

# MSCI EU Sustainable Finance Module

FROM MSCI ESG RESEARCH LLC

SFDR and Taxonomy data & metrics for over 10,000 companies

In February 2021, MSCI ESG Research launched the EU Sustainable Finance Module to support and simplify reporting requirements and help clients meet sustainability goals.

The module includes two datasets, SFDR Adverse Impact and EU Taxonomy Alignment data and metrics, for over 10,000 corporate equity and fixed income issuers.



## MSCI SFDR Adverse Impact Metrics

Access issuer-level data on adverse sustainability indicators\* such as greenhouse gas emissions, energy consumption,

biodiversity, water, waste, social and employee matters, human rights and anti-corruption and anti-bribery. Currently includes relevant data on:

- 14 principal adverse impact indicators
- 25 additional indicators for approx. 10,000 global companies
- 175+ sovereign issuers or countries

Coverage of additional indicators and asset classes is planned.



## MSCI EU Taxonomy Alignment

Access percentage revenue from activities likely to address one or more of the six environmental objectives of the EU Taxonomy.

Dataset of over 10,000 corporate equity and fixed income issuers incorporates controversial practices that could indicate breach of:

- Taxonomy's Minimum Safeguards
- Do No Significant Harm Criteria

Underlying data inputs: Environmental Impact Metrics, ESG Controversies, Business Involvement Screening Research: Tobacco & Controversial Weapons.

## Dataset delivery includes:



ESG Manager BarraOne,  
BPM, RiskManager



MSCI ESG API





Data Feed

We also offer a reporting managed service to support your EU disclosures.

For more information contact [esgclientservice@msci.com](mailto:esgclientservice@msci.com)

\* Based on the European Supervisory Authorities' [final report on the draft regulatory technical standards \(RTS\)](#)

	Regulatory Reporting	Portfolio Construction	Fundamental Analysis
 <p><b>MSCI SFDR Adverse Impact Metrics</b></p>	<ul style="list-style-type: none"> <li>• Address EU adverse sustainability impact regulatory reporting requirements</li> <li>• Mandatory entity-level disclosure for firms with over 500 employees – report on all principal indicators plus two additional indicators (one environmental, one social)</li> <li>• Entity-level disclosure on ‘comply or explain’ basis for firms with less than 500 employees</li> <li>• Can support product level disclosures for article 8 &amp; 9 products, i.e., to answer how are indicators for adverse impacts on sustainability taken into account?</li> <li>• Internal analysis of exposure to adverse impacts</li> <li>• Differentiate strategies &amp; explain how adverse impacts integrated into investment process</li> </ul>	<ul style="list-style-type: none"> <li>• Address client mandates relating to avoidance of adverse impacts</li> <li>• Leverage data in security selection and portfolio construction</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate adverse impact data with ESG risk analysis</li> </ul>
 <p><b>MSCI EU Taxonomy Alignment</b></p>	<ul style="list-style-type: none"> <li>• Address EU ‘comply or explain’ disclosure requirements on the degree of potential Taxonomy alignment of financial products</li> <li>• Internal analysis of degree of potential Taxonomy alignment</li> <li>• Differentiate strategies &amp; explain how Taxonomy is integrated into investment process</li> <li>• Demonstrate degree of potential Taxonomy alignment</li> </ul>	<ul style="list-style-type: none"> <li>• Develop Taxonomy-aligned investment products</li> <li>• Address client mandates for Taxonomy alignment</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate Taxonomy signal with ESG analysis</li> <li>• Identify Taxonomy-aligned companies</li> </ul>

## Additional Resources

- [Sign up for the MSCI Sustainable Finance newsletter](#)
- [EU Sustainable Finance Package webpage](#)
- [Sustainable Finance Resource Center](#), including consultation responses
- [Download Frequently Asked Questions](#)

For more information on Sustainable Finance research and events visit:

- [www.msci.com/research](http://www.msci.com/research)
- [www.msci.com/events](http://www.msci.com/events)

## Contact us

If you want to learn more about Sustainable Finance or discuss potential solutions, please contact us. [esgclientservice@msci.com](mailto:esgclientservice@msci.com)

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