
Morningstar and Sustainalytics Sustainability Solutions



Hortense Bioy, CFA, Director of Passive Strategies and Sustainability Research, Europe

Cecilia Cisana, Director, Client Relations

May 2018

Agenda

- ▶ What is Sustainable Investing?
- ▶ Sustainable Investment Growth
- ▶ Sustainalytics ESG Research
- ▶ Morningstar Sustainability Rating for Funds

Who We Are Morningstar, Inc.

Our mission is to create great products that help investors reach their financial goals.

We have about 5,000 employees in 27 countries worldwide, providing local market expertise.



Our clients range in size from individual investors all the way up to the world's top asset management firms.

Financial Advisors



255,000
Independents & affiliates

\$43.8 bil
Managed Portfolios

Asset Managers



1,500+
Global firms

\$26.9 bil
Investment Management

Retirement



285,000 +
Plans

\$130.8 bil
Retirement Solutions

Individual Investors



11.9 mil
Individuals

Institutional Clients



2,700
Institutions

Global Regulators



60+

Media Companies



140+

Alliances & Redistributors



655+

Data as of Mar. 31, 2018. Includes assets under management and advisement for Morningstar Investment Management LLC, Morningstar Investment Services LLC, Morningstar Investment Management Europe Ltd., Morningstar Investment Management Australia Ltd., Morningstar Investment Management South Africa (PTY) Ltd, and Ibbotson Associates Japan KK, all of which are subsidiaries of Morningstar, Inc. Advisory services listed are provided by one or more of these entities, which are authorized in the appropriate jurisdiction to provide such services.

We are committed to helping individuals, advisors, and asset managers invest in ways that are meaningful to them.



Environmental



Social



Governance

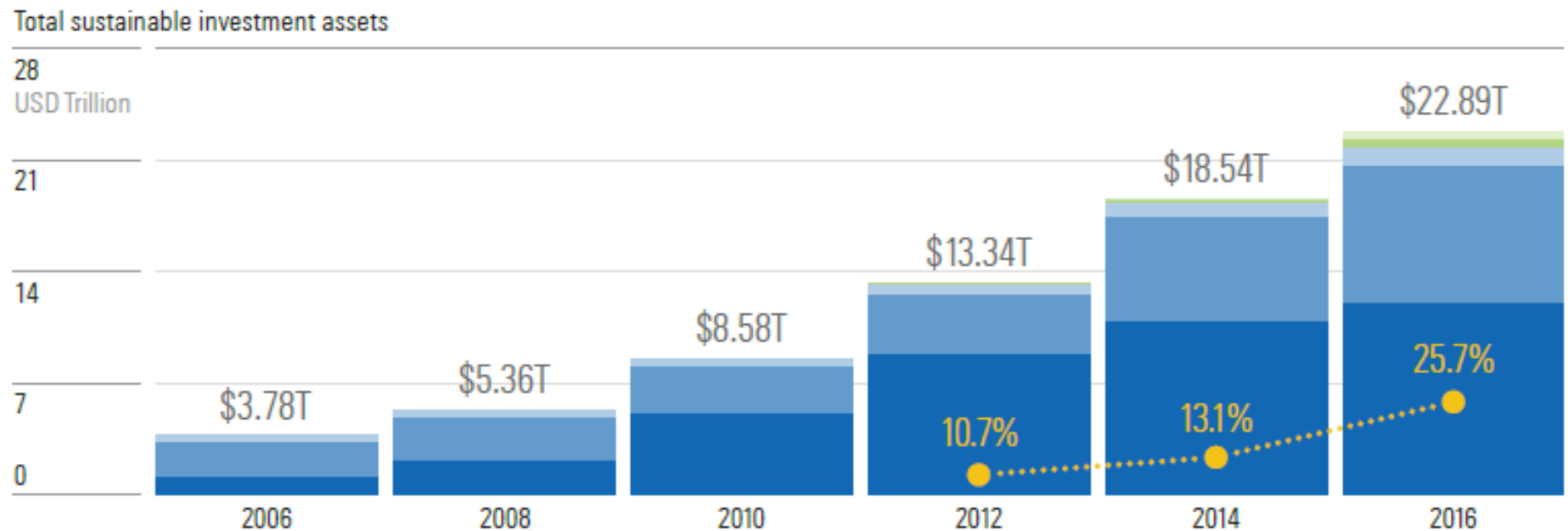
What is Sustainable Investing?

Environmental Issues	Social Issues	Governance Issues
Climate change and carbon emissions	Product safety	Board composition
Air/water pollution	Data protection/privacy	Audit committee structure
Energy efficiency	Gender and diversity	Executive compensation
Water scarcity	Employee engagement	Lobbying
Waste management	Supply chain management	Political contributions
Deforestation	Labor standards	Bribery and corruption

“...a company’s ability to manage environmental, social, and governance matters demonstrates the leadership and good governance that is so essential to sustainable growth, which is why we are increasingly integrating these issues into our investment process.”

Larry Fink, Chairman & CEO, Blackrock

ESG Investment Growth



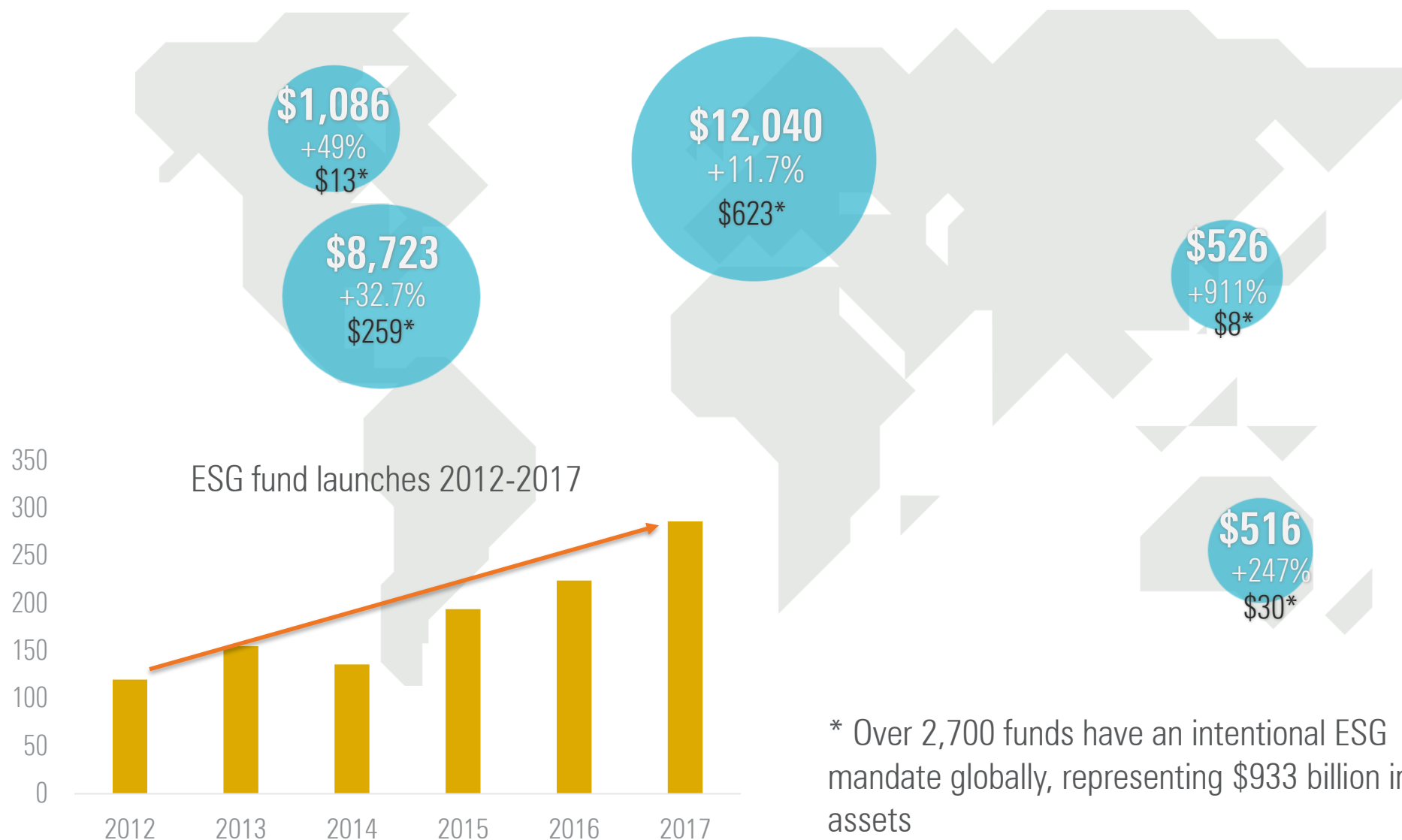
- ▶ Representing a range of ESG approaches:
 - ▶ ESG integration
 - ▶ Values-based screening
 - ▶ Active ownership
 - ▶ Thematic and impact investing

Regions: ■ Europe ■ United States ■ Canada ■ Australia/New Zealand ■ Asia ■ Japan

--- % of total sustainable investment assets that are retail assets

Source: Global Sustainable Investment Review, 2016, 2014, 2012.

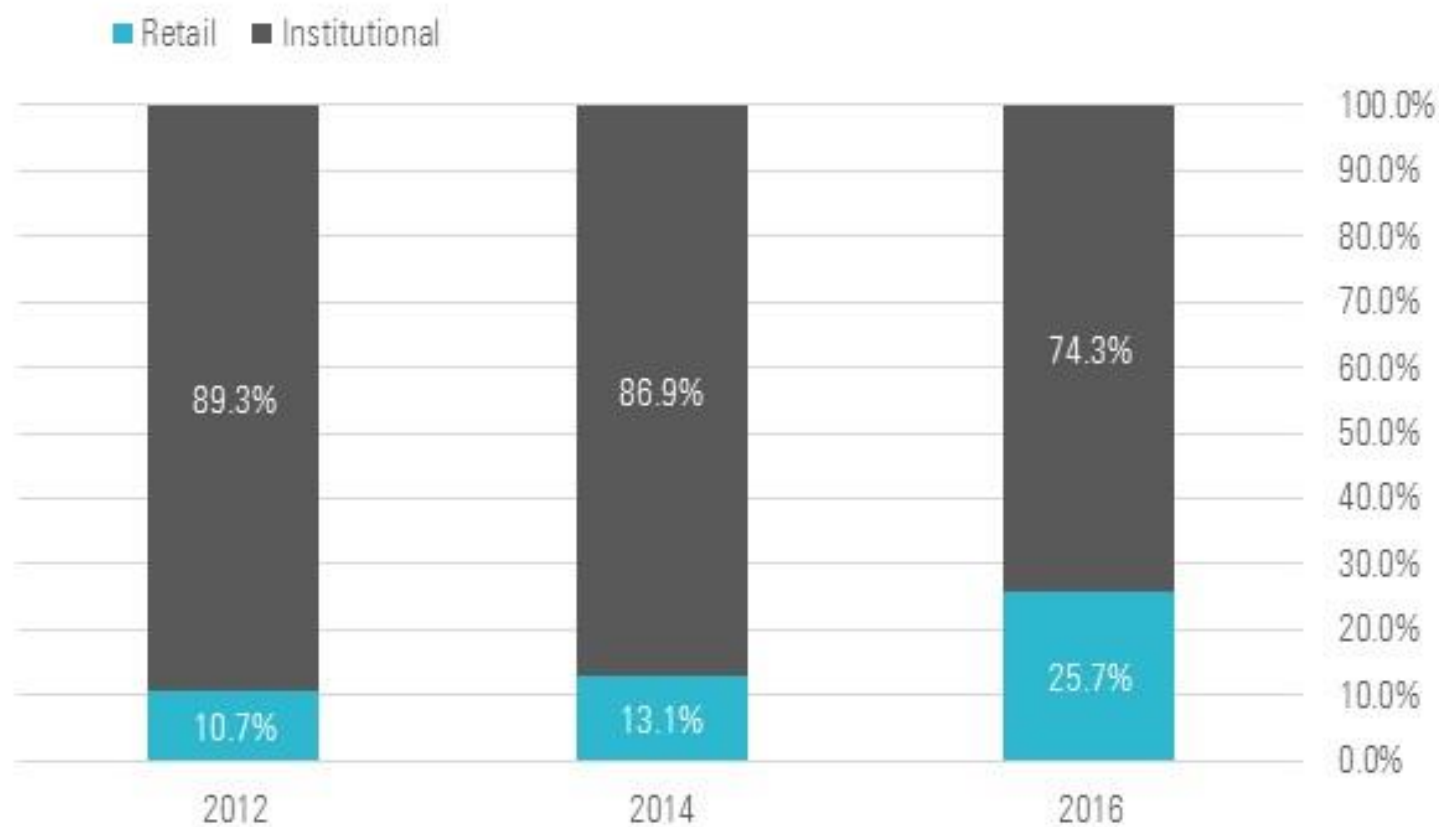
Assets in ESG Strategies per Region



Source: Global Sustainable Investment Review 2016 for ESG asset data. Morningstar Direct for ESG fund asset data. All data is in billion dollars.

Global Institutional & Retail Sustainable Assets

Interest from retail investors continues to grow:

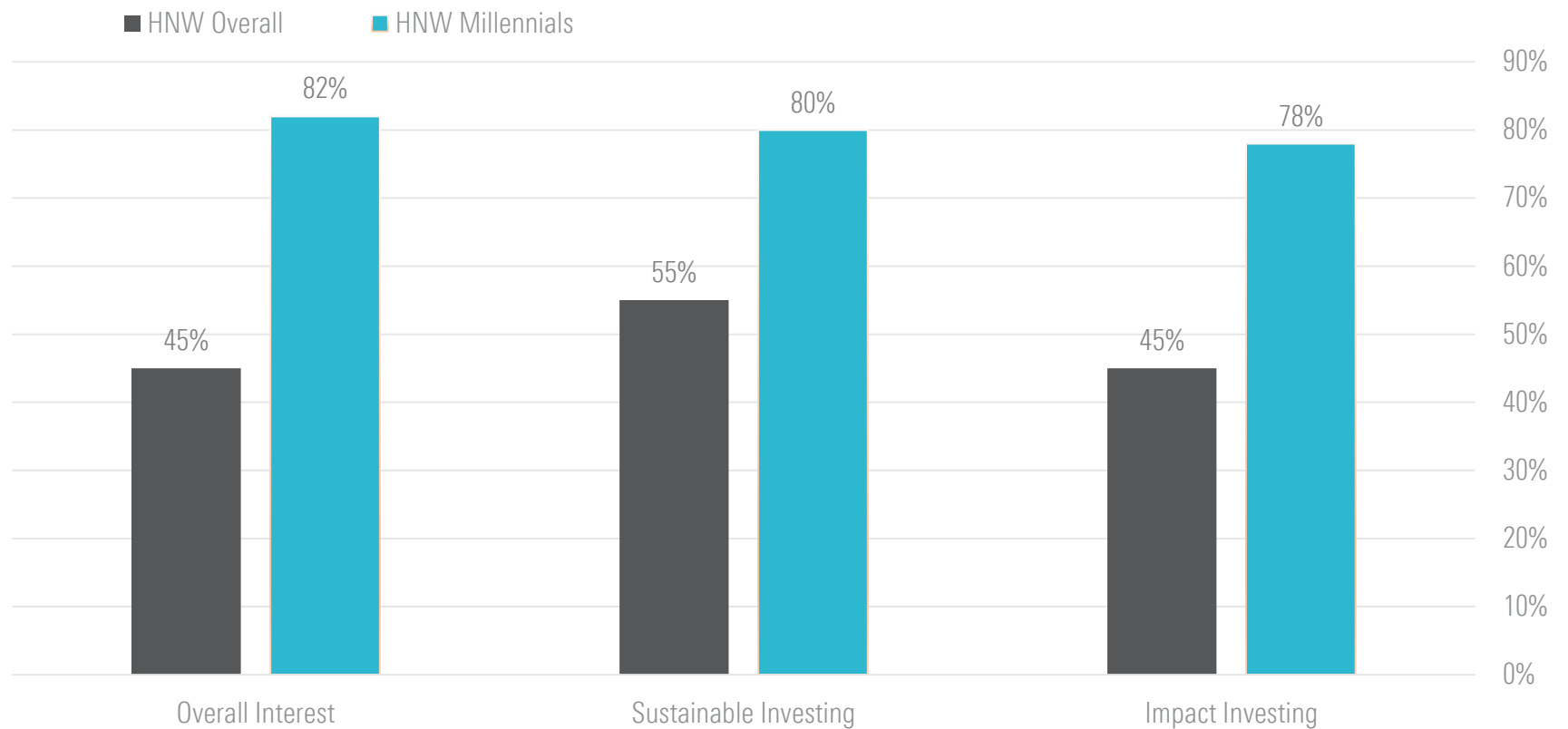


- ▶ Over 80% of Asset Managers cite client demand as the #1 reason behind ESG Product creation

Source: http://www.gsi-alliance.org/wp-content/uploads/2015/02/GSIA_Review_download.pdf and http://www.gsi-alliance.org/wp-content/uploads/2017/03/GSIR_Review2016.F.pdf

Younger investors leading the way

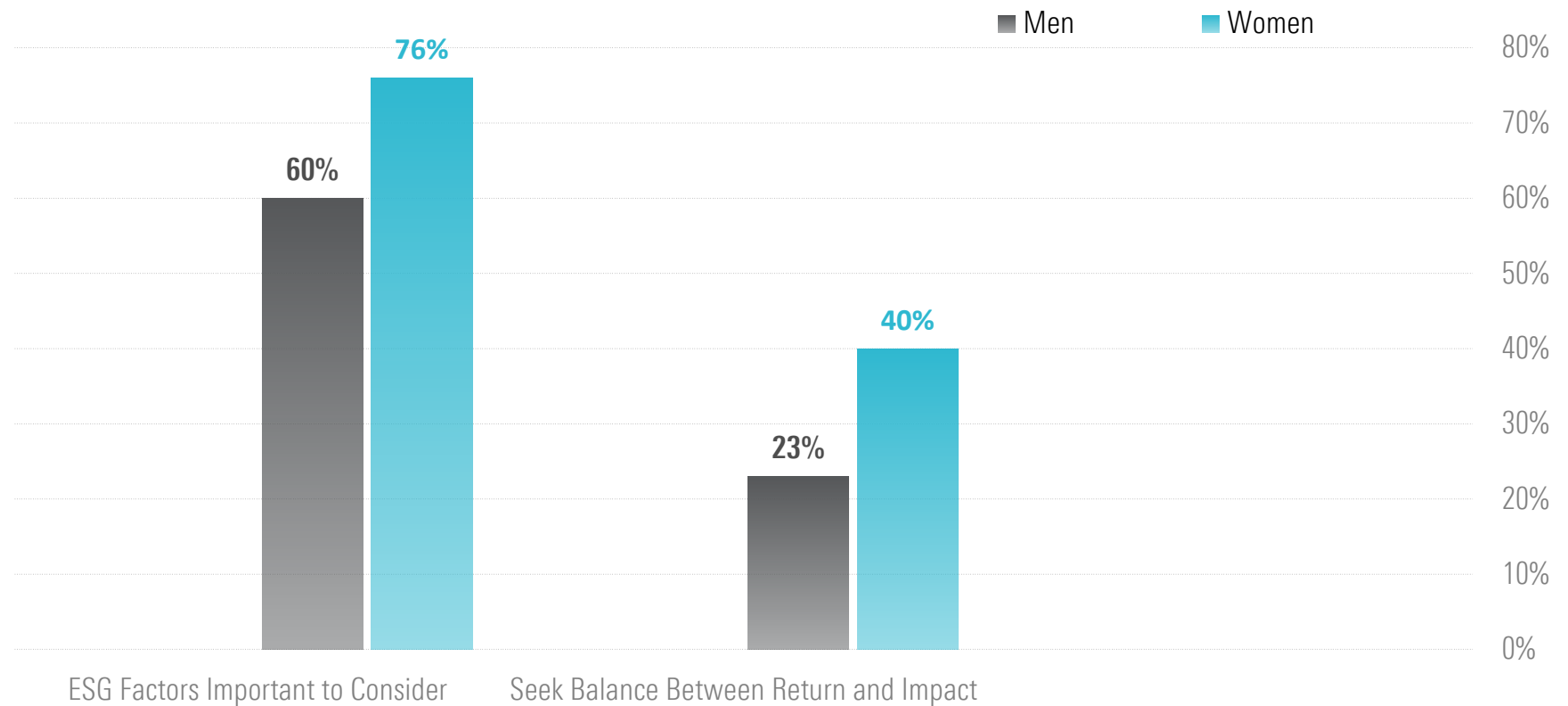
HNW Millennials express greater interest in sustainable and impact investing



Source: Morgan Stanley Sustainable, Responsible, and Impact Investing Trends, 2016

It is not Just Millenials...

More women believe ESG important and seek Impact with their investments

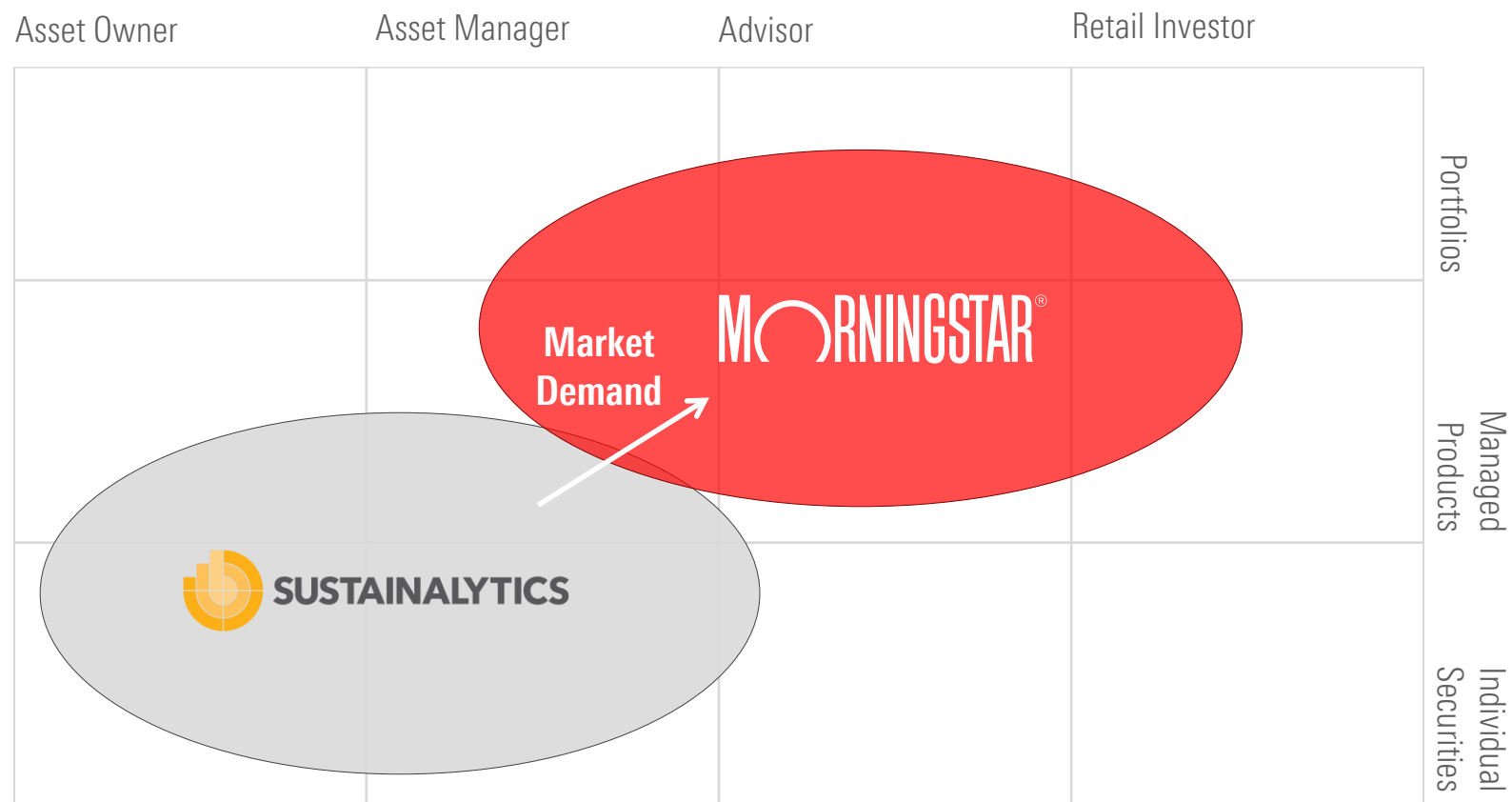


Source: Sustainable Signals: The Individual Investor Perspective, Morgan Stanley Institute for Sustainable Investing, February 2015

A need for portfolio-level ESG analytics

Demand Broadens; Morningstar Responds

Investors, advisors, and asset managers will increasingly require portfolio-level information about the sustainability of their investments





Introducing Sustainalytics

Sustainalytics at a Glance

Who We Are

- » Largest pure-play investment research and ratings provider dedicated to RI and ESG research
- » Over 350 professional staff with more than half engaged in research
- » 25 years of experience in the fields of ESG and Corporate Governance research & analysis
- » Owned by: Senior management, Morningstar, PGGM, ABN AMRO, MeesPierson, Renewal Partners.



Sustainalytics at a Glance

What We Do

- » We help clients turn vast quantities of ESG and corporate governance information into effective analysis to enable more informed investment decisions



- » Help investors integrate ESG and Corporate Governance factors into **investment processes**
- » Provide **comprehensive ESG and Corporate Governance** ratings and research across more than 8,500 companies worldwide (expanding to 10,000 in Q4)

Sustainalytics at a Glance

Our Fields of Expertise



**Company
ESG Research**



**Corporate
Governance
Research**



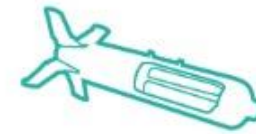
**Sector
Research**



**Thematic
Research**



**Country
Research**



**Controversial
Weapons
Research**



**Carbon
Research**



**Global
Compact
Compliance**



**Portfolio
Reviews &
Assessments**



Indexes



**Sustainability
Bond Services**



**Product
Involvement**



**PRI
Advisory
Services**



**Responsible
Investment Policy
Development**

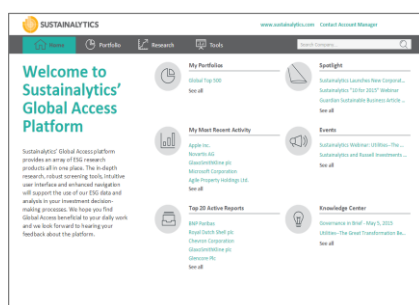
Research Universe



Access to Research

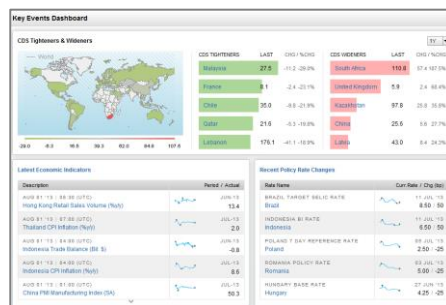
Global Access

- » Sustainalytics' online research portal.
- » Search and filtering functions
- » Upload portfolios, download reports in Excel or PDF



FactSet

- » Sustainalytics' data integrated in the portal
- » Numerical and text
- » Accessible via FactSet's suite of tools including Portfolio Analysis



Bloomberg

- » Top-level teaser data available to all terminal users
- » Excel plug-in to integrate customised dataset



Data Feeds and API

- » Quarterly or monthly feeds
- » Numerical and text



Our partnerships



In March 2016, Morningstar launched publicly available sustainability fund ratings using company-level ESG ratings from Sustainalytics.



Partnership announced in February 2016, Glass Lewis will integrate Sustainalytics' ESG research and ratings in its proxy research and vote management platform.



Sustainalytics has a long-standing relationship with Hermes Engagement Ownership Services who uses our research to inform their engagement services.

Recent Developments

- » Expanded research universe **coverage** of around 10,000 companies with ESG research, 13,000 with Controversy research and 22,000 with Global Compact Compliance research.
- » **Sustainable Development Goals** tool to support clients in identifying and reporting on investments aligned with the SDGs. Includes positive product involvement research.
- » Human Rights Radar to identify company risk exposures to Human Rights violations
- » Carbon Risk Rating to identify company exposure to and management of carbon risks
- » Full integration with **FactSet** with broad set of datapoints available
- » Acquisition of **Solaron** Sustainability Services, to further strengthen emerging markets expertise
- » New offices in **Tokyo** and **Sydney** opened in 2016, including local analyst teams



ESG Research

Research process and quality management



- **Annual review** of company reporting: annual reports, CSR reports, publicly available policies, etc.
- **Daily monitoring** of 50,000+ news and media sources
- Analysis by **100+ experienced analysts** with sector expertise
- Structural review by **senior analysts**
- **Company feedback** always included in the research process
- Detailed and stringent **Quality Management System**
- **Events Oversight Committee** conducts additional review of any severe controversies

Company ESG Research

Three Main Signals used by Investors

Signal 1: ESG Rating

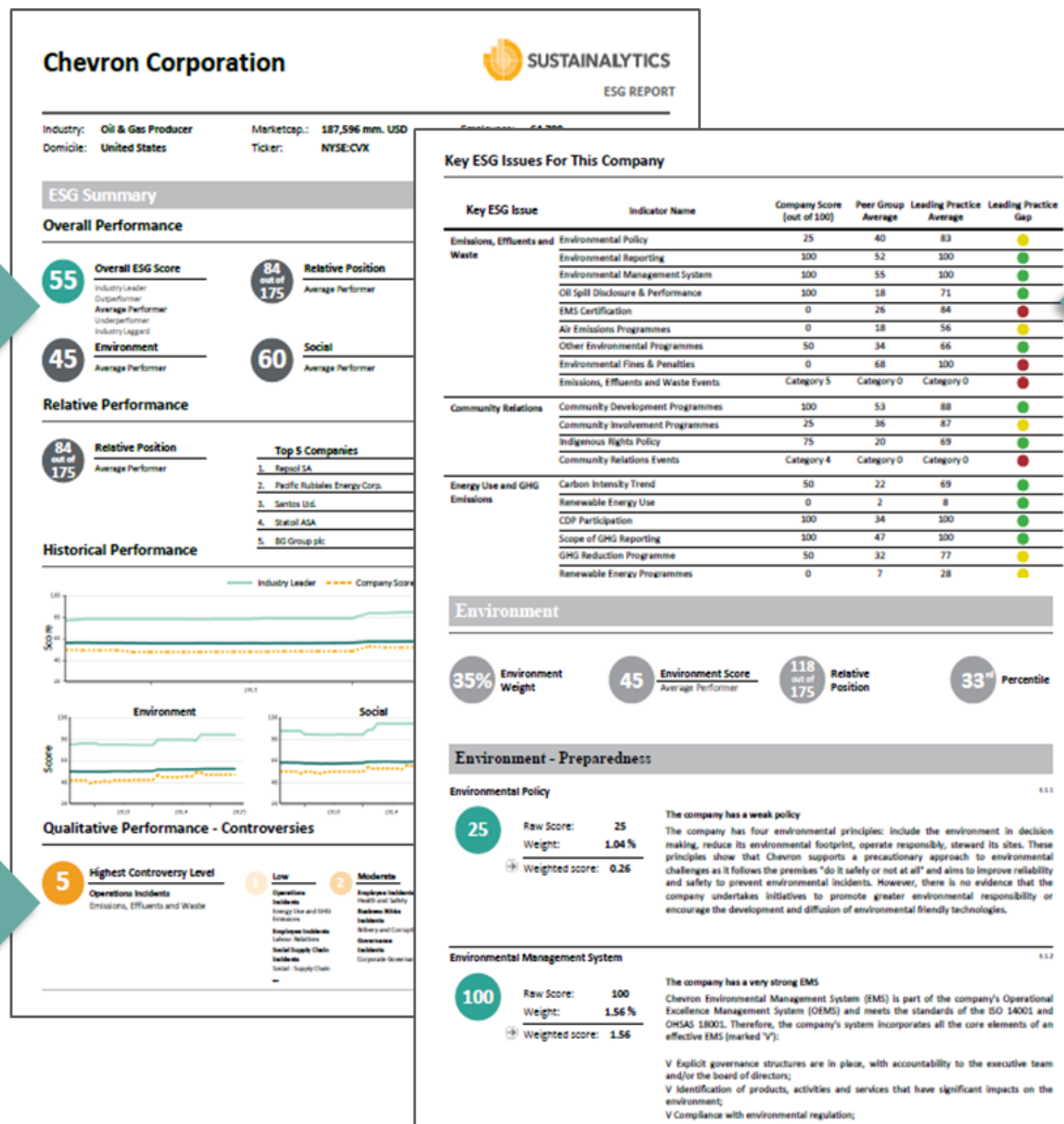
1

Signal 2: Controversy Assessment

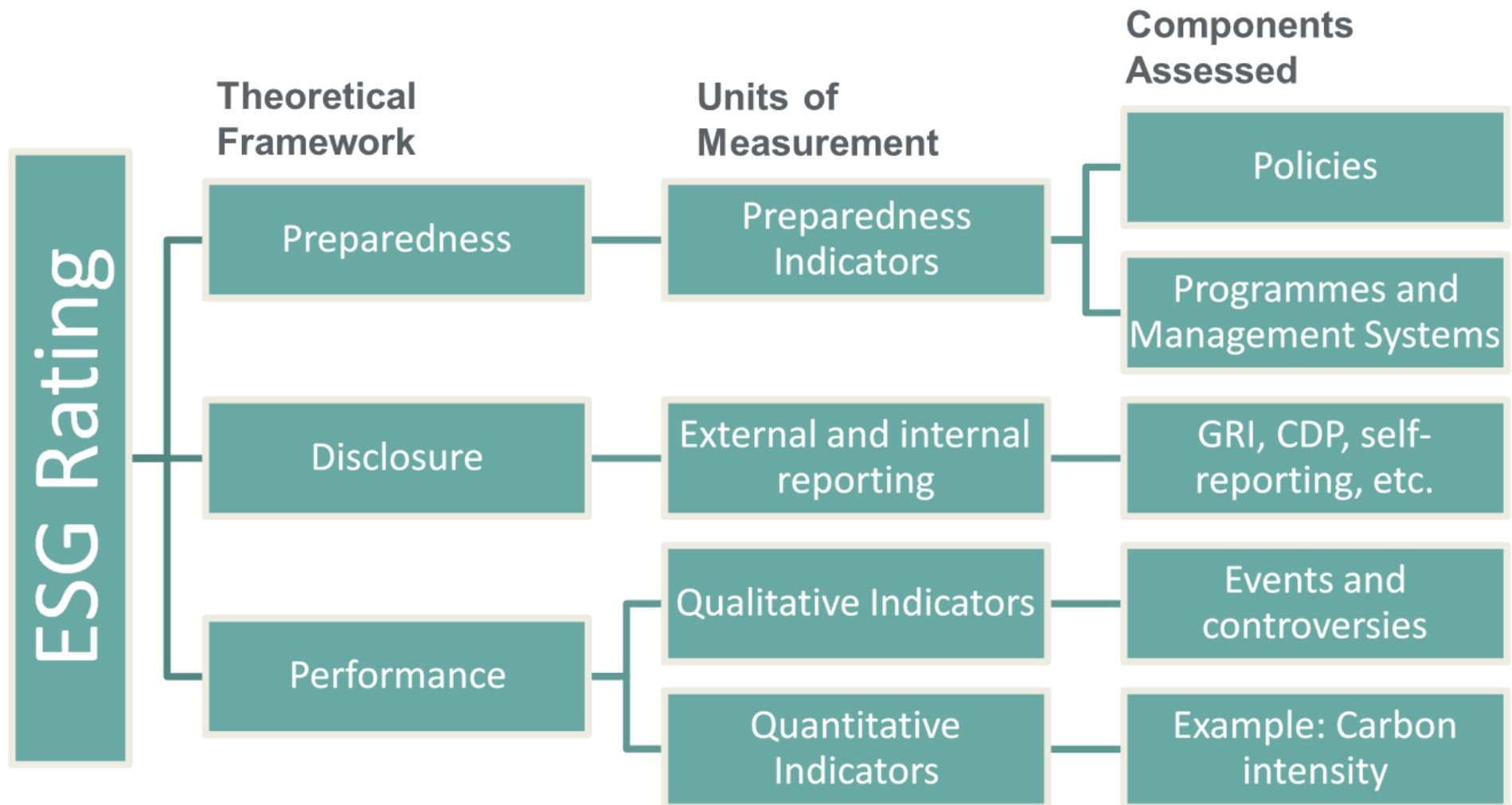
2

3

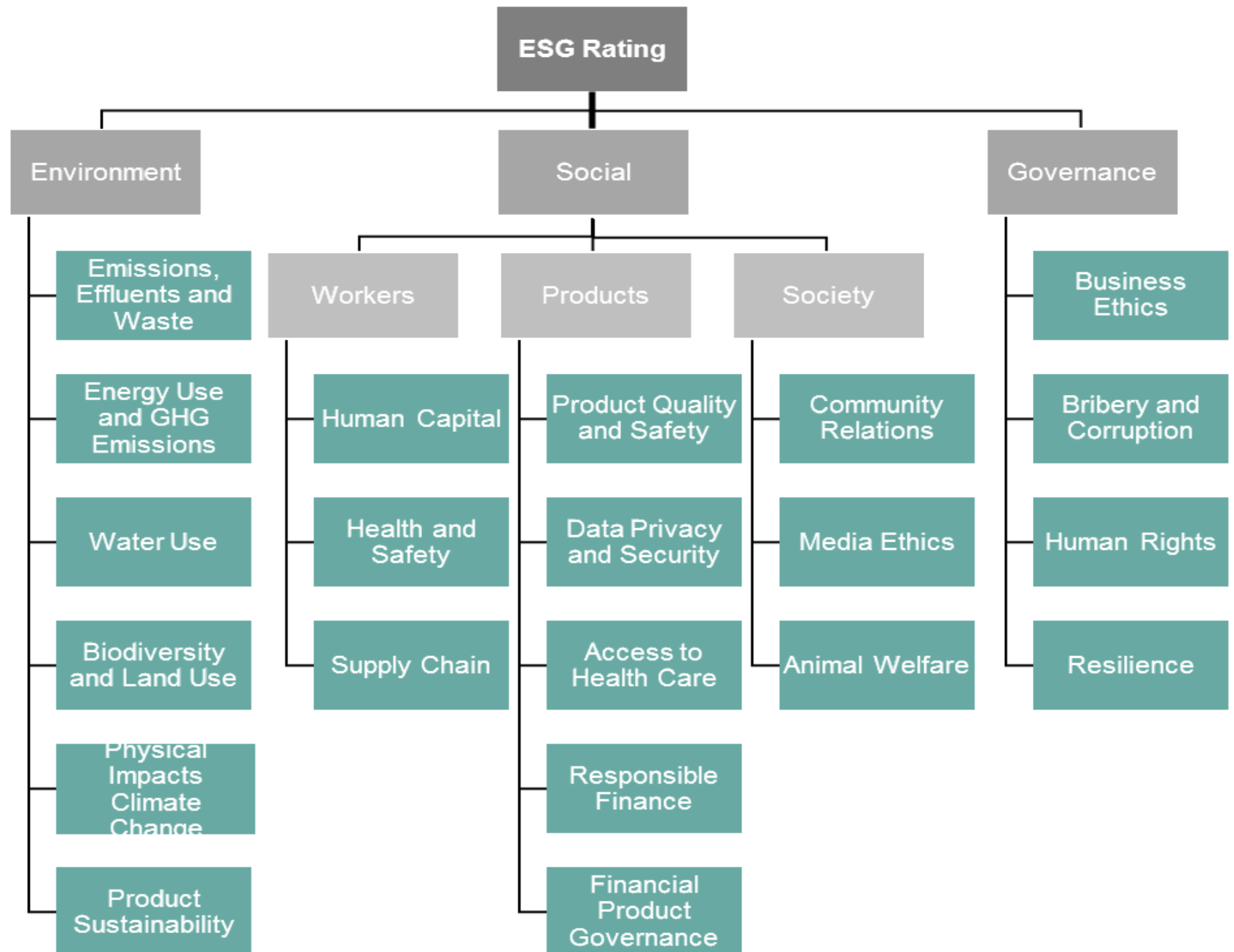
Signal 3: Performance on Key ESG Issues



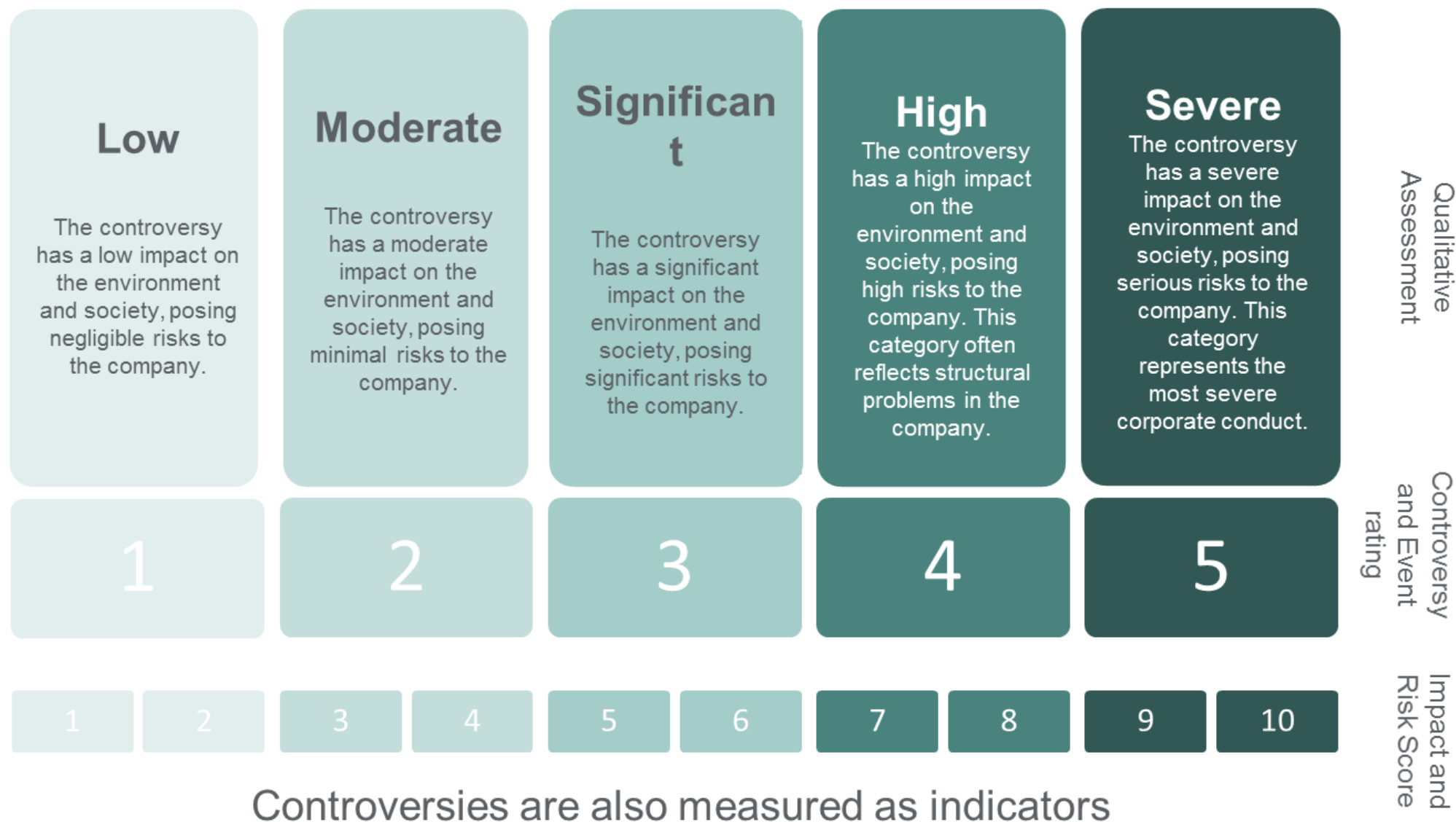
Signal 1: ESG Rating



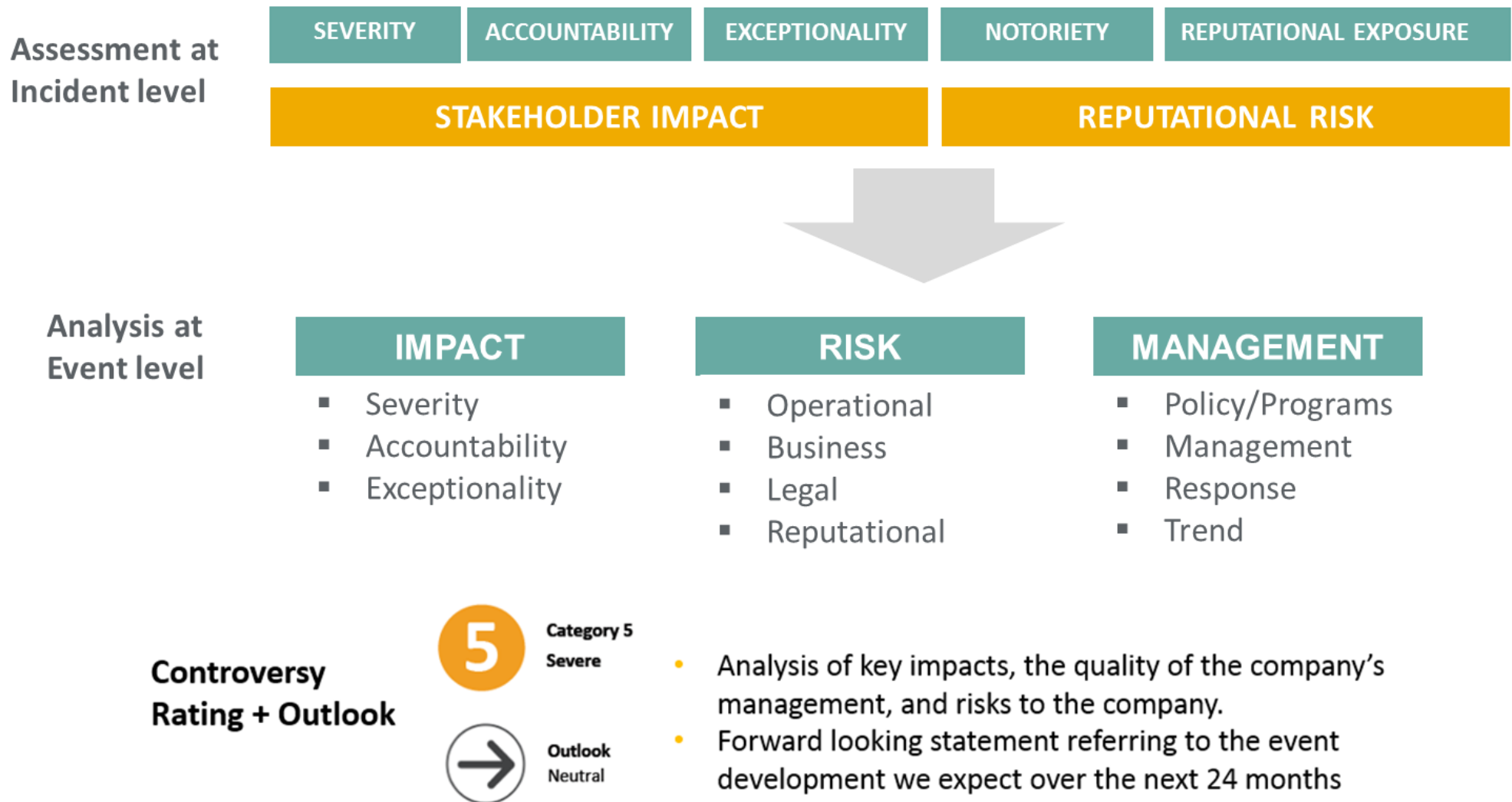
Examples of ESG Issues in our analysis



Signal 2: Controversy Assessment



Controversy Assessment

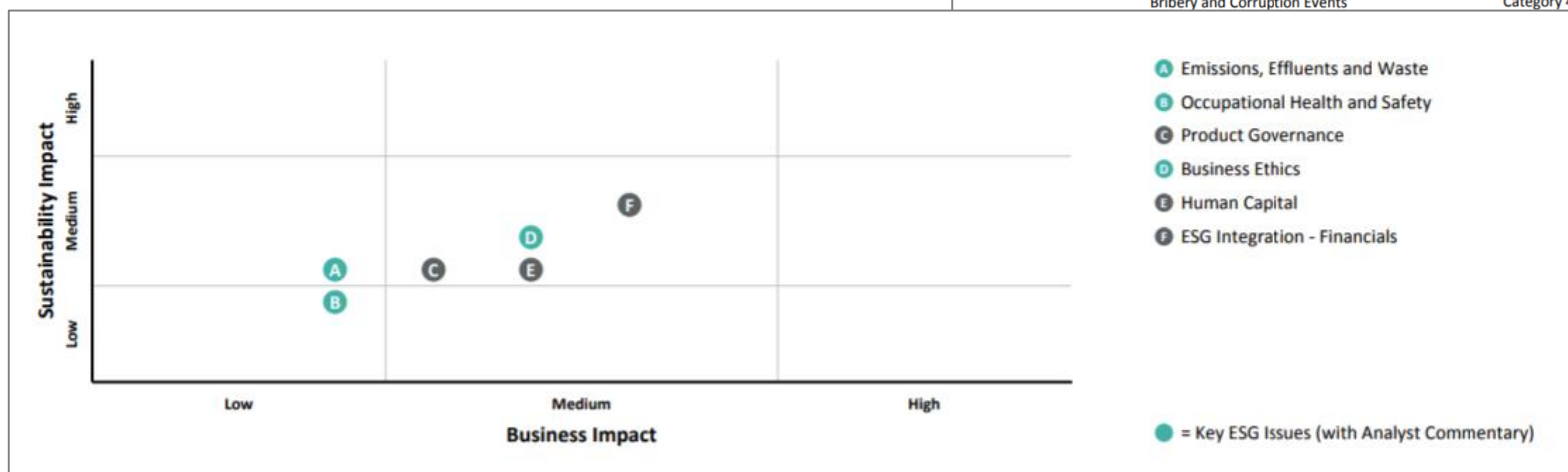


Signal 3: Performance on Key ESG Issues

- » Performance on Key ESG Issues
- » Company scores on key ESG issues relative to:
 - » Peer Group Average
 - » Leading Practice Average
 - » Leading Practice Gap

Key ESG Issues For This Company

Key ESG Issue	Indicator Name	Company Score (out of 100)	Peer Group Average	Leading Practice Average	Leading Practice Gap
Occupational Health and Safety	Health and Safety Management System	Research Underway	--	--	●
	Occupational Health and Safety Events	Category 2	Category 0	Category 0	●
Emissions, Effluents and Waste	Environmental Policy	100	33	80	●
	Environmental Management System	60	36	78	●
	EMS Certification	30	13	51	●
	Environmental Fines & Penalties	100	100	100	●
	Emissions, Effluents and Waste Events	Category 0	Category 0	Category 0	●
Business Ethics	Bribery & Corruption Policy	50	52	89	●
	Whistleblower Programmes	25	34	54	●
	Money Laundering Policy	0	11	42	●
	Political Involvement Policy	0	30	83	●
	Accounting and Taxation Events	Category 0	Category 0	Category 0	●
	Lobbying and Public Policy Events	Category 0	Category 0	Category 0	●
	Anti-Competitive Practices Events	Category 0	Category 0	Category 0	●
	Bribery and Corruption Events	Category 4	Category 0	Category 0	●
			Category 0	Category 0	●



Materiality: key themes for the year and beyond



Climate Change

Climate change is moving up on the agenda of governments, investors and companies, with a focus on mitigating carbon risk.



Diversity & inclusion

Increased sophistication around the debate on gender, ethnic and cultural diversity at board level, senior management, and within the broader workforce.



Tax avoidance

Regulators will continue pressure on companies receiving beneficial tax treatment.



Cybersecurity

An issue which is now economy wide, presenting both opportunities as well as risks for investors.

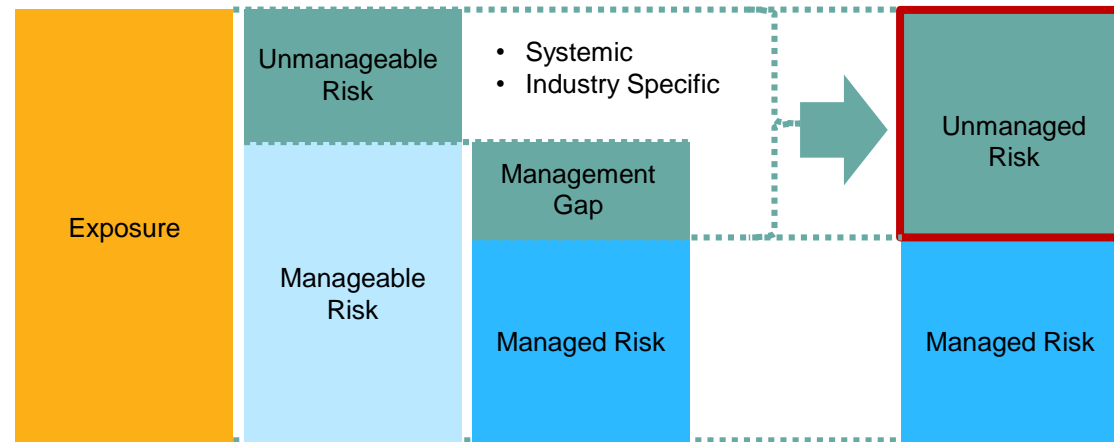


SUSTAINALYTICS

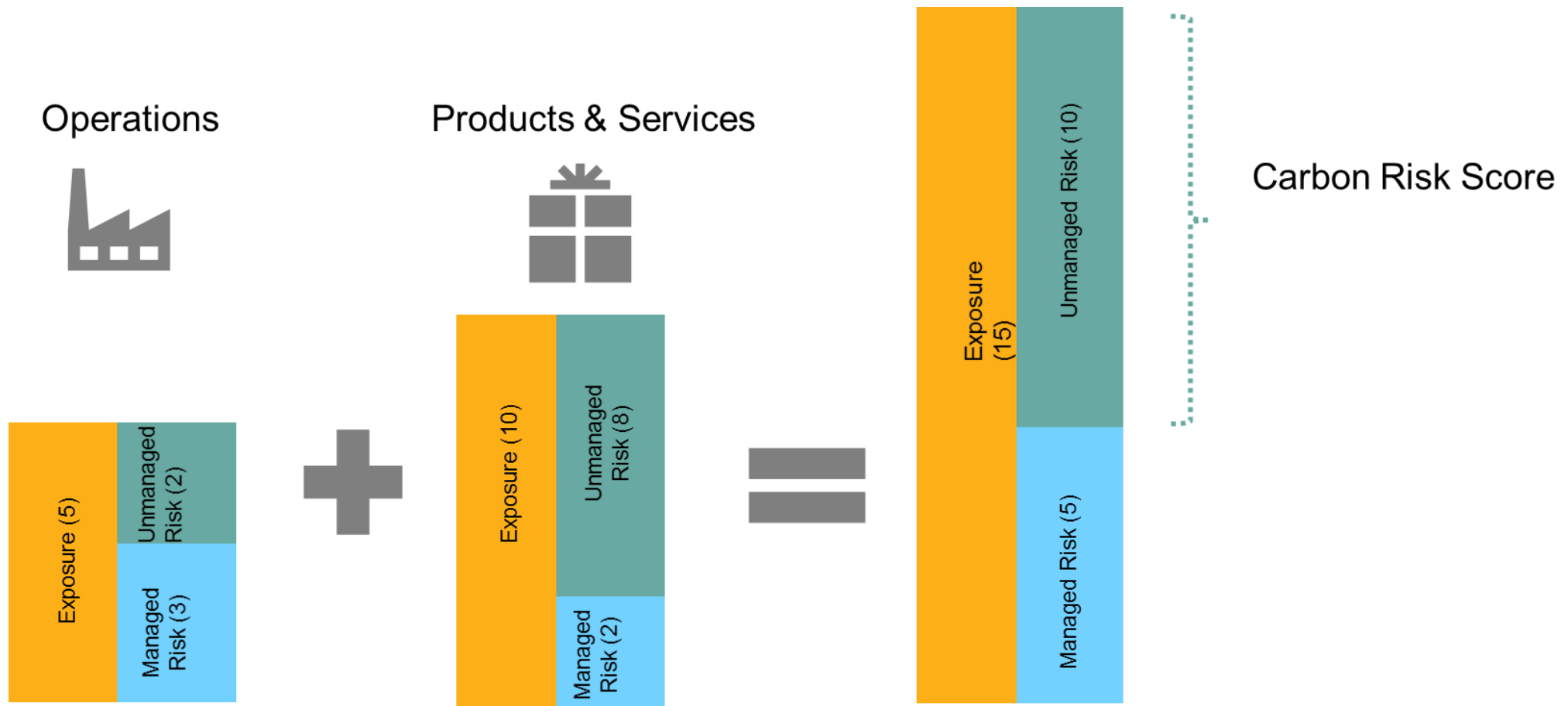
Carbon Risk Rating

Assessment of Unmanaged Carbon Risk

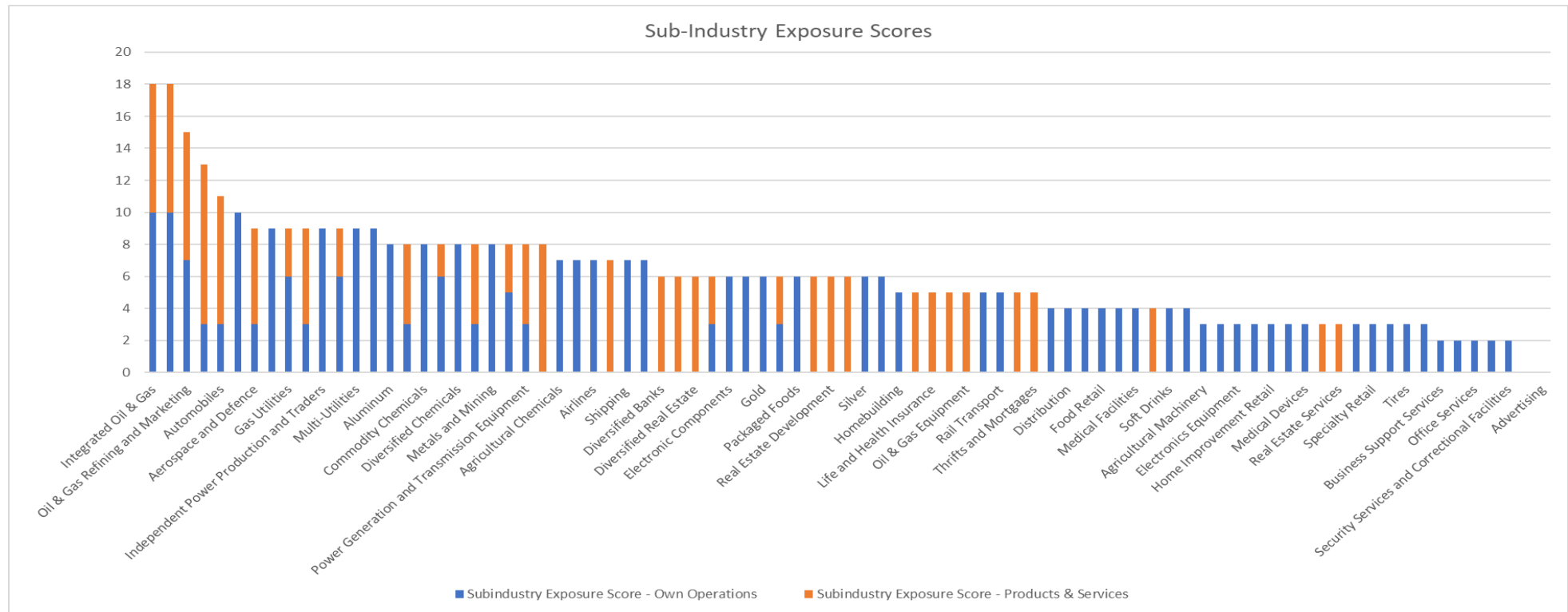
- » The Carbon Risk Rating evaluates **Unmanaged Risk**
- » Every company has a different starting point – its level of **Exposure**
- » Some companies have risks they cannot manage
 - » Systemic or Industry-specific Risks cannot be managed
- » **Managed Risk** is measured through a company's policies, programs, management systems, etc.
- » **Unmanaged Risk** is the **Unmanageable risk** and **Management Gap**



Measures Unmanaged carbon risk in Own Operations and Products & Services

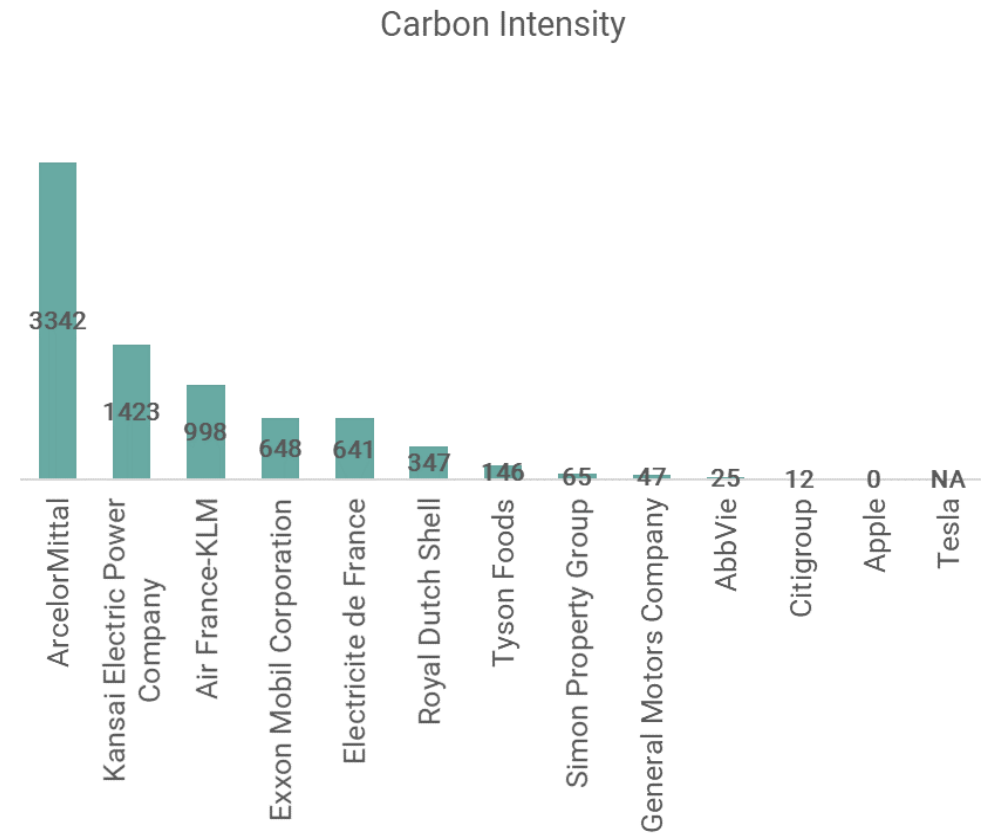
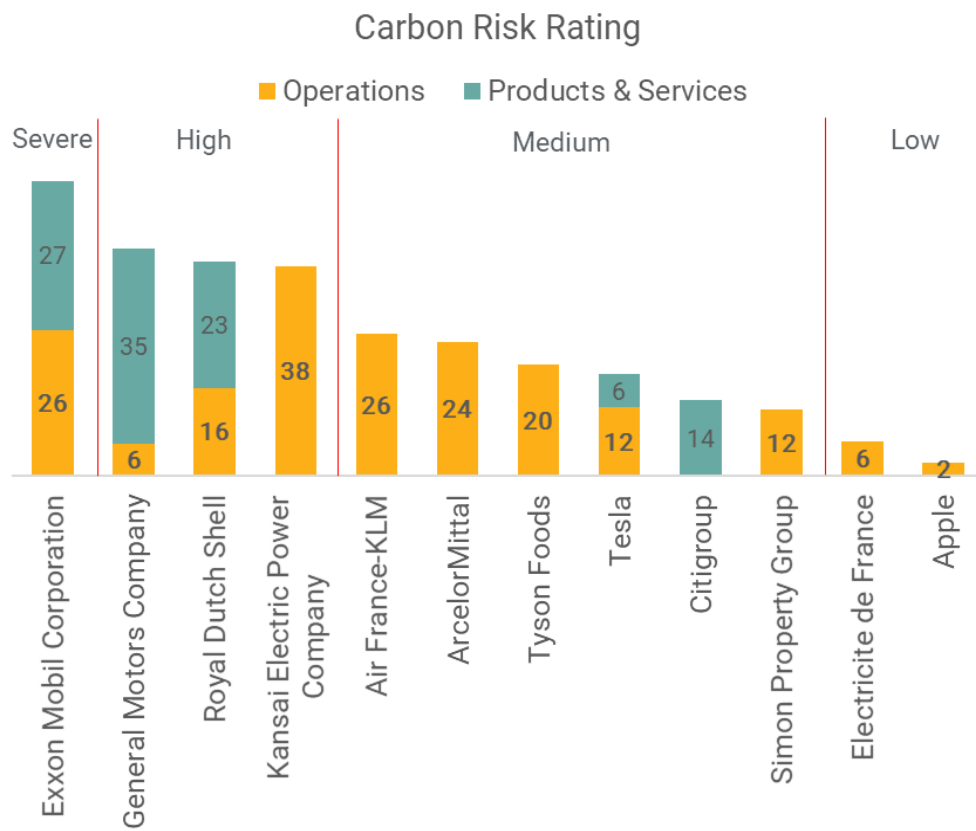


Measures absolute risk



- » Recognition that some Sub-industries have more exposure than others
- » Understanding that Companies within each subindustry are also exposed differently than their peers due to business model, production type, and geography

Sustainalytics Carbon Risk Rating for Select Companies



Morningstar Sustainability Rating Methodology

Morningstar Fund Data

+

Sustainalytics Company-Level Research

Morningstar Portfolio Sustainability Score

Morningstar Sustainability Rating™

Morningstar Product Integration

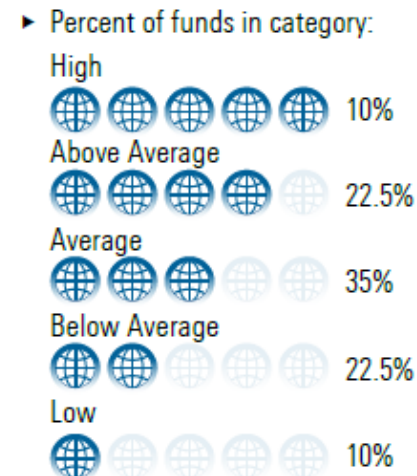
	Name	Morningstar Category
1	Fund 1	US OE Large Growth
2	Fund 2	US OE Large Blend
3	Fund 3	US OE Large Value
4	Fund 4	US OE Large Blend
5	Fund 5	US OE Large Value
6	Fund 6	US OE Large Growth
7	Fund 7	US OE Large Blend
8	Fund 8	US OE Large Growth
9	Fund 9	US OE Large Growth
10	Fund 10	US OE Large Growth
11	Fund 11	US OE Large Blend
12	Fund 12	US OE Large Growth
13	Fund 13	US OE Large Growth

1. Company ESG Scores Overall ESG Score (0-100)

2. Controversy Scores Severity (1, Low–5, High) *Controversies are incidents that impact the environment or society and pose risks to the company involved*

- ▶ Sustainalytics' company ESG scores are normalized across sectors
- ▶ Asset-weighted roll up of company ESG scores with deduction made for holdings with controversies
- ▶ Company analytics apply to stocks and corporate bonds
- ▶ 50% of portfolio assets must have company ESG scores

- ▶ Portfolio Sustainability Score relative to Morningstar Category



- ▶ Morningstar® Data
- ▶ Morningstar® Direct™
- ▶ Morningstar® Essentials™
- ▶ Morningstar® Office™
- ▶ Morningstar® Quicktakes

Drill Down into ESG Pillars of a Fund

Morningstar Portfolio Sustainability Report | 07 Nov 2017

Page 1 of 6

Wells Fargo Special Mid Cap Value Admin WFMDX

The conduct of Morningstar's analysts is governed by Morningstar's Code of Ethics, Securities Trading and Disclosure Policy, and Morningstar Manager Research Integrity Policy. For information regarding conflicts of interest, please visit <http://global.morningstar.com/manageddisclosures>

Morningstar Rating¹

★★★★★

Out of 373 Funds in Category

Morningstar Analyst Rating²

—

—

Category

Mid-Cap Value

Investment Style

■ ■

Expenses

1.1%

Total Assets³

8,066 Mil USD

Sustainability Rating²

Average

100 40 1

Percent Rank in Category

Sustainability Mandate by Prospectus?

☐ Yes

☒ No

|

☐ ESG

☐ Environmental

Rating Components

Score Calculation (Based on 91% of AUM)

	Fund	Category
Portfolio ESG Score	47.27	46.86
— Controversy Score	(3.76)	(3.42)
= Sustainability Score	43.51	43.44

	Score	Relative to Cat
🌱 Environmental	47	Average
👤 Social	46	Below Average
🏢 Governance	51	Average

Calculation Summary

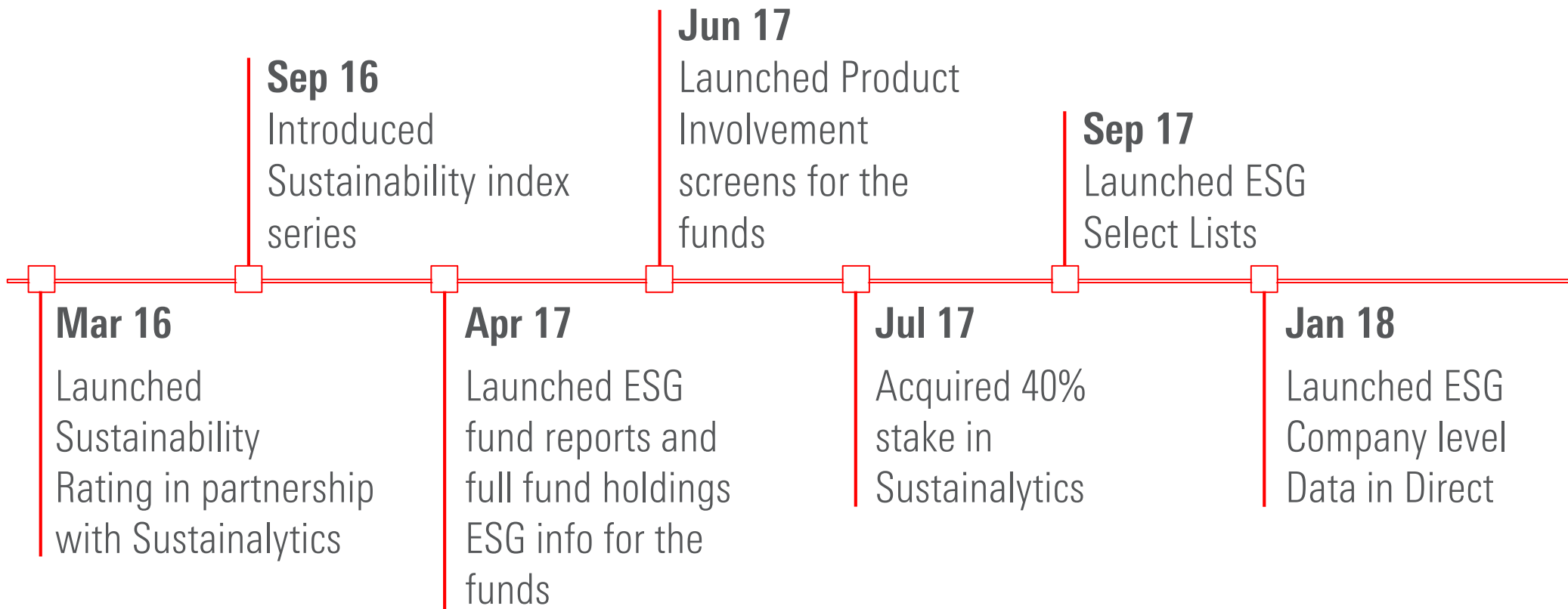
The Portfolio ESG Score is created by aggregating company-level environmental, social, and governance scores, provided by Sustainalytics. A fund-level Controversy Score is deducted from the Portfolio ESG Score to arrive at the Sustainability Score. The Sustainability Score is then ranked among Morningstar Category peers to determine the Sustainability Rating.

Holdings Analysis

ESG Score Distribution (% Assets)				Controversy Level Distribution (% Assets)						
4.7	12.6	72.9	9.7	0.0	9.1	19.4	57.8	12.6	1.2	0.0
Laggard	Underperformer	Average Performer	Outperformer	Leader	None	Low	Moderate	Significant	High	Severe

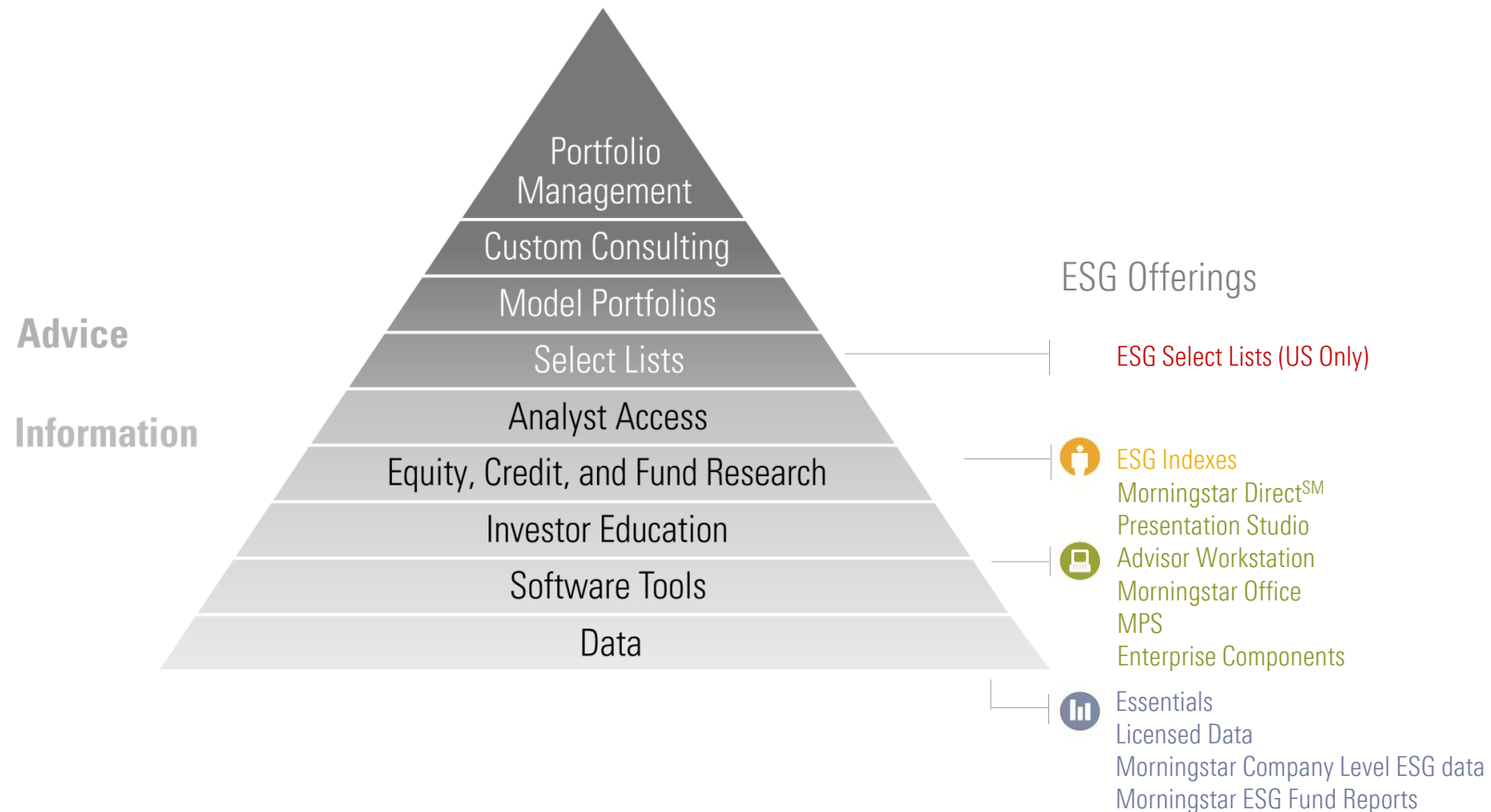
ESG Score				Worst Controversies	
% Assets	Normalized	Score	Description	Level	Incidents
Largest Holdings					
Fidelity National Info	2.79	44	Average Performer	Low	Business Ethics
Republic Services Inc Class A	2.61	45	Average Performer	Significant	Operations
Ameren Corp	2.56	49	Average Performer	Moderate	Operations, Employee
Molson Coors Brewing Co B	2.53	61	Outperformer	Low	Operations, Bus Eth, Employee, Customer, Soc & Comm
Kansas City Southern	2.53	45	Average Performer	Moderate	Customer
Best ESG Scores					
CBRE Group Inc	2.28	62	Outperformer	Low	Business Ethics, Customer
Corporate Office Props	0.67	62	Outperformer	None	—
Molson Coors Brewing Co B	2.53	61	Outperformer	Low	Operations, Bus Eth, Employee, Customer, Soc & Comm
Amdocs Ltd	1.88	61	Outperformer	None	—
Northern Trust Corp	1.48	60	Outperformer	Moderate	Product & Service, Customer, Society & Community
Worst ESG Scores					
Stericycle Inc	0.99	35	Industry Laggard	Significant	Operations
Universal Health Services	1.06	35	Industry Laggard	High	Business Ethics, Customer
Loews Corp	2.26	37	Industry Laggard	Moderate	Customer, Society & Community
US Silica Holdings Inc	0.53	38	Underperformer	Low	Employee
AGNC Investment Corp	0.97	38	Underperformer	Low	Governance
Worst Controversy Levels					
Universal Health Services	1.06	35	Industry Laggard	High	Business Ethics, Customer

Morningstar's Sustainability Efforts So Far



Morningstar Sustainable Investing Ecosystem

Morningstar delivers sustainability data, tools, and ratings through a variety of platforms and services



Morningstar Sustainability Ratings and Analytics for 36,000 funds and ETFs

ESG Essentials

- ▶ Over 70 asset managers license Morningstar Sustainability Rating

QUARTERLY FACT SHEET 12.31.2017

Sustainable Equity



TICKERS Investor Class: AFDIX | I Class: AFEIX | A Class: AFDAX | C Class: AFDGX | R5 Class: AFDGX | R Class: AFDGX

Morningstar Sustainability Rating

Out of 671 Large Blend funds as of 11/30/17. Based on 99.20% of AUM. Sustainability Score as of 9/30/17. Sustainability Rating as of 11/30/17. Sustainability provides company-level analysis used in the calculation of Morningstar's Sustainability Score.

Goal and Strategy

Long-term capital growth with income as a secondary objective.

Distinguishing Characteristics

Invests in a blend of large value and large growth stocks while seeking to outperform the S&P 500 Index with a comparable dividend yield without taking on significant additional risk. The portfolio managers also take environmental, social and governance ("ESG") factors into account in making investment decisions.

Growth of a Hypothetical \$10,000 Investment



Performance (%)

Class	Qtr	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
-------	-----	--------	--------	--------	---------	-----------------	----------------



UBS International Sustainable Equity Fund

September 30, 2017

An international equity strategy seeking to maximize total return with a sustainable investment approach.

Aligned Ideals. The Fund focuses on the alignment of a traditional investment discipline with the concept of sustainability—the potential for long-term maintenance of environmental, economic and social well-being.

Value creation. As the pursuit of sustainability grows, so do opportunities to deliver positive returns with a positive impact. Using sustainability factors in addition to traditional investment factors can lead to better investment decisions. Our stringent analysis focuses on evaluating a company as a whole, not just its financial statements.

UBS: A leader in sustainability. Having managed institutional sustainable equity strategies for over 17 years, UBS has emerged as a leader in sustainable and responsible investing. The sustainable equity team leverages the firm's global equity research platform and its proprietary portfolio construction and risk management system.

Morningstar rankings (Foreign Large Blend category)¹

	1 yr.	3 yrs.	5 yrs.	10 yrs.
Fund ranking (percentile)	8	13	11	25
No. of Funds in category	736	598	533	344

Performance vs. benchmark²

	Average annual total return (%)					
	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.	Since Inception
UBS International Sustainable Equity Fund Class P Shares ³	23.86	22.72	7.05	9.59	2.17	5.25
UBS International Sustainable Equity Fund Class A Shares ³	23.67	22.49	6.80	9.34	1.93	4.10
after maximum sales charge of 5.50%	16.89	15.70	4.81	8.12	1.35	3.81
MSCI World ex USA Index (net)	19.74	19.32	4.80	7.95	1.37	5.43

Morningstar rating¹

Overall ★★★★★

Rated against 598 funds for the overall period. Morningstar ratings are based on historical risk-adjusted return. The Overall Morningstar RatingTM for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year Morningstar RatingTM metrics.

Morningstar Sustainability Rating¹

Overall

Out of 295 Foreign Large Blend funds as of 6/30/2017. Based on 95.92% of AUM.

Portfolio Product Involvement Helps Investors Align with Their Values

*Untitled List/Screen		*Untitled Column Set					
58							
Name	Morningstar Category	Morningstar Sustainability Rating	Portfolio Sustainability Score	Product Involvement Alcohol (mo-end)	Product Involvement Category Average Alcohol (mo-end)	Product Involvement Controversial Weapons (mo-end)	Pro
1 Aberdeen Global World Equity A2 USD	Global Large-Cap Blend Equity	●●●●●	49.12	–	1.70	1.57	
2 Allianz US Equity I USD	US Large-Cap Blend Equity	●●●●●	–	–	0.78	–	
3 Allianz Valeurs Durables RC	Eurozone Large-Cap Equity	●●●●●	–	6.15	4.73	1.56	
4 Allianz Wachstum Euroland A EUR	Eurozone Large-Cap Equity	●●●●●	55.43	5.30	4.73	–	
5 Amana Growth Investor	Large Growth	●●●●●	–	–	1.20	2.82	
6 Amana Income Investor	Large Blend	●●●●●	–	–	0.85	4.04	
7 American Century NT Growth Institutional	Large Growth	●●●●●	46.32	–	1.20	2.03	
8 American Century Value A	Large Value	●●●●●	46.69	–	0.85	0.60	
9 Amundi Crédit Euro I C	EUR Corporate Bond	●●●●●	53.30	0.91	2.16	–	
10 Anima Geo Europa A	Europe Large-Cap Blend Equity	●●●●●	–	1.61	3.43	2.35	
11 BGF European A2	Europe Large-Cap Blend Equity	●●●●●	–	1.05	3.43	3.40	
12 BGF European Focus A2	Europe Large-Cap Blend Equity	●●●●●	–	–	3.43	4.77	
13 BNY Mellon Global Equity Inc EUR A Acc	Global Equity Income	●●●●●	51.57	2.97	2.29	0.96	

- ▶ Product Involvement for Portfolios assesses holdings exposure to: Adult Entertainment, Alcohol, Animal Testing, Contraceptives/Abortives/Stem cells, Controversial Weapons, Fur & Specialty Leather, Gambling, GMO, Military Contracting, Nuclear, Palm Oil, Pesticides, Small Arms, Thermal Coal, and Tobacco
- ▶ Product involvement addresses investor values, but is not incorporated into the Sustainability Rating

View and Screen ESG Company Data in Cloud

Investment Analysis | *Grid View

Search for Reports and Research

Grid View

Edit

1a Bill_ESG

6

Column Set

Show Peer Analytics

	Name	Ticker	Company Normalized Score - ESG (mo-end)	Company Normalized Score - Environmental (mo-end)	Company Normalized Score - Social (mo- end)	Company Normalized Score - Governance (mo-end)	Sustainalytics Score - ESG (mo-end)	Sustainalytics Score - Environmental (mo-end)	Sustainalytics Score - Social (mo-end)	Sustainalytics Score - Governance (mo-end)	Sustain Classifi
1	3M Co	MMM	61.63	53.25	66.93	66.13	64.00	53.00	70.00	73.00	Outperfo
2	Archer-Daniels Midland Co	ADM	49.32	50.89	45.38	53.44	58.00	60.00	52.00	65.00	Average
3	Berkshire Hathaway Inc A	BRK.A	40.66	45.96	35.70	39.53	46.00	42.00	51.00	44.00	Underpei
4	Bob Evans Farms Inc	BOBE	42.17	—	—	—	49.00	—	—	—	Average
5	Boeing Co	BA	40.64	47.42	36.05	41.80	55.00	61.00	44.00	60.00	Average
6	International Business Machines Corp	IBM	72.34	72.76	77.26	49.57	76.00	86.00	79.00	60.00	Industry

A Greener Way to Invest

Morningstar® Portfolio Carbon Metrics™ are designed to help investors evaluate their exposure to carbon risk amid a changing climate.



**Low
Carbon**



Portfolio Carbon Metrics in Signature Morningstar Report

Oppenheimer Global Equity UCITS Fund L1 USD Accumulated | ★★★★★ | Silver

Sustainability ⓘ



Average

Percent Rank in Category: 33

Category

Global Large-Cap Growth Equity

Sustainability Mandate?

No

Rating Calculation

Portfolio ESG	— Controversy Deduction	= Sustainability Score
56.11	6.77	49.34
Based on 99% of AUM	Based on 100% of AUM	

Sustainability Score as of 31 Mar 2018. Sustainability Rating as of 28 Feb 2018. Sustainalytics provides company-level analysis used in the calculation of Morningstar's Sustainability Score. Sustainability Mandate information is derived from the fund prospectus.

Morningstar Carbon Metrics ⓘ



| Category Best (Low) and Worst (High) | Category Average

Carbon Risk Score ⓘ



Fossil Fuel Involvement % ⓘ



- ▶ Available on Morningstar.com, Morningstar.co.uk, and Morningstar Cloud; added to European websites in June

Screen and View Portfolio Carbon Metrics in Morningstar Cloud

Investment Analysis *Equity Fund												
Search for Securities and Research...												
Grid View												
Performance Analyst Research Eq. Attribution Active Share Characteristics Holdings Allocation Style MPT Risk Factor Risk Premium ... + Edit												
* 1. Equity Fund List - MR												
0 25 Column Set Show Peer Analytics												
	Name	Morningstar Category	Total Ret % Rank Cat 3Y mo-end	Morningstar Rating 3Y	Morningstar Sustainability Rating	Low Carbon Designation (qtr-end)	% of AUM Covered - Carbon (qtr- end)	Carbon Risk Score (qtr- end)	Fund Fossil Fuel Involvement (qtr-end)	Carbon Risk Score Components Carbon Management (qtr- end)	Fund Carbon Involvement Carbon Solutions (qtr-end)	Carbon Score Ca (qtr)
<input type="checkbox"/>	1 AB Growth B	Large Growth	26	★★★★	⊕⊕⊕⊕	Yes	85.20	5.55	0.00	28.19	0.56	
<input type="checkbox"/>	2 AB Small Cap Growth A	Small Growth	13	★★★★	⊕⊕⊕⊕	No	18.19	—	1.00	—	0.81	
<input type="checkbox"/>	3 Alger Capital Appreciation B	Large Growth	63	★★★	⊕⊕⊕	Yes	95.13	6.48	1.69	27.23	1.03	
<input type="checkbox"/>	4 Alger Small Cap Focus I	Small Growth	11	★★★★	⊕⊕⊕⊕⊕⊕	No	26.67	—	0.00	—	0.00	
<input type="checkbox"/>	5 Delaware US Growth A	Large Growth	87	★★	⊕⊕⊕⊕⊕⊕	Yes	95.32	3.63	0.00	13.64	0.00	
<input type="checkbox"/>	6 Diamond Hill Small Cap A	Small Value	74	★★★	⊕⊕⊕⊕⊕	No	43.01	—	6.12	—	4.32	1
<input type="checkbox"/>	7 Dodge & Cox International Stock	Foreign Large Blend	91	★	⊕	No	93.98	11.38	9.21	34.00	14.08	1
<input type="checkbox"/>	8 Dodge & Cox Stock	Large Value	4	★★★★★	⊕⊕⊕⊕⊕	No	96.84	7.48	7.81	26.42	2.63	1
<input type="checkbox"/>	9 Dreyfus Core Equity A	Large Blend	60	★★★	⊕⊕⊕⊕⊕	No	99.07	7.69	6.70	36.23	0.00	1
<input type="checkbox"/>	10 Fairholme	Large Value	100	★	⊕	No	25.64	—	0.00	—	0.00	1
<input type="checkbox"/>	11 Fidelity® Blue Chip Growth	Large Growth	23	★★★★	⊕⊕⊕	Yes	89.67	6.59	2.98	30.87	3.68	
<input type="checkbox"/>	12 Fidelity® Contrafund®	Large Growth	21	★★★★	⊕⊕⊕	Yes	94.26	7.70	2.55	27.64	8.24	
<input type="checkbox"/>	13 Fidelity® New Millennium	Large Growth	69	★★	⊕	No	80.15	15.39	13.90	28.49	4.17	
<input type="checkbox"/>	14 Fidelity® Small Cap Discovery	Small Blend	81	★★	⊕⊕⊕⊕⊕	No	50.55	—	4.18	—	0.00	1
<input type="checkbox"/>	15 Loomis Sayles Value Y	Large Value	77	★★	⊕⊕⊕⊕	No	96.23	11.71	14.23	33.51	6.45	1
<input type="checkbox"/>	16 MainStay Large Cap Growth A	Large Growth	34	★★★	⊕⊕⊕⊕⊕	Yes	99.36	4.97	0.00	22.45	1.52	
<input type="checkbox"/>	17 MainStay MAP Equity I	Large Blend	75	★★	⊕⊕⊕	Yes	97.03	9.58	5.71	30.79	3.06	1
<input type="checkbox"/>	18 Templeton Foreign A	Foreign Large Value	78	★★	⊕⊕⊕	No	93.87	14.04	14.96	37.44	12.97	1
<input type="checkbox"/>	19 Thornburg Global Opportunities I	World Large Stock	92	★	⊕	No	90.79	12.32	7.77	31.24	0.00	1
<input type="checkbox"/>	20 TIAA-CREF Social Choice LwCrbn Eq Instl	Large Blend	—	—	⊕⊕⊕⊕⊕⊕	Yes	92.18	8.72	6.05	31.01	6.60	1
<input type="checkbox"/>	21 Touchstone Focused Y	Large Blend	60	★★★	⊕⊕⊕⊕⊕	Yes	97.33	7.80	4.88	27.53	11.69	1
<input type="checkbox"/>	22 Trillium Fossil Fuel Free Core Comp	Large Growth	—	★★	⊕⊕⊕⊕⊕⊕	Yes	94.50	7.97	0.00	31.46	6.67	
<input type="checkbox"/>	23 Vanguard Global Equity Inv	World Large Stock	19	★★★★	⊕⊕⊕⊕	Yes	86.79	9.83	4.59	30.65	5.54	1
<input type="checkbox"/>	24 Vanguard Institutional Index I	Large Blend	12	★★★★	⊕⊕⊕⊕	No	99.23	10.00	9.67	34.08	7.61	1
<input type="checkbox"/>	25 Vanguard Small Cap Index Inv	Small Blend	42	★★★	⊕⊕⊕⊕⊕	No	49.14	—	4.94	—	2.21	1

Sustainable Investing Research

Research, articles and education on sustainable investing

- ▶ Weekly thought pieces on 11 Morningstar local websites reaching 10million+ investors
 - ▶ 1200 Morningstar ESG media mentions in 2017 including FT, WSJ, Barron's
 - ▶ Advisor education
 - ▶ Expert source for media
 - ▶ Biweekly research articles/videos
 - ▶ In-depth research papers
 - ▶ Participation and visibility in field,
- Local presence in 27 countries.

▪ More on Bonds

The Morningstar Sustainability Rating for Funds



SUSTAINABILITY MATTERS

Untangling Sustainable Investing Terminology

Jon Hale says the language and the field have evolved from the early days of "socially responsible investing."

▪ The Morningstar Sustainability Rating for Funds

SUSTAINABILITY MATTERS

Investing for Sustainability and Impact

5 funds that achieve impact alongside competitive financial return.

SUSTAINABILITY MATTERS

5 Medalists With 5-Globe Ratings and 'Intent'

For intentional ESG funds, the Sustainability Rating is a reality check.

SUSTAINABILITY MATTERS

Sustainable Funds Universe Continues to Expand

The third quarter saw more funds reach viability, and more choice in emerging-markets equity and fixed income.

LEARN MORE

A Global Standard for Sustainable Investing

The Morningstar Sustainability Rating for funds is a new way for investors to evaluate how well the companies in a fund's portfolio are managing the environmental, social, and governance—or ESG—investing factors relevant to their industries.