EUREX Architects of trusted markets

# MSCI ESG Derivatives

## PIONEERING SUSTAINABLE DERIVATIVES

**Launched in March 2020, Eurex leveraged its first-mover advantage and became the global leader in ESG derivatives with the most extensive offering of sustainable MSCI derivatives.**

Eurex is supporting asset managers in switching to sustainable investments, offering five sustainable versions of key regional, local and global MSCI benchmarks derivatives.

Eurex's MSCI index-based derivatives offering is worldwide, the broadest tradeable offering on a single platform. The ESG Screened versions of MSCI indexes cover the U.S., emerging markets (EM), developed markets outside the U.S. & Canada (EAFE), Japan and the world, stimulating growth in the entire ESG segment.

The underlying MSCI ESG Screened Indexes follow a negative ESG screening or exclusions methodology, reflecting investors' most common concerns. Exclusions aim to help avoid stocks that carry reputational risk and are considered controversial. This filters out components from a standard MSCI benchmark – such as controversial weapons companies, tobacco manufacturers or companies deriving revenues from thermal coal and companies not complying with UN Global Compact Principles. MSCI Screened provides investors with a transparent, consistent and more efficient option for those seeking to implement exclusion.

Next to the MSCI ESG derivatives, we also offer STOXX® ESG derivatives. More information can be found on our website.

## What are the key benefits?

**Exclusion reflects investors' most common concerns**
Underlying MSCI ESG Screened Indexes follow a negative ESG screening or exclusions methodology, which reflects investors' most common concerns.

**Based on very liquid global, regional and local benchmarks, supported by market makers**
ESG Screened versions cover the U.S., emerging markets (EM), developed markets outside the U.S. & Canada (EAFE), Japan and the world.

**Low tracking error with similar risk/return profile**
Benchmark indices with risk-return profile and reduced tracking error similar to the parent index.

**Cost efficient to incorporate ESG into investment strategies and manage undesired sustainability risks**

## Contract specifications

| | MSCI World ESG Screened futures | MSCI EM ESG Screened futures | MSCI EAFE ESG Screened futures | MSCI USA ESG Screened futures | MSCI Japan ESG Screened futures |
|---|---|---|---|---|---|
| **Eurex product code** | FMSW | FMSM | FMSF | FMSU | FMSJ |
| **Index type** | USD/NTR | USD/NTR | USD/NTR | USD/NTR | USD/NTR |
| **Bloomberg product code** | HRLA | HRRA | HRWA | HRIA | HRYA |
| **Contract multiplier (USD)** | USD 10 per index point | | | | |
| **Minimum price change** | USD 0.5 index points | | | | |
| **Minimum block trade size** | 100 | 50 | 50 | 100 | 50 |
| **Price quotation** | In points with two decimal places | | | | |
| **Contract months/maturities** | Up to 36 months; quarterly months | | | | |
| **Daily settlement price** | Volume-weighted average during the last minute before 17:30 CET | | | | |
| **Settlement** | Cash settlement, payable on the first exchange day following the final settlement day | | | | |
| **Final settlement price** | The final settlement price for MSCI ESG Screened derivatives is the index closing price on the last trading day. | | | | |
| **Last trading day** | 3rd Friday of each expiration month if this is an exchange day; otherwise the exchange day immediately preceding that day. Close of trading in the maturing futures on the last trading day is at 22:00 CET/CEST. | | | | |
| **Final settlement day** | The final settlement day is the trading day following the last trading day. | | | | |
| **Trading hours (CET)** | **Onbook** Pre-Trading Period: 01:00–01:10; Continuous Trading: 01:10–22:00; Post-Trading Period: 22:00–22:10<br>**Offbook** Trading Period: 01:15–22:00; Post-Trading Period: 22:00–22:10 | | | | |
| **Flexible contracts** | Available | | | | |
| **CFTC approved** | Yes | | | | |

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**www.eurex.com/esg**