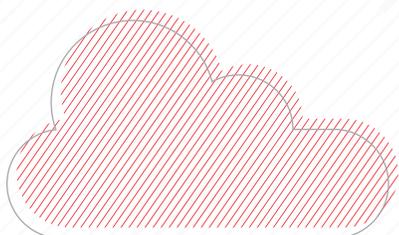
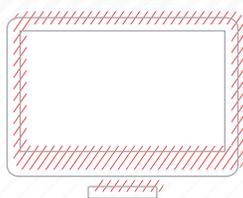
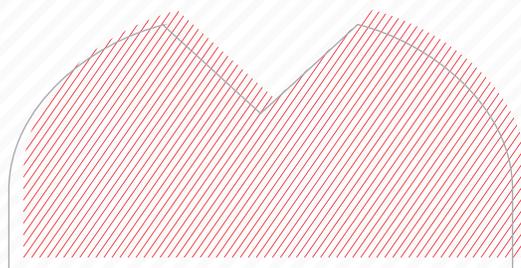
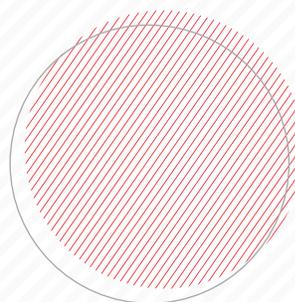


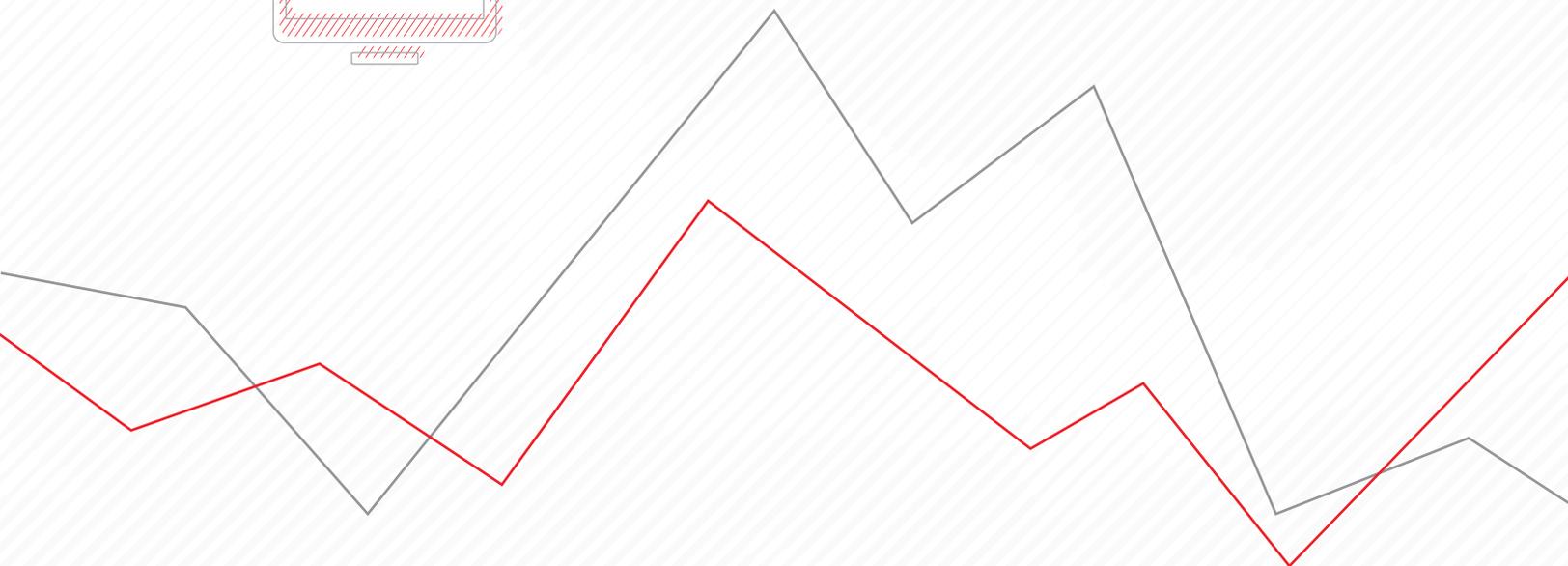
Creating an ESG-Enhanced Model Portfolio



Exercise Guide



MORNINGSTAR Direct



Copyright © 2021 Morningstar, Inc. All rights reserved.

The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; (3) is not warranted to be accurate, complete or timely; and (4) does not constitute advice of any kind. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Any statements that are nonfactual in nature constitute opinions only, are subject to change without notice, and may not be consistent across Morningstar. Past performance is no guarantee of future results.

Contents

Overview	4
Finding Low Carbon Fossil Fuel Funds	6
Overview	6
Exercise 1: Find the Morningstar ESG Commitment Level methodology paper	6
Exercise 2: Create a search criteria	8
Investigating Low Carbon Fossil Fuel Funds	11
Overview	11
Exercise 3: Create a custom data set	11
Exercise 4: Sort a data set	13
Exercise 5: Analyze company level ESG data	14
Creating a Model Portfolio	15
Overview	15
Exercise 6: Sort a data set	15
Exercise 7: Save funds to a list	16
Exercise 8: Create a Model Portfolio	17
Creating a Presentation Studio Report	22
Overview	22
Exercise 9: Create a Presentation Studio report	22

Creating an ESG-Enhanced Model Portfolio

This exercise guide shows clients how to use Morningstar DirectSM to find research from Morningstar on the topic of ESG Commitment Level, discover sustainable funds, and analyze the sustainability data for these funds. Learning about this content and capabilities offers a unique and insightful perspective when it comes to reviewing sustainable funds and creating a model portfolio comprised of these investments.

The Morningstar ESG Commitment Level expresses a Morningstar analyst's assessment of how individual strategies and asset managers incorporate ESG factors into their investment processes. It is assigned to both strategies and asset managers following a four-tier scale:

- ▶ Leader
- ▶ Advanced
- ▶ Basic, and
- ▶ Low.

The Morningstar ESG Commitment Level is a qualitative assessment, providing rich context, detail, and insights on both asset managers and strategies. The written assessment sheds light on the true practices of the strategies, offering a unique lens from Morningstar on how ESG is incorporated (or not) into the investment approach. Morningstar ESG Commitment Levels are assigned to strategies and asset managers.

☞ For more information on the Morningstar ESG Commitment Level data point, see [Exercise 1 on page 5](#).

This exercise guide covers the following topics:

- ▶ [Finding Low Carbon Fossil Fuel Funds \(page 5\)](#)
- ▶ [Investigating Low Carbon Funds \(page 9\)](#)
- ▶ [Creating a Model Portfolio \(page 17\)](#)
- ▶ [Creating a Presentation Studio Report \(page 24\)](#)

Overview

Finding Low Carbon Fossil Fuel Funds

Mark works on the Portfolio Management team at XYZ Wealth Advisors. He is creating an ESG model portfolio focusing on low carbon fossil fuel funds, to align with clients stating this as a concern of theirs when investing. The Morningstar Sustainability Rating™ and Low Carbon Designation™ are two of the available sustainability measures to calculate how a portfolio is meeting environmental, social, and corporate governance challenges. In addition to the Morningstar Sustainability Rating™ and Low Carbon Designation™, Morningstar released a new ESG measure, the Morningstar ESG Commitment Level, to give clients additional insight into a fund's commitment to ESG issues.

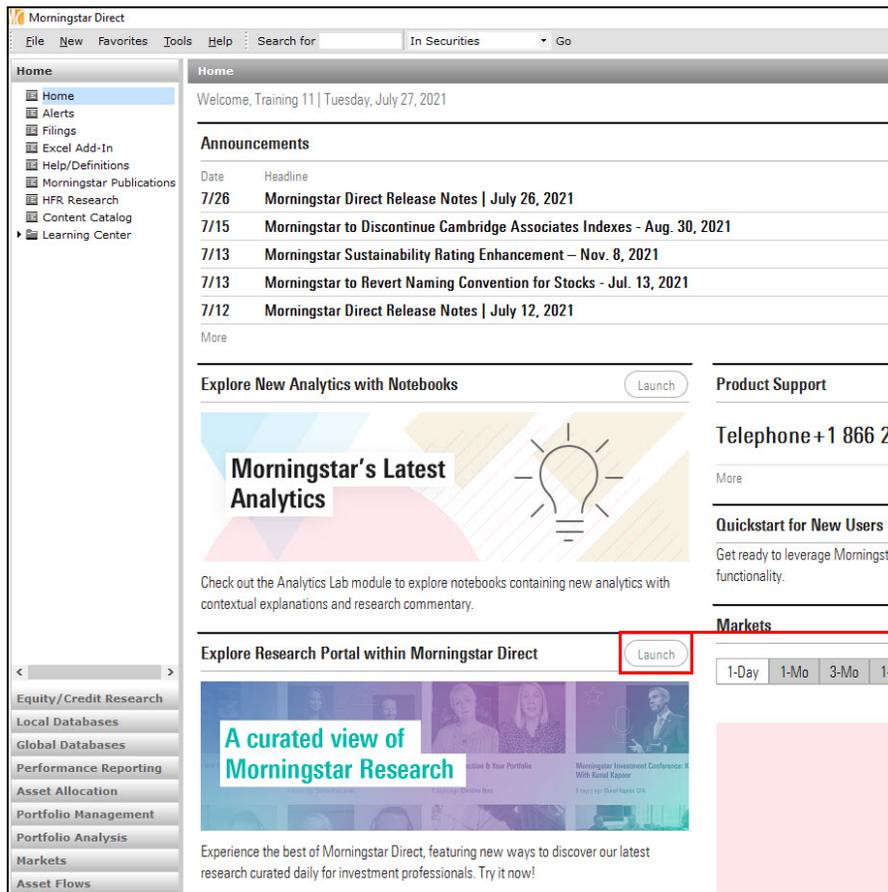
The Morningstar ESG Commitment Level, paired with other sustainability metrics, allows Mark to fully assess a fund's commitment and perform his due diligence in selecting sustainable funds for an ESG portfolio.

Overview

To find the Morningstar ESG Commitment Level methodology paper, do the following:

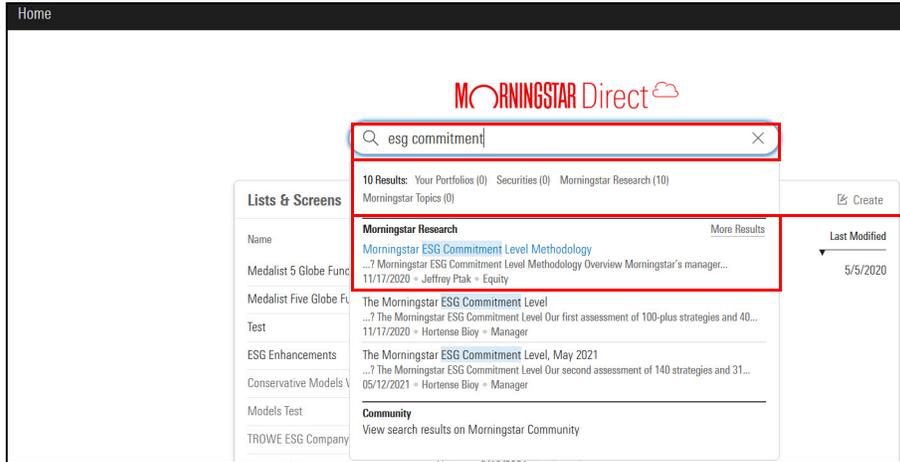
1. **Login** to Morningstar Direct.
2. On the Home page, in the Research Portal widget, click **Launch**. The Research Portal opens in a browser.

Exercise 1: Find the Morningstar ESG Commitment Level methodology paper



Use this button to access the Research Portal.

- In the **search field**, type **esg commitment**, then select the **Morningstar ESG Commitment Level Methodology** under the Morningstar Research heading. The paper opens.



Clients can include terms in the body of an article or in the title and the search feature will find the best match.

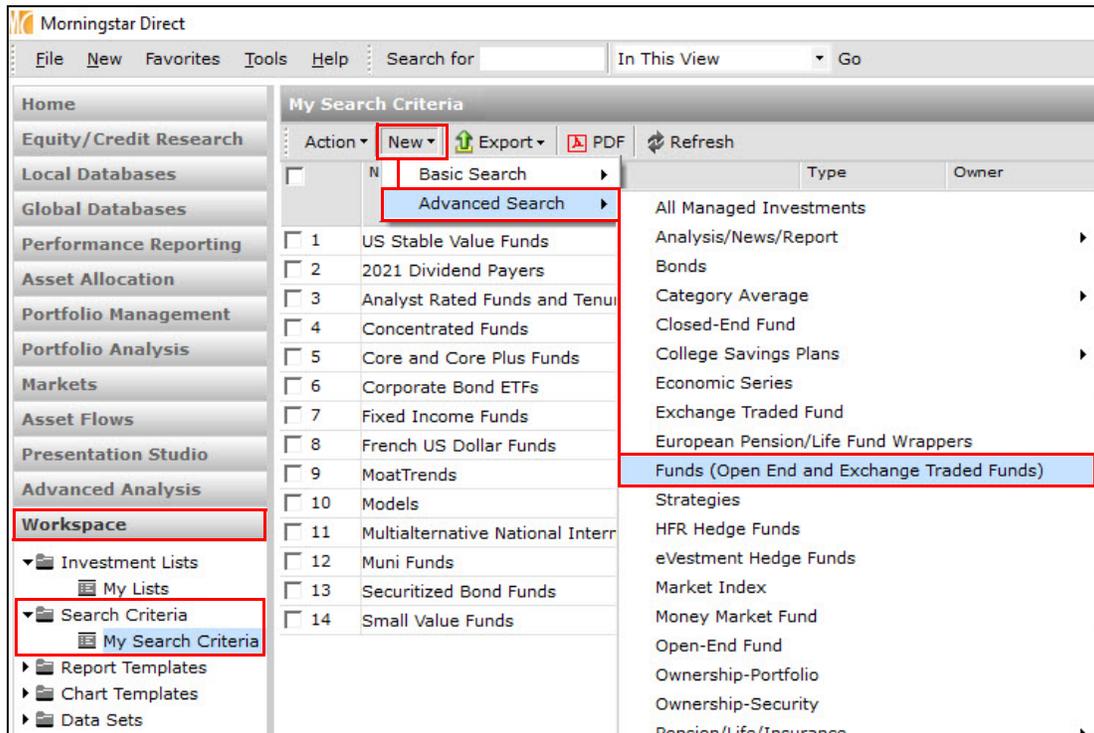
- Read the methodology paper.

Note: To easily find this paper for re-reading or sharing with others, click the **Bookmark** icon in the top-right corner of the screen.

This exercise shows clients how to find sustainable funds with a Low Carbon Designation. The Low Carbon Designation is assigned to funds with low carbon-risk scores and low levels of fossil-fuel exposure. Do the following:

Exercise 2: Search for sustainable, low-carbon medalist funds

1. Return to Morningstar Direct and select the **Workspace** module
2. Select **Search Criteria > My Search Criteria**. The My Search Criteria area opens.
3. From the toolbar above the grid view, click **New > Advanced Search > Funds (Open End and Exchange Traded Funds)**. The search criteria window opens..



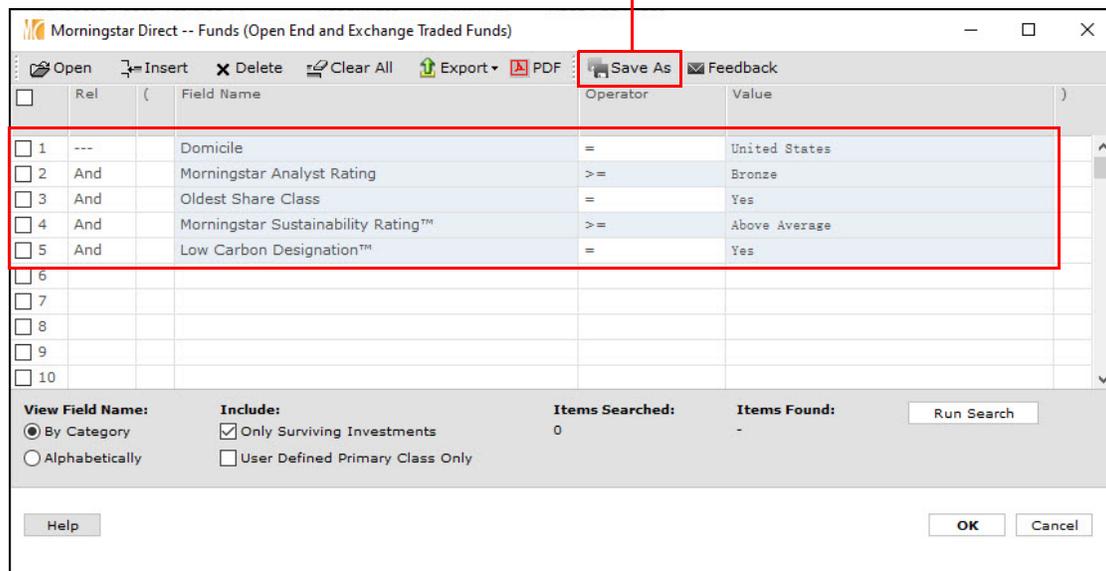
Use this button to create a new search.

4. This search requires multiple criteria, as shown in the following table:

Rel	(Field Name	Operator	Value)
--		Domicile	=	Unites States	
And		Morningstar Analyst Rating	>=	Bronze	
And		Oldest Share Class	=	Yes	
And		Morningstar Sustainability Rating™	>=	Above Average	
And		Low Carbon Designation™	=	Yes	

Note: Domicile, Oldest Share Class, and Morningstar Analyst Rating are found in the Snapshot view. Morningstar Sustainability Rating™ is found in the Sustainability: ESG Risk (Fund) view and Low Carbon Designation™ is found in the Sustainability: Carbon Risk (Fund) view.

Use this icon to save the search criteria (note that investments matching the criteria will change over time).



5. Click **Run Search**. The number of Items Found is shown.
6. From the toolbar at the top of the window, click **Save As**, then name the search **Low Carbon Sustainable Funds**.
7. Click **OK** to close the Save As window.
8. Click **OK** to close the Search Criteria window and view the search results.

Investigating Low Carbon Funds

The previous exercise showed clients how to find low-carbon funds. The next step is to investigate the Sustainability data for these funds, to see in the following exercises:

- ▶ [Curate a set of sustainability data points on page 9](#)
- ▶ [Sort the data set by two data points on page 12](#)
- ▶ [Analyze company-level Sustainability and Low Carbon data on page 14](#)

Overview

Morningstar provides dozens of default data sets with curated data points. These data sets are helpful for investigating investments, but clients can also leverage the data available to them by creating their own custom data sets. This exercise shows clients how to investigate the funds they found by creating a custom data set. To create a custom data set, do the following:

Exercise 3: Curate a set of sustainability data points

1. From the toolbar, click **Edit Data**. The Select Data Points window opens.

Use this icon to create a custom data set.

The screenshot shows the Morningstar Direct interface. On the left is a navigation menu with categories like Home, Equity/Credit Research, Local Databases, Global Databases, Performance Reporting, Asset Allocation, Portfolio Management, Portfolio Analysis, Markets, and Asset Flows. The main area displays 'My Lists' with an 'Untitled Investment List'. Below this is a toolbar with 'Action', 'View', 'Snapshot', 'Save', 'Add', 'Edit Data', and 'Sort'. The 'Edit Data' button is highlighted with a red box. Below the toolbar is a table with columns: Name, Base Currency, Ticker, and ISIN. The table contains 7 rows of investment data.

	Name	Base Currency	Ticker	ISIN
<input type="checkbox"/>	1 AB Concentrated Growth Advisor	US Dollar	WPSGX	US01878T8
<input type="checkbox"/>	2 Aberdeen Emerging Markets Instl	US Dollar	ABEMX	US0030217
<input type="checkbox"/>	3 Akre Focus Instl	US Dollar	AKRIX	US7429351
<input type="checkbox"/>	4 Amana Growth Investor	US Dollar	AMAGX	US0228652
<input type="checkbox"/>	5 American Funds New World A	US Dollar	NEWFX	US6492801
<input type="checkbox"/>	6 Artisan Developing World Institutional	US Dollar	APHYX	US04314H3
<input type="checkbox"/>	7 Artisan Global Opportunities Inv	US Dollar	ARTRX	US04314H3

2. From the Selected Data Points section, click **Remove All**. Every data point except Name is removed.

3. **Add** the following data points:

☞ Note: Select the correct view to find each data point.

View	Data Point
Snapshot	Ticker
Snapshot	Global Category
Snapshot	Morningstar Category
Snapshot	Morningstar Analyst Rating
Sustainability: ESG Risk (Fund)	Morningstar Sustainability Rating
Sustainability: Carbon Risk (Fund)	Low Carbon Designation
Sustainability: Carbon Risk (Fund)	12 Month Average Carbon Risk Score
Sustainability: Carbon Risk (Fund)	12 Month Average Fossil Fuel Exposure
Intentional Attributes: Sustainable Investment	Sustainable Investment - Overall
Morningstar Ratings and Grades	Morningstar ESG Commitment Level Strategy Assessment
Morningstar Ratings and Grades	Morningstar ESG Commitment Level Strategy Assessment Analyst
Morningstar Ratings and Grades	Morningstar ESG Commitment Level Asset Manager Assessment
Morningstar Ratings and Grades	Morningstar ESG Commitment Level Asset Manager Assessment Analyst
Proxy Data: Shareholder Resolutions (Fund)	% Support - Climate Change
Proxy Data: Shareholder Resolutions (Fund)	% Support - Environment
Proxy Data: Shareholder Resolutions (Fund)	% Against - Climate Change
Proxy Data: Shareholder Resolutions (Fund)	% Against - Environment
Proxy Data: Shareholder Resolutions (Fund)	Votes Counted - Climate Change
Proxy Data: Shareholder Resolutions (Fund)	Votes Counted - Environment

- Click **Save**.

Select Data Points

Choose a Universe, then locate data points by selecting an existing view, or searching by name. To change the general or calculation settings of a selected point, use the Settings button.

Available Data Lists

Universe: Funds (Open End and Exchange Traded Funds)

Find Data Point By: View Name containing

Proxy Data: Shareholder Resolutions (Fund)

Available Data Points

Total Data Points: 66

- % Abstained - Executive Compensation
- % Abstained - Other Gov
- % Abstained - Shareholder Rights
- % Abstained - Shareholder Meetings and Proxy Process
- % Abstained - Strategy/Business
- Votes Counted - Climate Change
- Votes Counted - Environment**
- Votes Counted - ESG Governance Arrangements
- Votes Counted - Human and Workers' Rights

Add Add All

Selected Data Points

Total Data Points: 20

- Name**
- Ticker
- Global Category
- Morningstar Category
- Morningstar Analyst Rating
- Morningstar Sustainability Rating™
- Low Carbon Designation™
- 12 Month Average Carbon Risk Score
- 12 Month Average Fossil Fuel Exposure

Settings Remove Remove All

Save OK Cancel Help

Once all data points are selected, use this button to save the data set.

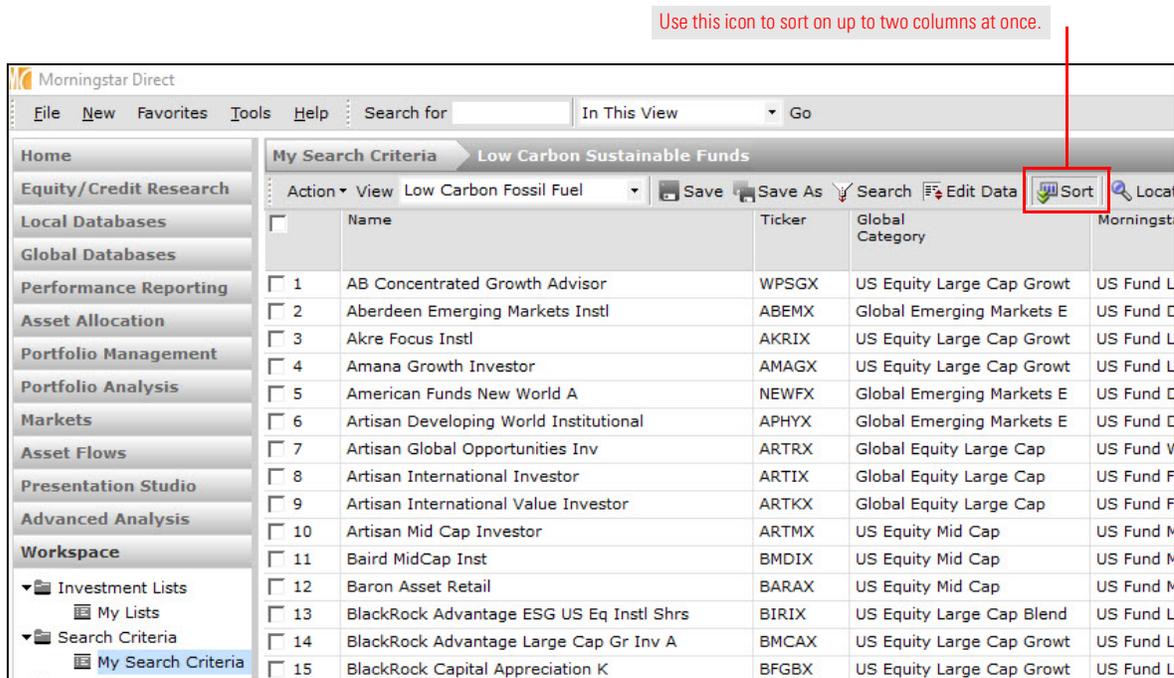
- Name the data set **Low Carbon Fossil Fuel**, then click **OK**.
- Click **OK** to close the Select Data Points window.

The Sort button in Morningstar Direct allows clients to sort by up to two data points. This exercise shows clients how to sort by Primary Rank and Secondary Rank data points, to better analyze the data showing in the grid.

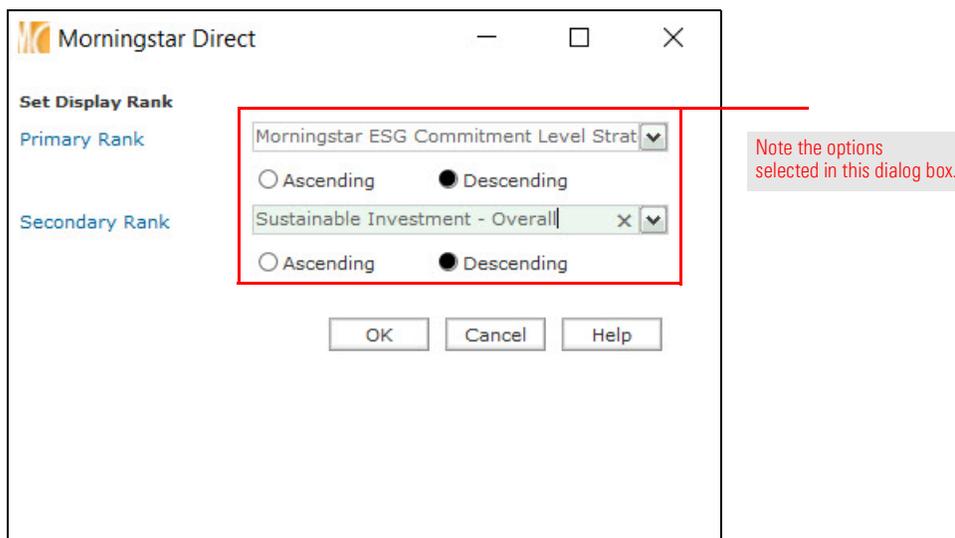
Exercise 4: Sort the data set by two data points

To sort data in the grid, do the following:

1. From the toolbar, click **Sort**. The Sort window opens.



2. From the **Primary Rank** drop-down field, select **Morningstar ESG Commitment Level Strategy Assessment**.
3. From the **Primary Rank** section, select the option for **Descending**.
4. From the **Secondary Rank** drop-down field, select **Sustainable Investment Overall**.
5. From the **Secondary Rank** section, select the option for **Descending**.



6. Click **OK** to close the Sort dialog box. The grid view refreshes.
7. Click **Save** to make the sort order part of the custom view.
8. Answer the following questions:

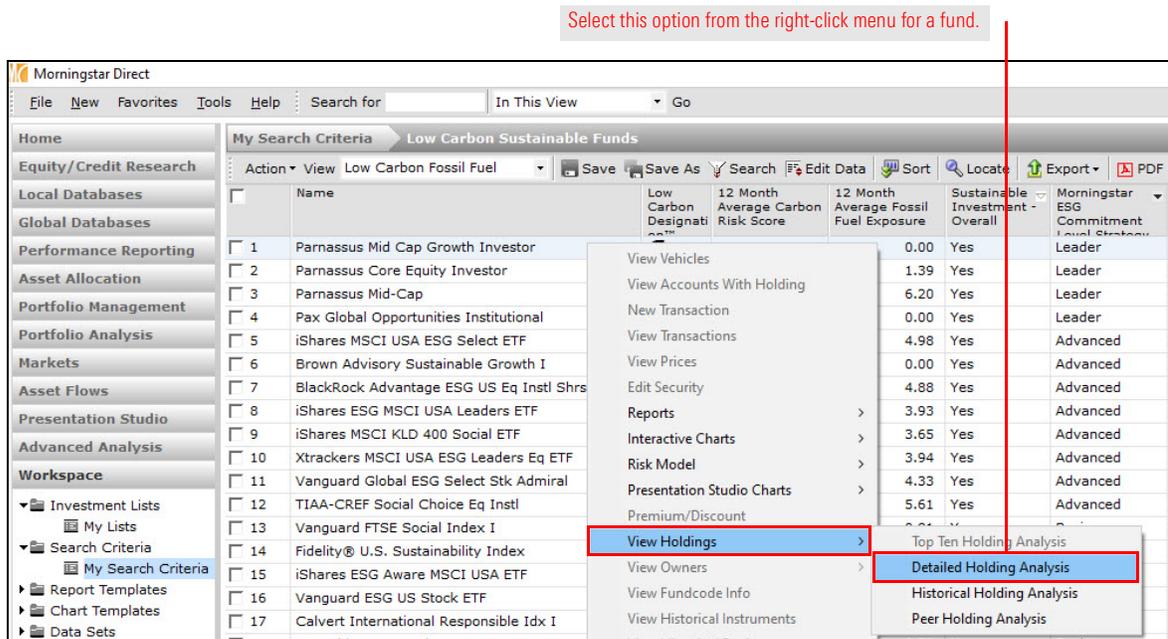
How many funds receiving a Leader or Advanced ESG Commitment Level Strategy Assessment are also intentionally sustainable?	
From the funds you noted above, did any vote against Climate Change or Environment shareholder resolutions?	
If you replied "yes" to the previous question, how many votes were counted for those issues?	

Thus far, you have identified funds scoring well when considering sustainability, low carbon exposure, and expected performance, and constructed a custom data set to better analyze their ESG Commitment Level and proxy voting activity. While these funds may have a strong Morningstar Sustainability Rating and Low Carbon Designation, as well as a demonstrated commitment to ESG issues, it does not mean their portfolios contain only stocks scoring well from a Sustainability or Low Carbon perspective.

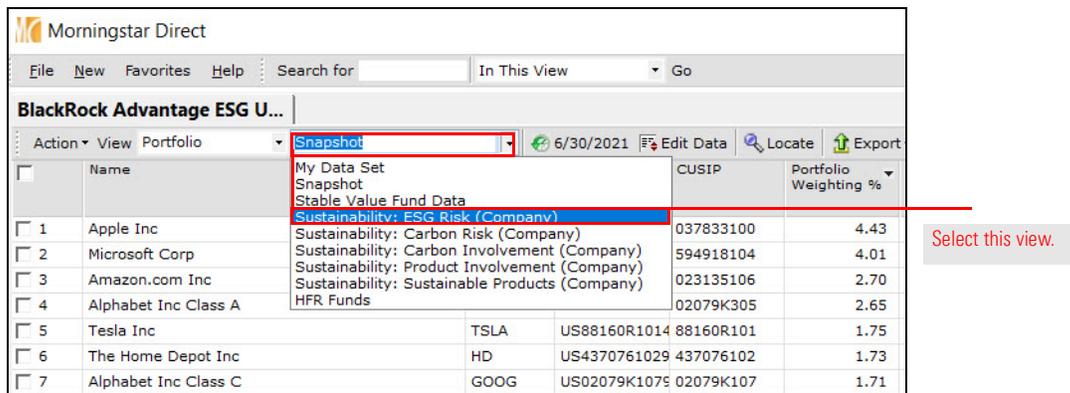
Exercise 5: Analyze company-level Sustainability and Low Carbon data

In this exercise, clients will analyze the company-level ESG data for a fund. To analyze company-level Sustainability and Carbon data, do the following:

1. Identify a fund from the last exercise designated as a Leader on the ESG Commitment Level data point, then **right-click** on its row and select **View Holdings > Detailed Holding Analysis**. The Detailed Holding Analysis window opens.



2. From the **View** drop-down field, select **Sustainability: ESG Risk (Company)**.



3. Find the **ESG Risk Rating Assessment** column, then **sort** in **ascending order**.

☞ Note: Maximize the window to make it easier to read.

4. **Answer** the following questions:

Which holdings received a one-globe ESG Risk Rating?	
Scroll to the right to view the Notable Material ESG Issues. What are the most common issues for these holdings?	

5. From the **View** drop-down field, select **Sustainability: Carbon Risk (Company)**.

6. Sort the **Carbon Overall Risk Score** column and sort it in descending order.

Be sure to select the correct view and sort the correct column in the right direction.

	Name	Detail Holding Type	SecId	Portfolio Weighting %	Carbon Overall Risk Score	Carbon Overall Risk Classification	
<input type="checkbox"/>	1	EQT Corp	EQUITY	0P00000206	0.04	49.66	High Risk
<input type="checkbox"/>	2	Chevron Corp	EQUITY	0P00000185	0.31	48.59	High Risk
<input type="checkbox"/>	3	ConocoPhillips	EQUITY	0P000001GE	0.21	43.26	High Risk
<input type="checkbox"/>	4	Phillips 66	EQUITY	0P0000VW84	0.04	42.34	High Risk
<input type="checkbox"/>	5	Hess Corp	EQUITY	0P000000BN	0.96	41.43	High Risk
<input type="checkbox"/>	6	Woodward Inc	EQUITY	0P000005ZK	0.67	32.45	High Risk
<input type="checkbox"/>	7	Teledyne Technologies Inc	EQUITY	0P000005CT	0.04	32.40	High Risk
<input type="checkbox"/>	8	Mercury Systems Inc	EQUITY	0P000003KG	0.00	32.29	High Risk
<input type="checkbox"/>	9	Caterpillar Inc	EQUITY	0P0000014I	0.42	31.96	High Risk
<input type="checkbox"/>	10	Spirit AeroSystems Holdings Inc Class A	EQUITY	0P00006TTA	0.01	30.56	High Risk
<input type="checkbox"/>	11	Curtiss-Wright Corp	EQUITY	0P000001KX	0.01	29.45	Medium Risk
<input type="checkbox"/>	12	Heico Corp	EQUITY	0P000002N5	0.01	28.71	Medium Risk
<input type="checkbox"/>	13	Heico Corp Class A	EQUITY	0P00000682	0.02	28.71	Medium Risk
<input type="checkbox"/>	14	ChampionX Corp	EQUITY	0P0001D6J1	0.02	28.69	Medium Risk

7. **Answer** the following questions:

Which holdings received a Carbon Overall Risk Classification of High Risk?	
What is the total portfolio weight of these holdings?	

8. **Close** the Detailed Holding Analysis window.

Creating a Model Portfolio

Manually creating a model portfolio in Morningstar Direct involves the following basic process:

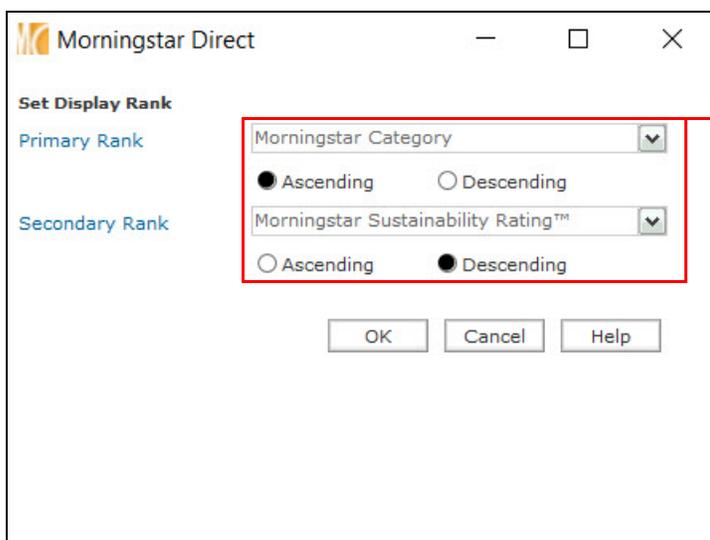
1. Determine how frequently the model should be rebalanced (if ever)
2. Select investments for the model portfolio
3. Assign weights to the holdings, and
4. Save the model portfolio.

In this section, clients will use the custom data set created in [Exercise 3 on page 9](#) to select 10 funds to save to an investment list, then create a model portfolio in the following exercises:

- ▶ [Sort the custom data set by Morningstar Category and Morningstar Sustainability Rating™ on page 17](#)
- ▶ [Save select funds to a list on page 18](#)
- ▶ [Create a model portfolio on page 19](#)

This exercise shows clients how to sort the data in the grid view by the Morningstar Category and Morningstar Sustainability Rating data points. This will make it easy to both select a diverse set of funds for the model portfolio, and filter the funds with the best Morningstar Sustainability Rating to the top of each category grouping. To sort the data set, do the following:

1. From the toolbar, click **Sort**. The Sort window opens.
2. From the **Primary Rank** drop-down, select **Morningstar Category**.
3. From the **Secondary Rank** drop-down, select **Morningstar Sustainability Rating™**.
4. From the **Secondary Rank** section, select **Descending**.



Overview

Exercise 6: Sort the custom data set by Morningstar Category and Morningstar Sustainability Rating™

5. Click **OK**. The grid view updates.

This exercise shows clients how to save funds to an investment list. The investment list will in turn be used to create a model portfolio. Therefore, the list should be diverse and contain funds from different Morningstar categories.

Exercise 7: Save select funds to a list

To save funds to a list, do the following:

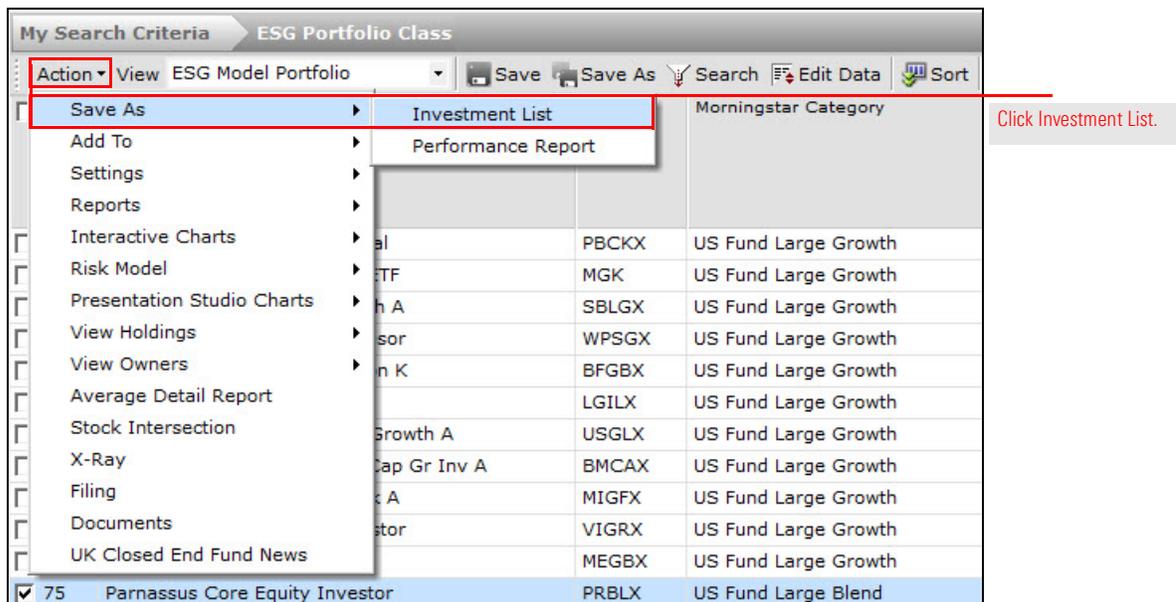
1. **Scroll** through the list of funds and select **10 funds** with a five-globe Morningstar Sustainability Rating. Each fund should be from a unique Morningstar Category.

Note: If multiple funds in a category match this requirement, use the other data columns present to help guide your choice.

My Search Criteria ESG Portfolio Class											
Action	View	ESG Model Portfolio	Save	Save As	Search	Edit Data	Sort	Locate	Export	PDF	
	Name	Ticker	Morningstar Category	Morningstar Analyst Rating	Morningstar Sustainability Rating™	Low Carbon Designation™					
<input type="checkbox"/>	64	Principal Blue Chip Institutional	PBCKX	US Fund Large Growth	Silver	★★★★★	✓				
<input type="checkbox"/>	65	Vanguard Mega Cap Growth ETF	MGK	US Fund Large Growth	Silver	★★★★★	✓				
<input type="checkbox"/>	66	ClearBridge Large Cap Growth A	SBLGX	US Fund Large Growth	Bronze	★★★★★	✓				
<input type="checkbox"/>	67	AB Concentrated Growth Advisor	WPSGX	US Fund Large Growth	Bronze	★★★★★	✓				
<input type="checkbox"/>	68	BlackRock Capital Appreciation K	BFGBX	US Fund Large Growth	Silver	★★★★★	✓				
<input type="checkbox"/>	69	Laudus US Large Cap Growth	LGILX	US Fund Large Growth	Silver	★★★★★	✓				
<input type="checkbox"/>	70	JHancock US Global Leaders Growth A	USGLX	US Fund Large Growth	Bronze	★★★★★	✓				
<input type="checkbox"/>	71	BlackRock Advantage Large Cap Gr Inv A	BMCAV	US Fund Large Growth	Bronze	★★★★★	✓				
<input type="checkbox"/>	72	MFS Massachusetts Inv Gr Stk A	MIGFX	US Fund Large Growth	Silver	★★★★★	✓				
<input type="checkbox"/>	73	Vanguard Growth Index Investor	VIGRX	US Fund Large Growth	Silver	★★★★★	✓				
<input type="checkbox"/>	74	MFS Growth B	MEGBX	US Fund Large Growth	Bronze	★★★★★	✓				
<input checked="" type="checkbox"/>	75	Parnassus Core Equity Investor	PRBLX	US Fund Large Blend	Silver	★★★★★	✓				
<input type="checkbox"/>	76	iShares MSCI KLD 400 Social ETF	DSI	US Fund Large Blend	Bronze	★★★★★	✓				
<input type="checkbox"/>	77	Fidelity® U.S. Sustainability Index	FITLX	US Fund Large Blend	Silver	★★★★★	✓				
<input type="checkbox"/>	78	iShares ESG MSCI USA Leaders ETF	SUSL	US Fund Large Blend	Silver	★★★★★	✓				
<input type="checkbox"/>	79	Xtrackers MSCI USA ESG Leaders Eq ETF	USSG	US Fund Large Blend	Bronze	★★★★★	✓				
<input type="checkbox"/>	80	Neuberger Berman Sustainable Eq Investor	NBSRX	US Fund Large Blend	Bronze	★★★★★	✓				
<input type="checkbox"/>	81	iShares MSCI USA ESG Select ETF	SUSA	US Fund Large Blend	Bronze	★★★★★	✓				
<input type="checkbox"/>	82	Goldman Sachs ActiveBeta® US LgCp Eq ETF	GSLC	US Fund Large Blend	Silver	★★★★★	✓				
<input type="checkbox"/>	83	BNY Mellon Appreciation Investor	DGAGX	US Fund Large Blend	Bronze	★★★★★	✓				
<input type="checkbox"/>	84	Vanguard ESG US Stock ETF	ESGV	US Fund Large Blend	Silver	★★★★★	✓				
<input type="checkbox"/>	85	Invesco S&P 500® Quality ETF	SPHQ	US Fund Large Blend	Silver	★★★★★	✓				

Check the box next to a fund to select it.

- From the toolbar, click **Action > Save As > Investment List**. The Save As window opens.



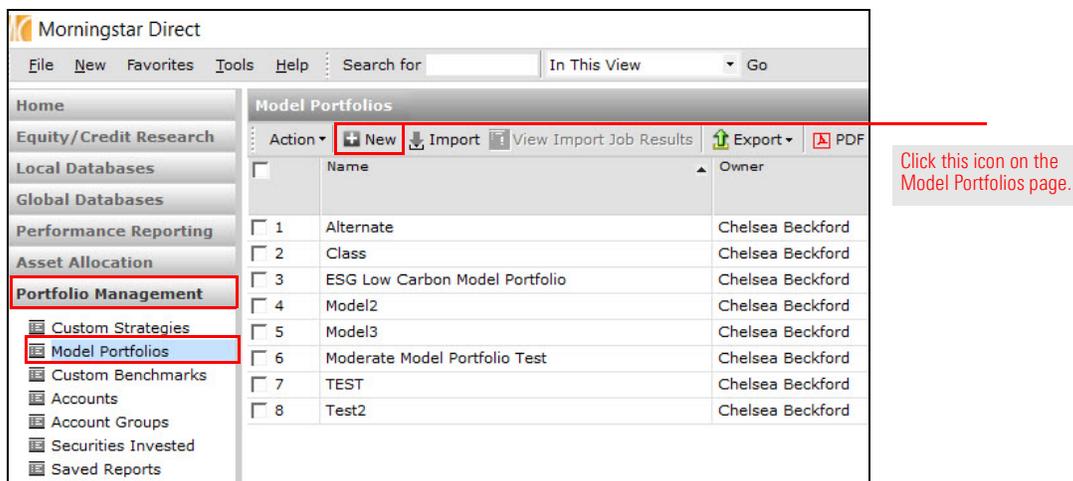
- Name the list **ESG Model Portfolio Funds**, then click **OK**.

Note: When prompted to save your changes, click **No**.

Now that the funds have been selected, the next step is to create a model portfolio. To create a model portfolio, do the following:

Exercise 8: Create a model portfolio

- Select the **Portfolio Management** module, then select the **Model Portfolios** page. The Model Portfolios page opens.
- From the toolbar, click **New**. The Model Portfolio Basics window opens.



3. **Name** the Model Portfolio **ESG Low Carbon Model Portfolio**.
4. **Scroll down** to the **Performance calculation start date** field and select **Earliest Common**.

Morningstar Direct

Model Portfolio Basics

Enter general model portfolio information here.

Risk free proxy: USTREAS T-Bill Auction Ave 3 Mon

Portfolio ID: [Empty text box]

Performance source: Calculated based on underlying positions

Management fee effective period: Entire period | Custom period

Management fee %: [Empty text box]

Fee applied*: Annually

Performance series: Daily

Rebalancing frequency: Monthly

Rebalancing based on: Calendar Period End

Performance calculation start date: Earliest Common

Attached policy: None

Use Gross Return

Notes: [Empty text box]

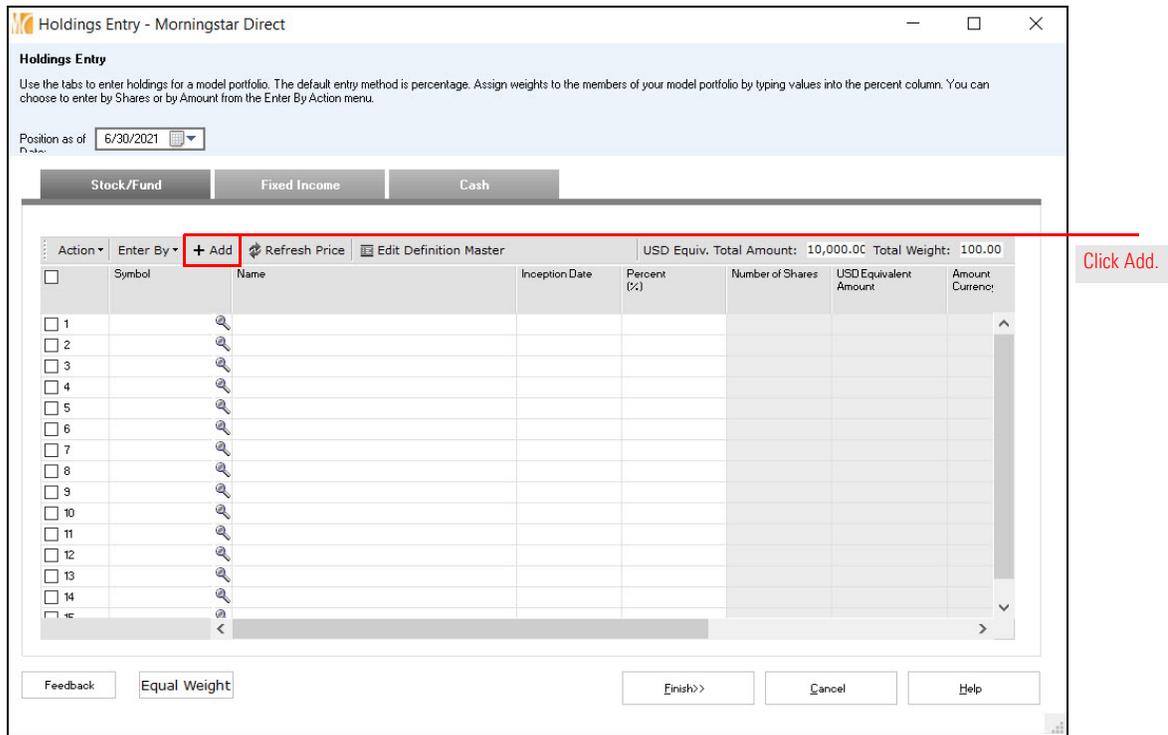
*The fee that is defined under Management fee % is applied equally to

Save Cancel Help

Be sure to select the correct option from this field.

5. Click **Save**. The Holdings Entry window opens.

6. From the toolbar, click **Add**. The Add Holdings window opens.



7. From the Within options, select the option for **My Lists**.
8. From the drop-down field, select **ESG Model Portfolio Funds**.
9. Click **Go**.
10. From the Available Records section, click **Add All**.

Add Holdings

Within Universes **My Lists** My Searches

ESG Model Portfolio Funds

Find By Begins with Contains

Include Only Surviving Investments

Available Records

Total records: 10

Jump to record name:

- Akre Focus Instl (USD,XNAS,AKRIX,Port+Perf,RepPerf)
- Fidelity® Low-Priced Stock K6 (USD,XNAS,FLKSX,Port+Perf,RepPerf)
- iShares MSCI USA Multifactor ETF (USD,ARCX,LRGF,Port+Perf,RepPerf)
- JOHCM International Select Institutional (USD,XNAS,JOHIX,Port+Perf,RepPerf)
- Oakmark International Small Cap Investor (USD,XNAS,OAKEX,Port+Perf,RepPerf)

Selected Records

Total records: 10

- Parnassus Mid Cap Growth Investor (USD,XNAS,PARNX,Port+Perf,RepPerf)
- Parnassus Mid-Cap (USD,XNAS,PARMX,Port+Perf,RepPerf)
- Pax Global Opportunities Institutional (USD,XNAS,PXGOX,Port+Perf,RepPerf)
- Vanguard Global ESG Select Stk Admiral (USD,XNAS,VEGEX,Port+Perf,RepPerf)

Note the highlighted sections.

11. Click **OK**. The funds are added to the Holdings Entry window.

12. Click **Equal Weight**. The weight for each fund updates to 10%.

Holdings Entry - Morningstar Direct

Holdings Entry
Use the tabs to enter holdings for a model portfolio. The default entry method is percentage. Assign weights to the members of your model portfolio by typing values into the percent column. You can choose to enter by Shares or by Amount from the Enter By Action menu.

Position as of 6/30/2021

Stock/Fund Fixed Income Cash

USD Equiv. Total Amount: 10,000.00 Total Weight: 100.00

Action	Enter By	+ Add	Refresh Price	Edit Definition Master	Symbol	Name	Inception Date	Percent (%)	Number of Shares	USD Equivalent Amount	Amount Currency
<input type="checkbox"/>	1	AKRIX			AKRX	Akre Focus Instl	8/31/2009	10.00	15.91	1,000.00	1.0
<input type="checkbox"/>	2	FLKSX			FLKSX	Fidelity® Low-Priced Stock K6	5/26/2017	10.00	64.39	1,000.00	1.0
<input type="checkbox"/>	3	LRGF			LRGF	iShares MSCI USA Multifactor ETF	4/28/2015	10.00	23.35	1,000.00	1.0
<input type="checkbox"/>	4	JOHIX			JOHIX	JOHCM International Select Institutional	7/29/2009	10.00	31.75	1,000.00	1.0
<input type="checkbox"/>	5	DAKEX			DAKEX	Oakmark International Small Cap Investor	11/1/1995	10.00	49.29	1,000.00	1.0
<input type="checkbox"/>	6	PRBLX			PRBLX	Parnassus Core Equity Investor	8/31/1992	10.00	16.23	1,000.00	1.0
<input type="checkbox"/>	7	PARNX			PARNX	Parnassus Mid Cap Growth Investor	12/27/1984	10.00	15.12	1,000.00	1.0
<input type="checkbox"/>	8	PARNX			PARNX	Parnassus Mid-Cap	4/29/2005	10.00	22.45	1,000.00	1.0
<input type="checkbox"/>	9	PXGOX			PXGOX	Pax Global Opportunities Institutional	6/27/2018	10.00	62.70	1,000.00	1.0
<input type="checkbox"/>	10	VESGX			VESGX	Vanguard Global ESG Select Stk Admiral	6/5/2019	10.00	26.66	1,000.00	1.0
<input type="checkbox"/>	11										
<input type="checkbox"/>	12										
<input type="checkbox"/>	13										
<input type="checkbox"/>	14										
<input type="checkbox"/>	<										

Feedback Equal Weight Finish>> Cancel Help

Click Equal Weight.

13. Click **Finish**. The model portfolio window opens, which you can close.

Creating a Presentation Studio Report

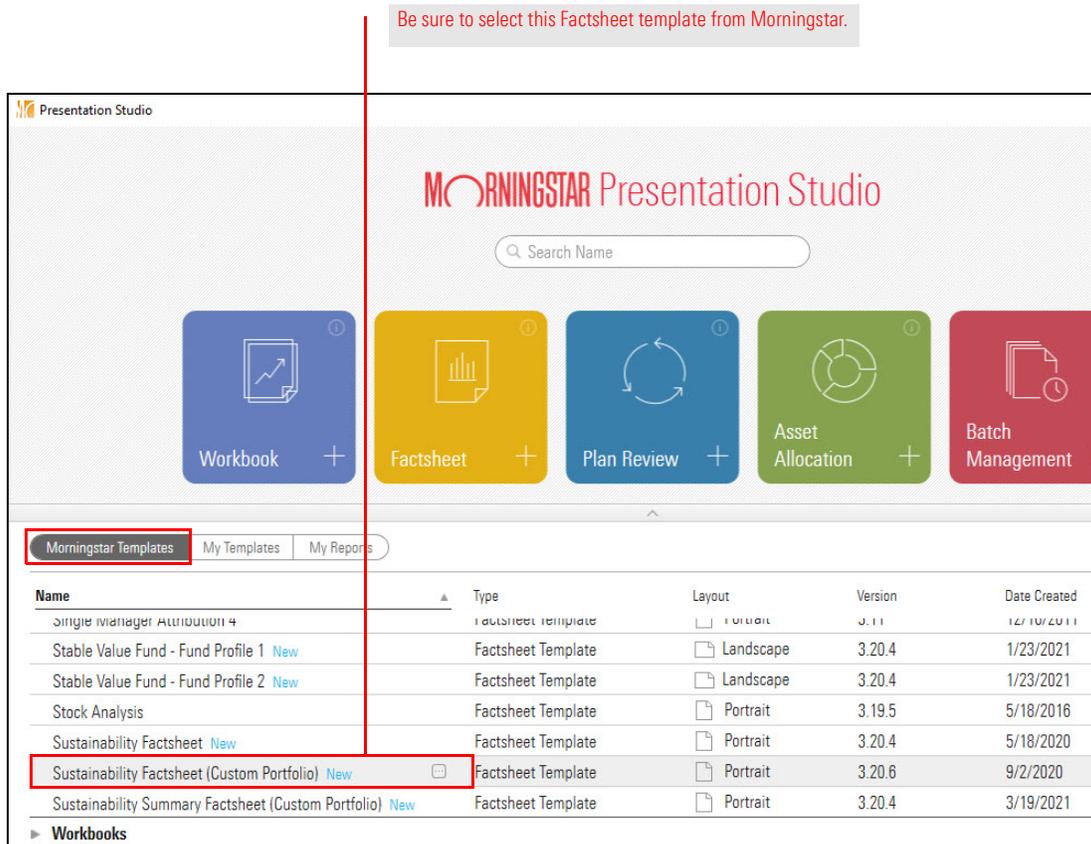
Now that a low carbon fossil fuel model portfolio has been created, the final step is to create a report using Presentation Studio. This work is covered in the exercise, [Create a Presentation Studio report on page 24](#).

Overview

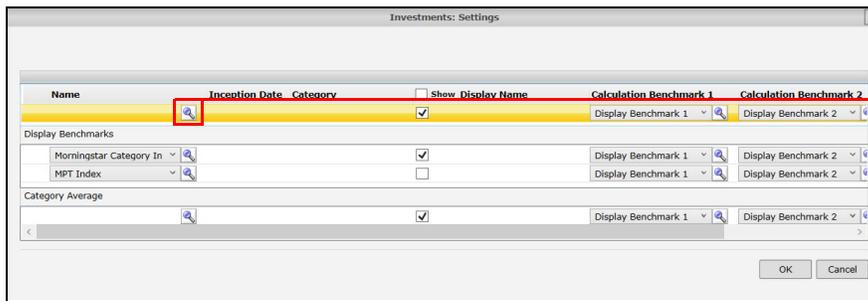
Clients can create a Sustainability report for a model portfolio in Presentation Studio by using a Morningstar factsheet template specifically designed for this purpose. To create the report, do the following:

Exercise 9: Create a Presentation Studio report

1. Select the **Presentation Studio** module. Presentation Studio opens in a new window.
2. Click **Morningstar Templates**.
3. Expand the **Factsheets** section.
4. **Scroll down** and **double-click** the **Sustainability Factsheet (Custom Portfolio)** template. The Investments: Settings window opens.

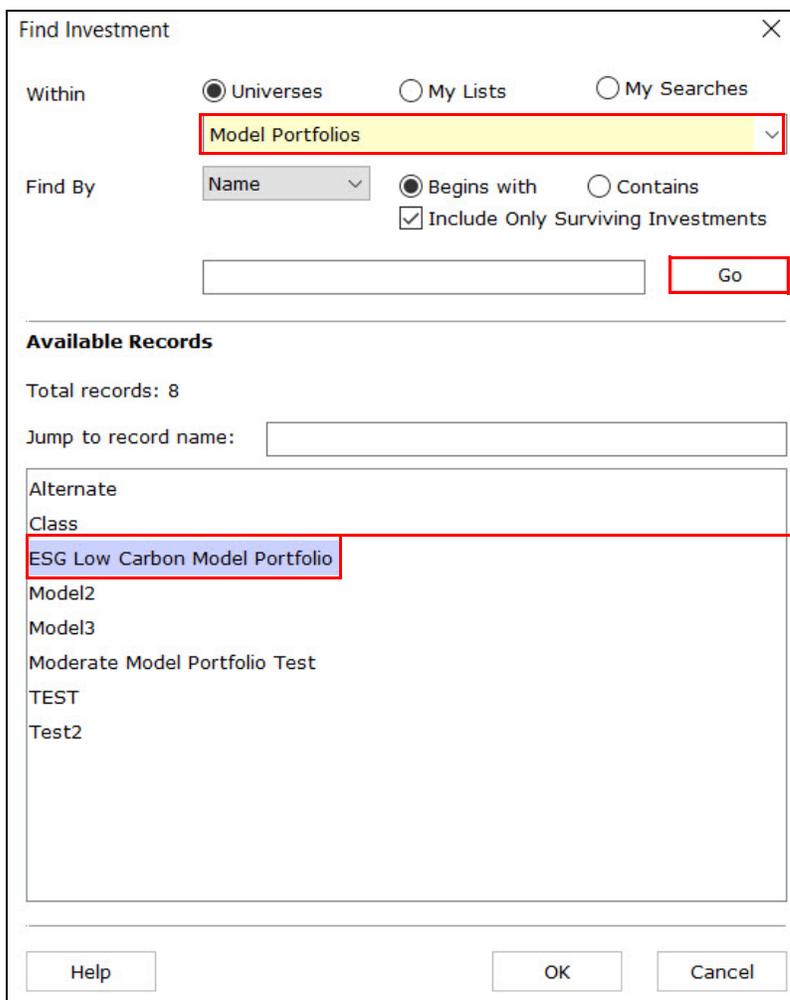


5. Click the **magnifying glass** icon next to the Name field. The Find Investment dialog box opens.



Use this icon to find and select a model portfolio for the template.

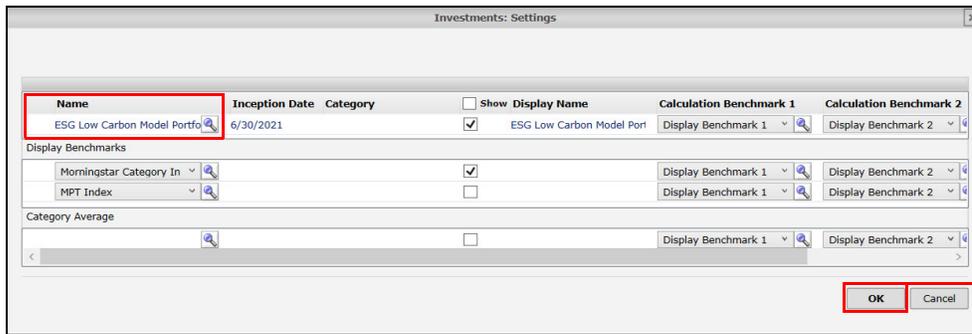
6. From the Within drop-down field, select **Model Portfolios**.
7. Click **Go**.
8. From the Available Records section, click **ESG Low Carbon Model Portfolio**



Select this model portfolio.

9. Click **OK**. The model portfolio is added to the Investment Settings window.

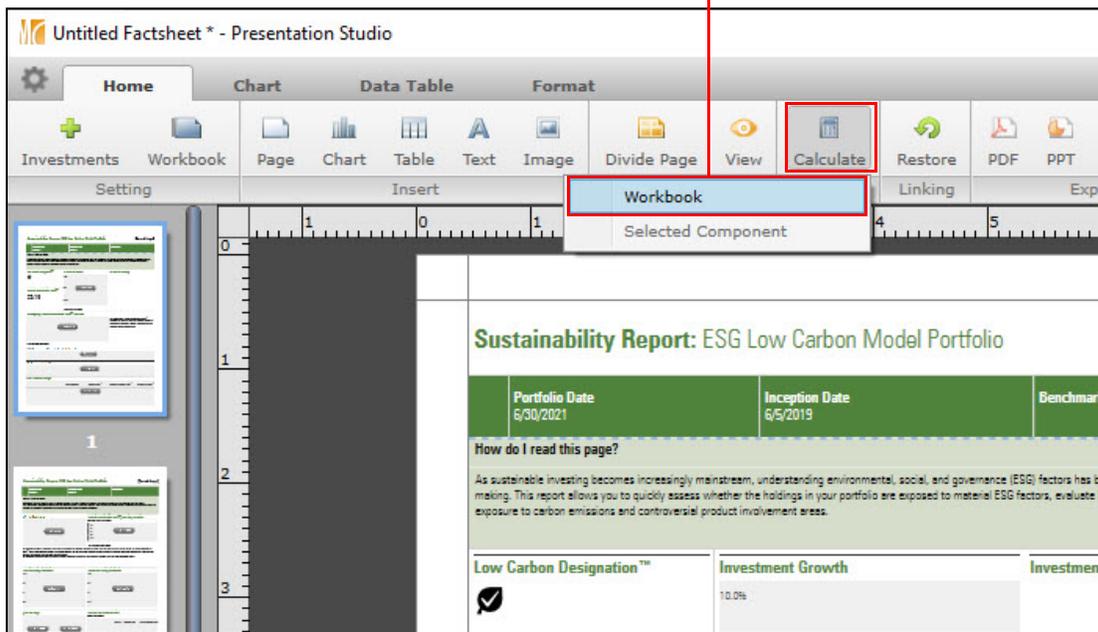
10. Click **OK**. The factsheet opens in a new window.



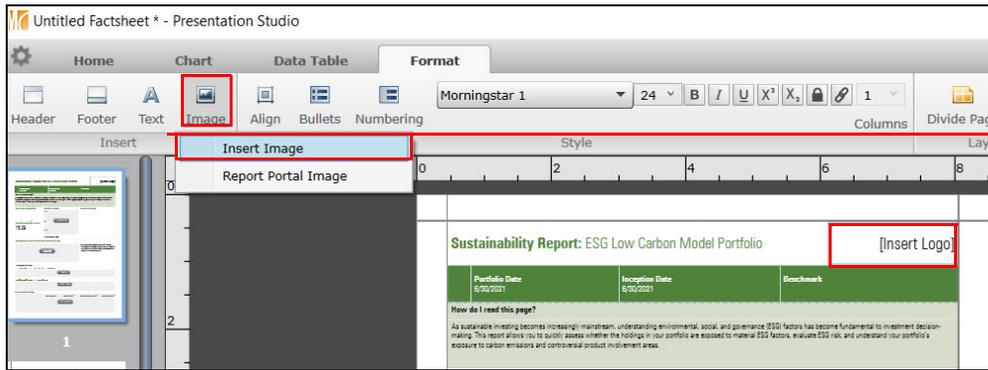
Click OK after selecting the portfolio.

11. If all cells do not immediately populate with data, from the toolbar, click **Calculate > Workbook**.

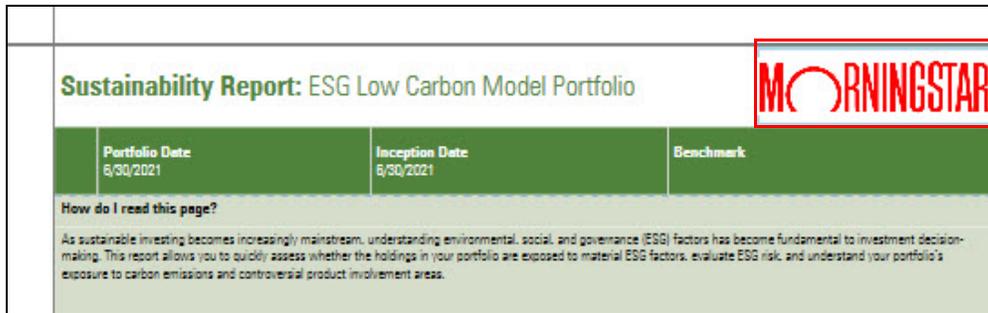
Use this command to automatically calculate all cells in the template.



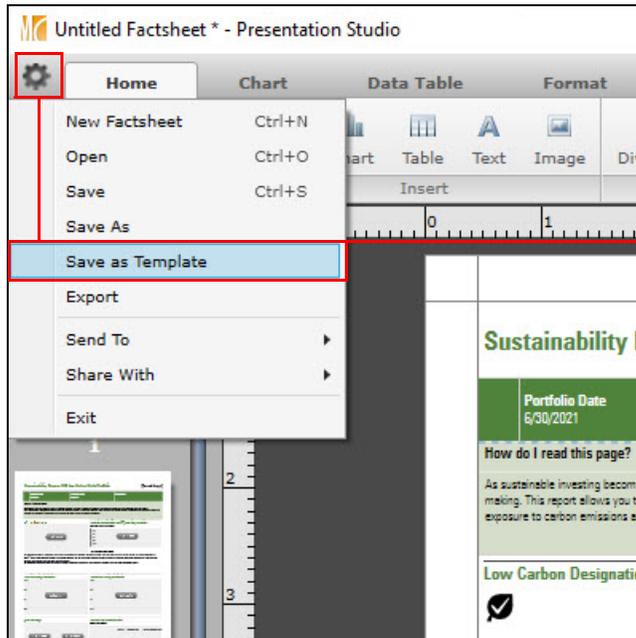
12. From the Header on page 1, click the **Insert Logo** cell.
13. From the toolbar, click **Image > Insert Image**. The Open dialog box opens.



14. Select your **firm's logo**, then click **Open**.

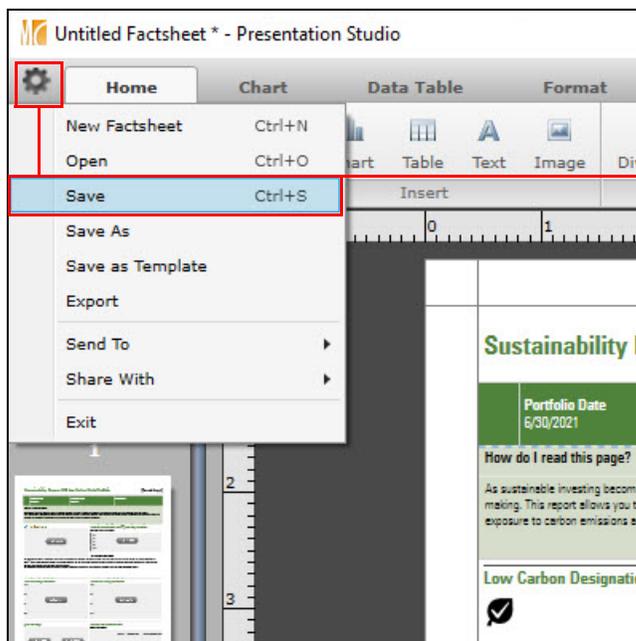


- To save this change as part of the template (which could be used for any model portfolio or account in the future), from the top-left corner of the window, click the **Settings icon**, then select **Save As Template**.



Use this command to save changes to the template, which can be used with other model portfolios in the future.

- Name the template **My Sustainability Factsheet (Custom Portfolio)**, then click **Save**.
- Click the **Settings icon** on the top left and click **Save**. This command allows you to save the template as a report for this specific model portfolio.



Use this command to save the template a report for this specific model portfolio.

- Name the report **ESG Low Carbon Model Portfolio**, then click **Save**.