

# MSCI ACWI Low Carbon Leaders Index (USD)

The **MSCI ACWI Low Carbon Leaders Index** is based on the MSCI ACWI Index, its parent index, and includes large and mid-cap stocks across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries\*. The index addresses two dimensions of carbon exposure – carbon emissions and fossil fuel reserves – providing clients with an effective tool for limiting the exposure of their portfolios to carbon risk. By excluding companies with the highest carbon emissions intensity and the largest owners of carbon reserves per dollar of market capitalization, the index aims to achieve at least 50% reduction in its carbon footprint. The index also aims to maintain wide and consistent market exposure by minimizing the tracking error relative to the MSCI ACWI Index. The MSCI Global Low Carbon Leaders Indexes use MSCI ESG CarbonMetrics data from MSCI ESG Research Inc.

For a complete description of the index methodology, please see [Index methodology - MSCI](#).

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (NOV 2010 – MAY 2024)



## ANNUAL PERFORMANCE (%)

| Year | MSCI ACWI Low Carbon Leaders | MSCI ACWI |
|------|------------------------------|-----------|
| 2023 | 21.75                        | 22.20     |
| 2022 | -18.35                       | -18.36    |
| 2021 | 18.69                        | 18.54     |
| 2020 | 16.48                        | 16.25     |
| 2019 | 26.77                        | 26.60     |
| 2018 | -9.36                        | -9.41     |
| 2017 | 23.93                        | 23.97     |
| 2016 | 7.38                         | 7.86      |
| 2015 | -1.54                        | -2.36     |
| 2014 | 3.83                         | 4.16      |
| 2013 | 23.83                        | 22.80     |
| 2012 | 16.71                        | 16.13     |
| 2011 | -7.37                        | -7.35     |

## INDEX PERFORMANCE – NET RETURNS (%) (MAY 31, 2024)

|                                     | 1 Mo | 3 Mo | 1 Yr  | YTD  | ANNUALIZED |       |       |                    | Since Nov 30, 2010 |
|-------------------------------------|------|------|-------|------|------------|-------|-------|--------------------|--------------------|
|                                     |      |      |       |      | 3 Yr       | 5 Yr  | 10 Yr | Since Nov 30, 2010 |                    |
| <b>MSCI ACWI Low Carbon Leaders</b> | 4.13 | 3.46 | 22.48 | 8.51 | 4.97       | 11.59 | 8.43  | 9.37               |                    |
| <b>MSCI ACWI</b>                    | 4.06 | 3.79 | 23.56 | 8.88 | 5.12       | 11.68 | 8.40  | 9.26               |                    |

## FUNDAMENTALS (MAY 31, 2024)

| Div Yld (%) | P/E   | P/E Fwd | P/BV |
|-------------|-------|---------|------|
| 1.92        | 21.28 | 17.56   | 3.00 |
| 1.94        | 20.87 | 17.42   | 3.03 |

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 2010 – MAY 31, 2024)

|                                     | Beta | Tracking Error (%) | Turnover (%) <sup>1</sup> | ANNUALIZED STD DEV (%) <sup>2</sup> |       |       | SHARPE RATIO <sup>2,3</sup> |      |       | Since Nov 30, 2010 | MAXIMUM DRAWDOWN |                       |
|-------------------------------------|------|--------------------|---------------------------|-------------------------------------|-------|-------|-----------------------------|------|-------|--------------------|------------------|-----------------------|
|                                     |      |                    |                           | 3 Yr                                | 5 Yr  | 10 Yr | 3 Yr                        | 5 Yr | 10 Yr |                    | (%)              | Period YYYY-MM-DD     |
| <b>MSCI ACWI Low Carbon Leaders</b> | 1.00 | 0.41               | 13.31                     | 16.66                               | 17.54 | 14.81 | 0.20                        | 0.60 | 0.52  | 0.61               | 33.71            | 2020-02-12–2020-03-23 |
| <b>MSCI ACWI</b>                    | 1.00 | 0.00               | 2.57                      | 16.74                               | 17.60 | 14.83 | 0.21                        | 0.60 | 0.52  | 0.60               | 33.74            | 2020-02-12–2020-03-23 |

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly net returns data

<sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

\* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The MSCI ACWI Low Carbon Leaders Index was launched on Sep 16, 2014. Data prior to the launch date is back-tested test (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 CHARACTERISTICS**

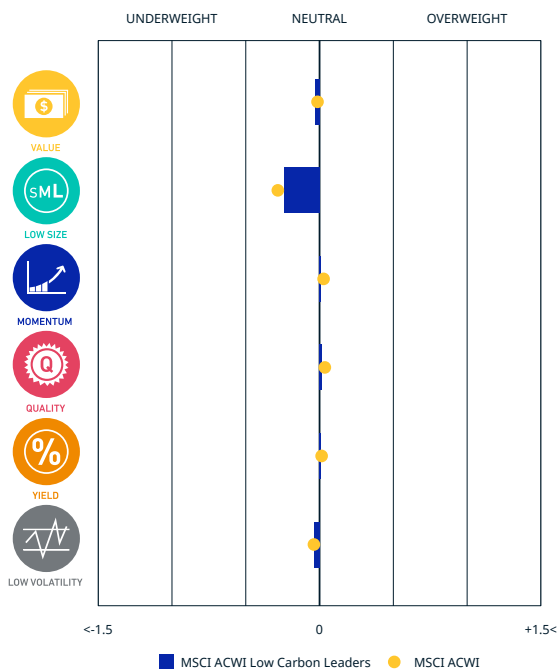
|                               | MSCI ACWI Low Carbon Leaders | MSCI ACWI |
|-------------------------------|------------------------------|-----------|
| <b>Number of Constituents</b> | 1,961                        | 2,837     |
|                               | Weight (%)                   |           |
| <b>Largest</b>                | 4.17                         | 4.05      |
| <b>Smallest</b>               | 0.00                         | 0.00      |
| <b>Average</b>                | 0.05                         | 0.04      |
| <b>Median</b>                 | 0.02                         | 0.01      |

**TOP 10 CONSTITUENTS**

|                          | Country | Index Wt. (%) | Parent Index Wt. (%) | Sector      |
|--------------------------|---------|---------------|----------------------|-------------|
| APPLE                    | US      | 4.17          | 3.90                 | Info Tech   |
| MICROSOFT CORP           | US      | 4.06          | 4.05                 | Info Tech   |
| NVIDIA                   | US      | 3.76          | 3.74                 | Info Tech   |
| AMAZON.COM               | US      | 2.27          | 2.27                 | Cons Discr  |
| ALPHABET A               | US      | 1.45          | 1.41                 | Comm Srvc   |
| META PLATFORMS A         | US      | 1.44          | 1.43                 | Comm Srvc   |
| ALPHABET C               | US      | 1.23          | 1.24                 | Comm Srvc   |
| LILLY (ELI) & COMPANY    | US      | 0.92          | 0.91                 | Health Care |
| TAIWAN SEMICONDUCTOR MFG | TW      | 0.87          | 0.86                 | Info Tech   |
| BROADCOM                 | US      | 0.83          | 0.82                 | Info Tech   |
| <b>Total</b>             |         | <b>21.00</b>  | <b>20.64</b>         |             |

**FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN**

**MSCI FACTOR BOX**



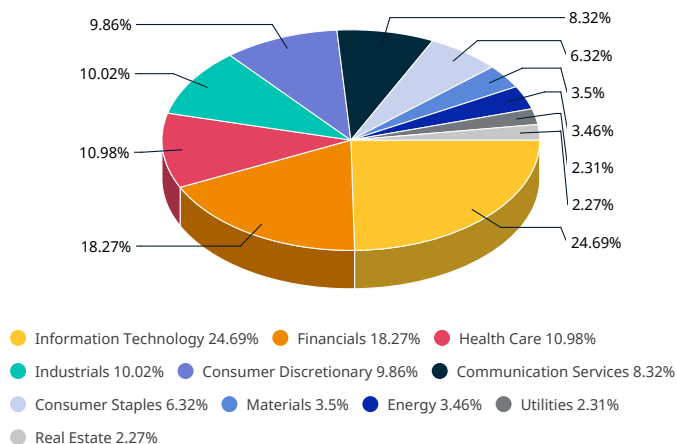
**MSCI FaCS**

- VALUE**  
Relatively Inexpensive Stocks
- LOW SIZE**  
Smaller Companies
- MOMENTUM**  
Rising Stocks
- QUALITY**  
Sound Balance Sheet Stocks
- YIELD**  
Cash Flow Paid Out
- LOW VOLATILITY**  
Lower Risk Stocks

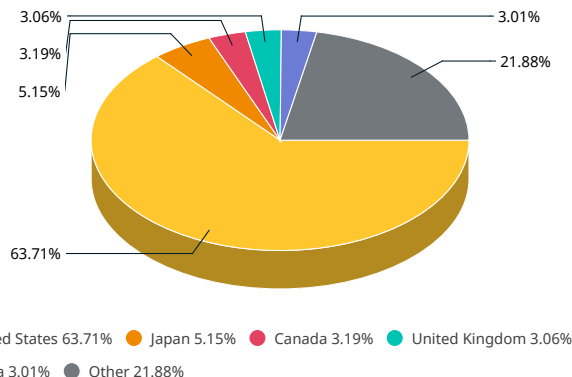
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

**SECTOR WEIGHTS**



**COUNTRY WEIGHTS**



**MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))**

MSCI FaCS is a standard method for evaluating and reporting the Factor characteristics of equity portfolios. MSCI FaCS consists of Factor Groups (e.g. Value, Size, Momentum, Quality, Yield, and Volatility) that have been extensively documented in academic literature and validated by MSCI Research as key drivers of risk and return in equity portfolios. These Factor Groups are constructed by aggregating 16 factors (e.g. Book-to-Price, Earnings/Dividend Yields, LT Reversal, Leverage, Earnings Variability/Quality, Beta) from the latest Barra global equity factor risk model, GEMLT, designed to make fund comparisons transparent and intuitive for use. The MSCI Factor Box, which is powered by MSCI FaCS, provides a visualization designed to easily compare absolute exposures of funds/indexes and their benchmarks along 6 Factor Groups that have historically demonstrated excess market returns over the long run.

**ABOUT MSCI**

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