

MSCI launches public tool to help corporates and industry stakeholders understand its ESG Ratings model

- The new MSCI ESG Industry Materiality Map explores ESG risks by industry and demonstrates how various ESG Risk exposures factor into companies' ESG Ratings
- The Map reflects the latest ESG Ratings model enhancements and follows the launch of three additional public search tools over the last 12 months to provide transparency into fund, index and company ESG performance

NEW YORK – November 16, 2020 – MSCI Inc. (NYSE: MSCI), a leading provider of critical decision support tools and services for the global investment community, today launched the [MSCI ESG Industry Materiality Map](#), a public tool which explores the key Environmental, Social and Governance (ESG) Issues by GICS^{®1} sub-industry or sector and their contribution to companies' overall ESG Ratings.

The map is a continuation of MSCI's mission to increase transparency and educate companies, investors and industry stakeholders of the value of ESG data and ratings. The educational tool provides a window into the dynamic and industry-specific MSCI ESG Rating model and allows users to delve into key E, S and G issues that impact different industries. It follows the launch of three public search tools over the last 12 months that provide public access to fund, index and company ESG and climate characteristics.

The Materiality Map also showcases some recent ESG Ratings model enhancements, which include a heightened focus on corporate behaviours, such as fraud and anti-competitiveness practices, across all sectors, assigning greater weight to governance, alongside environmental and social considerations. The updates take into consideration input from some of the world's largest institutional investors as part of MSCI ESG Research's annual Ratings model consultations. Regular model updates play an important role in capturing evolving ESG risks and opportunities. A recent MSCI study found that an industry-specific weighted approach to constructing ESG Ratings, which changed weightings over time, showed the strongest performance over a 13-year period.²

"MSCI is continuously investing to expand and improve our ESG and climate solutions to support the evolving and complex needs of the investment community. Our new public industry Materiality Map underlines our commitment to transparency and our strong belief that we have the most robust models in the market for capturing short and longer term ESG risks that help our clients build better portfolios," said **Linda-Eling Lee, Head of ESG Research at MSCI**.

For more information, please visit [msci.com](https://www.msci.com).

¹ GICS, the global industry classification standard jointly developed by MSCI and S&P Global.

² [Giese G, Nagy Z and Lee L, \(2020\) Deconstructing ESG Ratings Performance: Risk and Return for E, S and G by Time Horizon, Sector and Weighting](#)



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About MSCI Inc.

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.

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