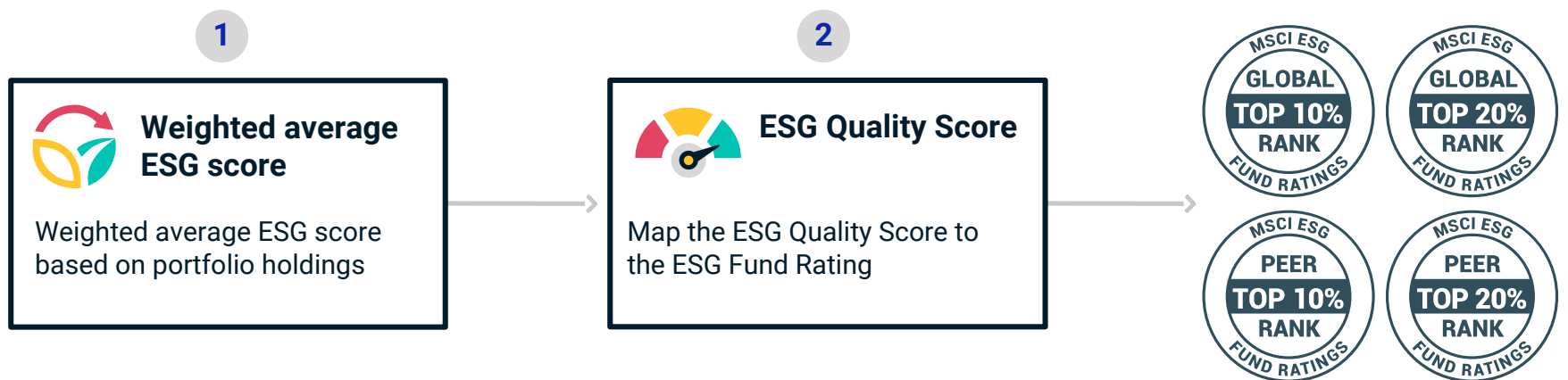
Report features update

- Indicates the top-level ESG Fund Rating as well as the fund ESG Quality Score (0-10 scale) and fund peer group average for comparison purposes
- Highlights fund exposure to over 200 metrics organized under three themes: values alignment, sustainable impact and ESG risks
- Identifies the top 10 fund holdings with detail on sustainable impact solutions revenue, fossil fuel ownership, SRI exclusion, and carbon intensity
- Showcases the fund holdings' ESG Fund Rating distribution and the ESG Fund Rating momentum trend, either positive or negative, over time
- Provides the fund carbon intensity compared to the peer group average and five MSCI indexes

Introducing MSCI ESG Fund Ratings

The top level rating, the MSCI ESG Fund Rating, is designed to assess the resilience of a fund’s aggregate holdings to long-term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks.

The “Fund ESG Quality Score” is assessed using the underlying holdings’ overall ESG scores, overall ESG scores, and overall ESG ratings. The fund ESG Quality Score equates the Weighted Average ESG Score then mapped to the AAA-CCC letter rating categories.



MSCI ESG Quality Badges are awarded to funds with qualifying “Fund ESG Quality Scores”. Separate badges are available for meeting the requirements of Peer Rank Top 10% and Global Rank Top 10%.

We provide insights across multiple dimensions:

- ESG Fund Rating: identify, screen, rank, and report on funds using the AAA-CCC signal
- ESG momentum: gain insight into a fund’s ESG track record, which is designed to indicate fund exposure to holdings with a positive rating trend or worsening trend year over year
- ESG tail risk: understand fund exposure to holdings with worst-of-class ESG Fund Ratings of B and CCC

Over 600 additional metrics

To facilitate customization we offer a diverse set of approximately 600+ metrics that can be used to evaluate funds on ESG risks, exposure to sustainable impact themes, values oriented issues, climate change, and metrics for the regulatory EU Sustainable Finance landscape.

Sustainable Impact	Values Alignment	ESG Risks	Climate Change	EU Sustainable Finance
<p>Overall</p> <ul style="list-style-type: none"> Sustainable impact themes (%) <p>Environmental</p> <ul style="list-style-type: none"> Clean tech companies (%) Alternative energy (%) Energy efficiency (%) Green building (%) Pollution prevention (%) Sustainable water (%) <p>Social</p> <ul style="list-style-type: none"> Social impact companies (%) Affordable housing (%) Education services (%) Nutritious food (%) Health care (%) Sanitation products (%) Social finance (%) 	<p>Controversies</p> <ul style="list-style-type: none"> Severe environmental controversies (%) Severe labor controversies (%) Severe customer controversies (%) Severe human rights and community controversies (%) Severe governance controversies (%) <p>International norms standards</p> <ul style="list-style-type: none"> UN global compact compliance violation (%) UN global compact compliance watch list (%) Human rights norms violation (%) Human rights norms watch list (%) Labor norms violation (%) Labor norms watch list (%) <p>Business involvement</p> <ul style="list-style-type: none"> Catholic values flag (%) Islamic values flag (%) SRI exclusion criteria (%) Adult entertainment (%) Alcohol (%) Gambling (%) Genetic engineering - GMO (%) Nuclear power (%) Predatory lending (%) Tobacco (%) Controversial weapons (%) Weapons (%) 	<p>Scores & ranking</p> <ul style="list-style-type: none"> ESG quality score (0-10) Peer group percentile (0-100) Global percentile (0-100) Environmental quality score (0-10) Social quality score (0-10) Governance quality score (0-10) Rating distribution & trend <p>Environmental risks</p> <ul style="list-style-type: none"> Carbon footprint Fossil fuel reserves (%) Water exposure (%) <p>Governance risks</p> <ul style="list-style-type: none"> Board flag (%) Board independence (%) No female directors (%) Pay flag (%) Ownership & control flag (%) Accounting flag (%) 	<p>Implied Temperature Rise</p> <ul style="list-style-type: none"> Absolute Carbon Budget Overshoot Cumulative 2°C Carbon Budget Implied Temperature Rise <p>Low Carbon Transition</p> <ul style="list-style-type: none"> Use of Cleaner Energy Sources Weighted Average Low Carbon Patent Ratio Top Quartile Low Carbon Transition Management Score <p>Emissions – Fossil Fuel – Power Generation</p> <ul style="list-style-type: none"> Financed Scope 1+2 Carbon Emissions Financed Scope 3 Total Carbon Emissions Financed Scope 3 Downstream Carbon Emissions Financed Scope 3 Upstream Carbon Emissions Weighted Average Scope 1+2 Carbon Intensity Weighted Average Scope 3 Total Carbon Intensity Weighted Average Scope 3 Downstream Carbon Emissions Weighted Average Scope 3 Upstream Carbon Emissions Weighted Average Sovereign Carbon Intensity Fossil Fuel-Based Revenues (%) Green Revenues (%) Green to Fossil-Fuel Revenue Ratio (%) Fossil Fuel Involvement (%) Thermal Coal Involvement (%) Oil and Gas Involvement (%) Revenue Exposure to Oil and Gas Refining (%) 	<p>MiFIDII and IDD</p> <ul style="list-style-type: none"> EU sustainable investment (%) EU sustainable investment – social impact involvement (%) Revenue exposure to EU sustainable investment (%) Revenue exposure to EU sustainable investment – environmental impact (%) Revenue exposure to sustainable investment – social impact (%) <p>SFDR Adverse Impact Metrics*</p> <ul style="list-style-type: none"> SFDR activities negatively affecting biodiversity-sensitive areas (%) SFDR average corruption score SFDR average freedom of expression score SFDR average human rights performance SFDR average income inequality score SFDR average political stability score SFDR average rule of law score SFDR board gender diversity SFDR breakdown of energy consumption by type of non-renewable sources of energy <p>SFDR fund classification factors</p> <ul style="list-style-type: none"> Fund not sustainable under EU SFDR article 6 Fund policy – EU SFDR article 8 Fund policy – EU SFDR article 9 Fund policy – SFDR update date <p>EU taxonomy – alignment (estimated)</p> <ul style="list-style-type: none"> Revenue Exposure to Estimated EU Taxonomy Alignment Revenue Exposure to Estimated EU Taxonomy Substantial Contribution to Climate Adaptation Revenue Exposure to Estimated EU Taxonomy Substantial Contribution to Climate Mitigation <p>EU taxonomy – eligibility (reported and estimated)</p> <ul style="list-style-type: none"> Revenue exposure to estimated EU taxonomy eligible revenue Revenue exposure to estimated EU taxonomy non-eligible revenue Exposure to EU taxonomy reported eligible CapEx (%) Exposure to EU taxonomy reported eligible OpEx (%) Exposure to EU taxonomy reported non-eligible CapEx (%) Exposure to EU taxonomy reported non-eligible OpEx (%) Exposure to EU taxonomy reported eligible revenue Exposure to EU taxonomy reported non-eligible revenue

* An additional 50+ SFDR metrics are also available in ESGM designed to provide insights across multiple dimensions, including carbon footprint, deforestation, accidents or energy.



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.

For enquiries, contact ESG Client Service esgclientservice@msci.com.

About MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 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.

The information contained herein (the "Information") may not be reproduced or disseminated in whole or in part without prior written permission from MSCI. The Information may not be used to verify or correct other data, to create indexes, risk models, or analytics, or in connection with issuing, offering, sponsoring, managing or marketing any securities, portfolios, financial products or other investment vehicles. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information or MSCI index or other product or service constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy. Further, none of the Information or any MSCI index is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF MSCI INC. OR ANY OF ITS SUBSIDIARIES OR ITS OR THEIR DIRECT OR INDIRECT SUPPLIERS

OR ANY THIRD PARTY INVOLVED IN THE MAKING OR COMPILING OF THE INFORMATION (EACH, AN "MSCI PARTY") MAKES ANY WARRANTIES OR REPRESENTATIONS AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH MSCI PARTY HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING ANY OF THE FOREGOING AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY REGARDING ANY OF THE INFORMATION FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL (INCLUDING LOST PROFITS) OR ANY OTHER DAMAGES EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

©2023 MSCI Inc. All rights reserved | CFS0423