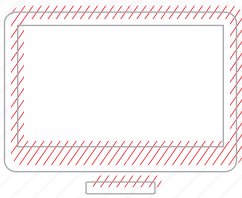
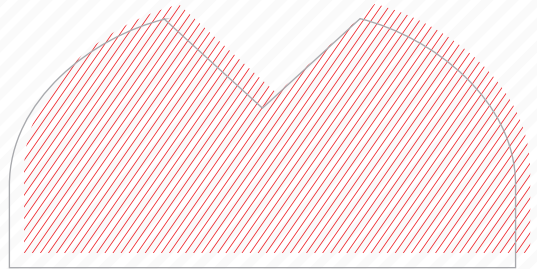
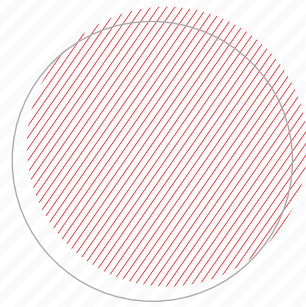
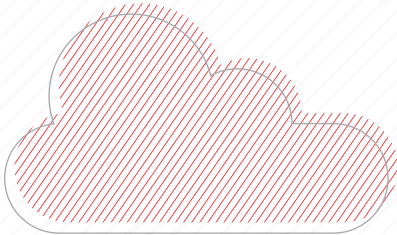
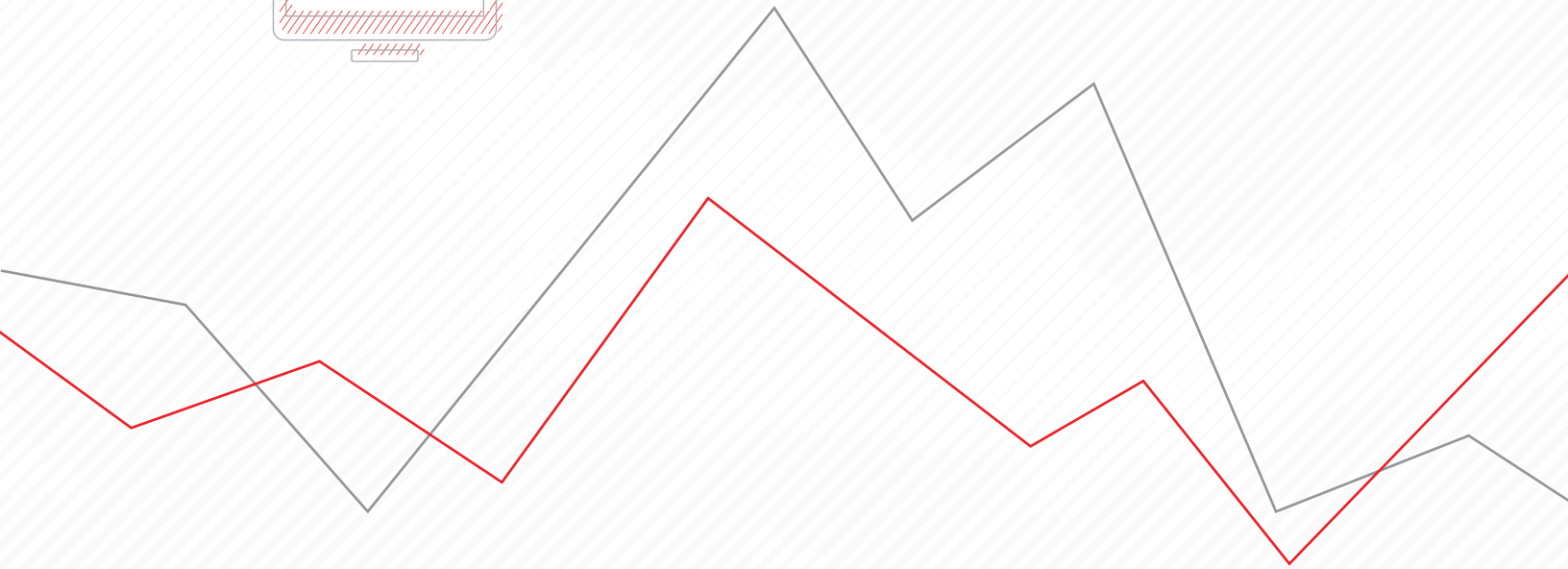


Leveraging Company-Level ESG Data: Wealth Managers

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 Sustainability Research from Morningstar	5
Overview	5
Exercise 1: Explore the Research portal	5
Importing Client Account Holdings	7
Overview	7
Exercise 2: Import client account holdings	7
Exercise 3: View Account Holdings	10
Creating a Performance Report	12
Overview	12
Exercise 4: Create a Search Criteria for a Performance Report	12
Exercise 5: Change the setting for the group	14
Exercise 6: Set the values for the Time Periods tab	17
Exercise 7: Select data points in the Supplementary Columns window	18
Exercise 8: Save and calculate the performance report	21
Exercise 9: Apply conditional formatting to a performance report	22
Creating a Scorecard to Identify a Fund Replacement	24
Overview	24
Exercise 10: Generate a Scorecard for a set of investments	24
Exercise 11: Replace a fund in a client account	28

Leveraging Company-Level ESG Data: Wealth Managers

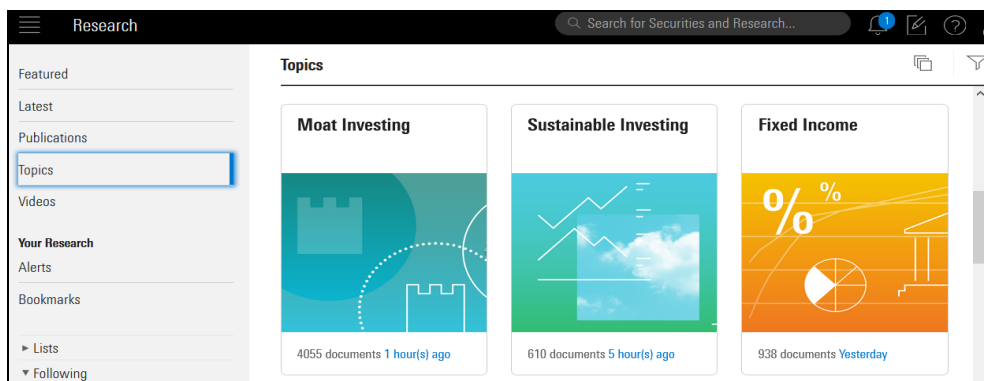
Company-Level ESG data is used to find holdings that drive fund-level scores and ratings. This data allows investors to conduct analysis on investments. In addition, this data serves as the building blocks of fund-level sustainability data points, such as the Morningstar Sustainability Rating™. A selection of company-level data points are available as part of your Morningstar Direct subscription.

Overview

This workshop shows users how to use Morningstar DirectSM to find research from Morningstar on the topic of product involvement and exclusionary practices, investigate client accounts for holdings that run counter to their principles, and find more suitable replacements. Learning about this content and capabilities will make it easier for you to serve values-based investors.

This exercise guide covers the following topics:

- ▶ [Finding Sustainability Research from Morningstar \(page 5\)](#)
- ▶ [Importing Client Account Holdings \(page 7\)](#)
- ▶ [Creating a Performance Report \(page 12\)](#)
- ▶ [Creating a Scorecard to Identify a Fund Replacement \(page 24\)](#)



Morningstar Direct offers company-level ESG data for investors in a number of areas.

Finding Sustainability Research from Morningstar

Annie is a wealth manager at a Home Office, and she has a new client who has expressed interest in sustainable investing. During the initial meeting, Annie asked the client questions about her priorities and learned she is looking for sustainable funds not involved in the tobacco industry. Her client has a family history of health issues as a result of smoking and she would like to eliminate exposure to tobacco companies within her portfolio.

Annie needs to analyze the client's current portfolio and determine if any funds contain tobacco product involvement. If funds need to be replaced, Annie needs to find suitable replacements.

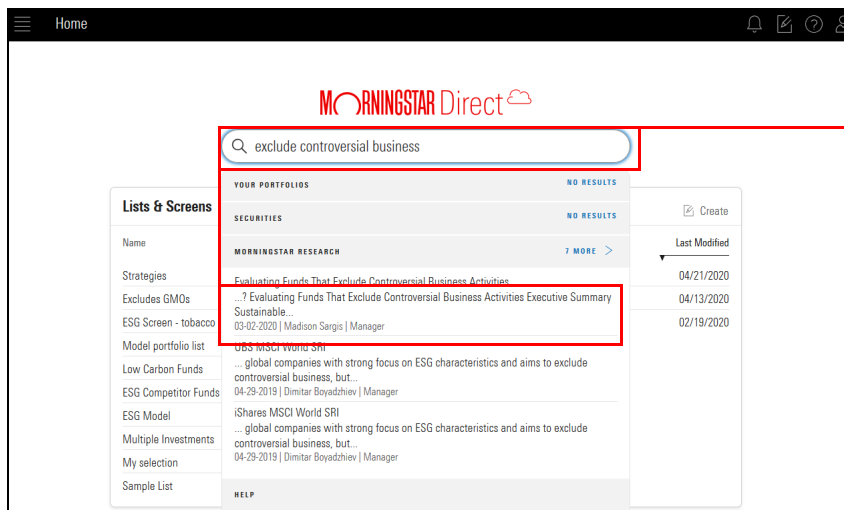
The following exercise shows users how to find an article from Morningstar related to this topic, as well as how to follow specific topics in the Research section of Morningstar Direct.

Overview

In this exercise, you will explore Morningstar Research, bookmark articles and follow specific topics. To explore Morningstar Research, do the following:

1. Login to the web-based version of Morningstar Direct by going to <https://direct.morningstar.com>.
2. In the **search field**, type **exclude controversial business**, then select the **top article** under the Morningstar Research heading. The article opens.

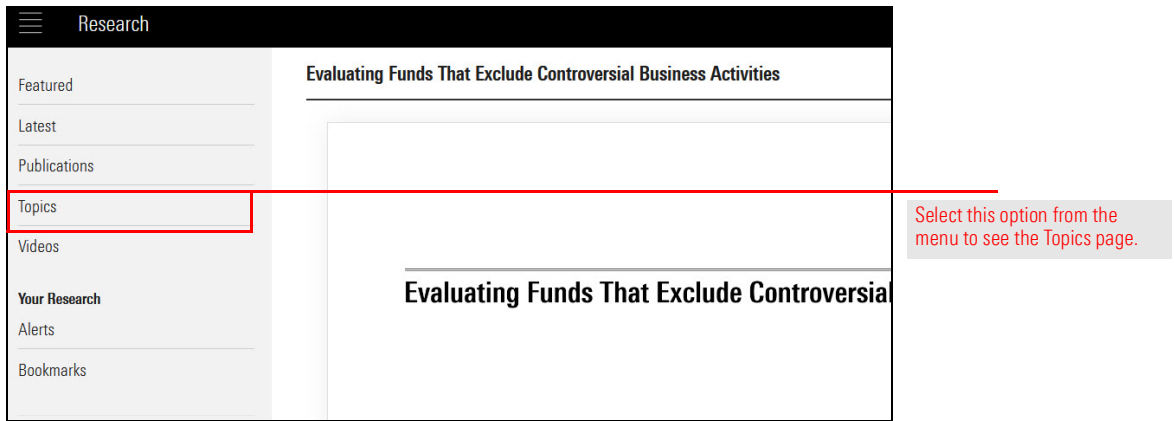
Exercise 1: Explore the Research portal



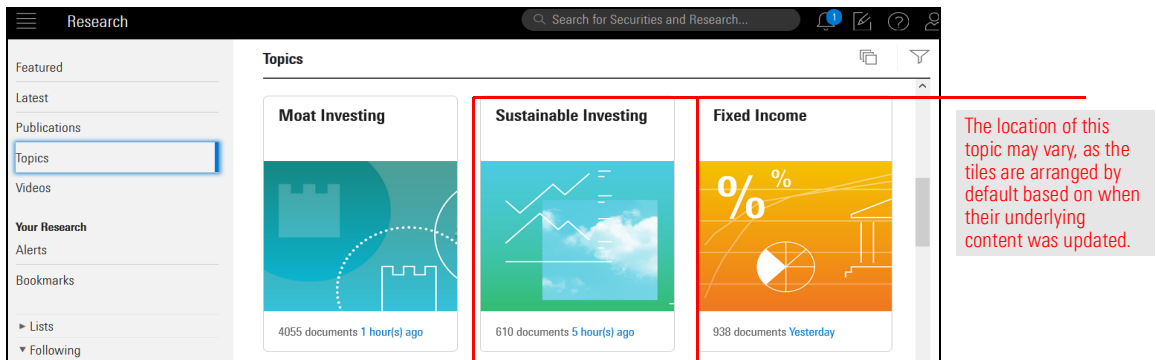
You can include terms that are in the body of an article or in the title and the search feature will find the best fit.

3. Read the article.
4. In the top-right corner of the screen, click the **bookmark** icon.

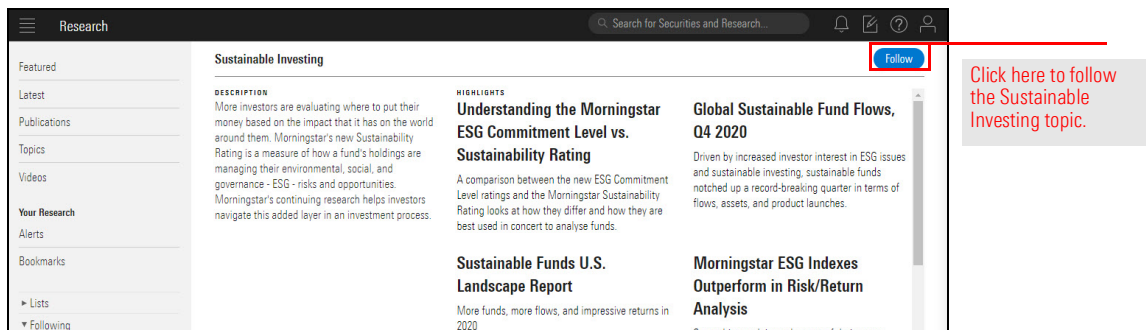
- In the navigation pane on the left, select **Topics**. The Topics page opens.



- Select the **Sustainable Investing** topic. The Sustainable Investing page opens.



- In the top-right corner of the screen, click **Follow**. Sustainable Investing is added to the Following section in the navigation pane on the left.



Importing Client Account Holdings

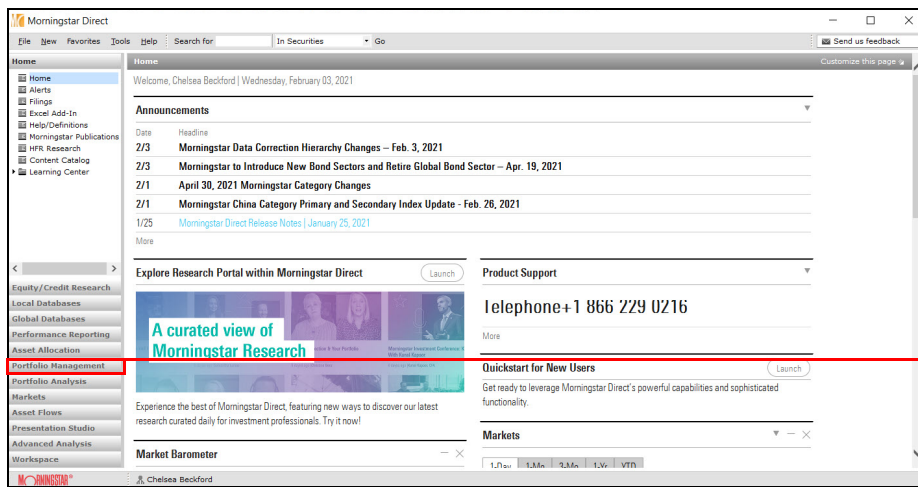
Annie has received a file ([ESG account holdings](#)) with her client’s current holdings. You need to download this file for the next exercise. This section shows you how to import those holdings, which saves time and prevents errors you might make when entering the positions manually.

Overview

To import a client account, do the following:

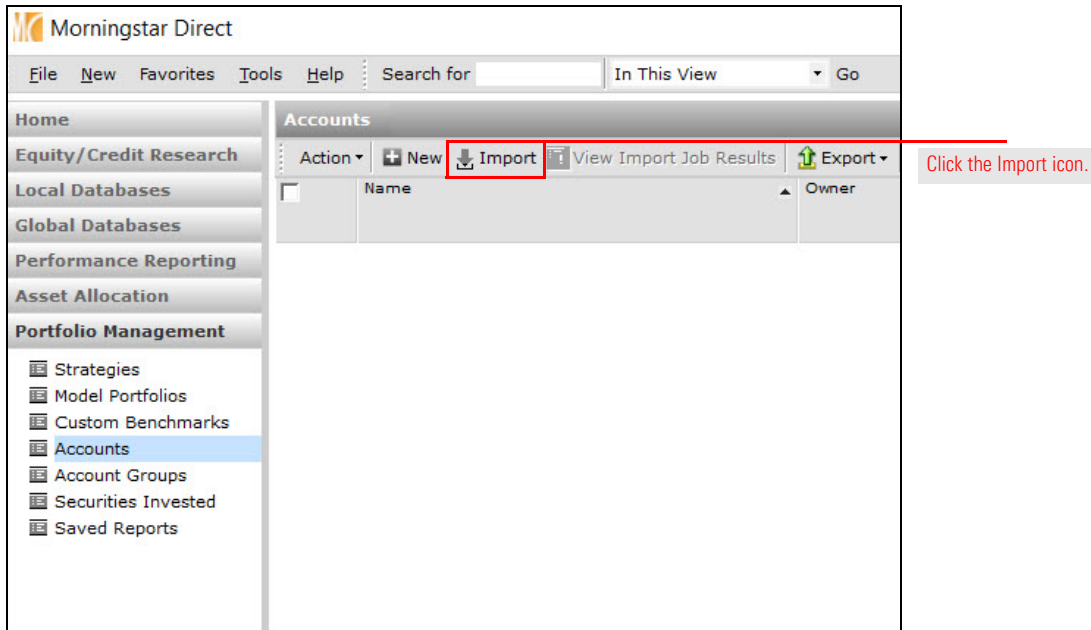
1. Log into the **Desktop access point** of Morningstar Direct. Morningstar Direct opens in the Home module by default.
2. Click the **Portfolio Management** module. The Accounts area opens.

Exercise 2: Import client account holdings



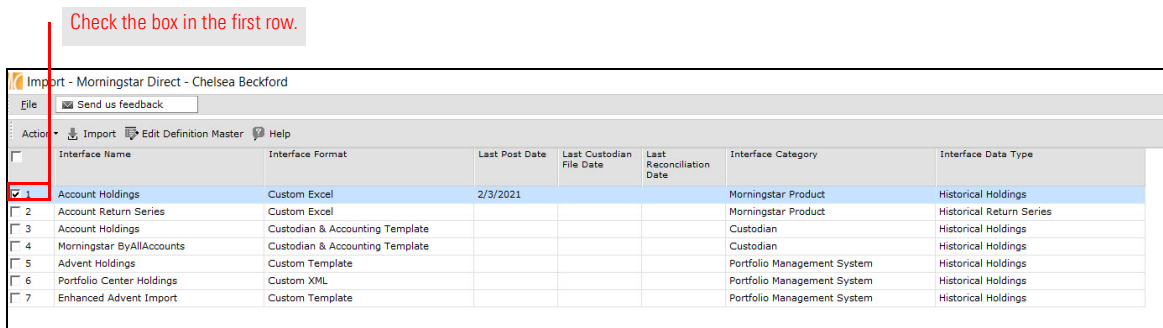
Click this module.

- From the toolbar, click the **Import** icon. The Import window opens.



- From the first row, check the **Account Holdings** box.

Note: Please select an import interface that corresponds to the data files you would like to import.



- Click the **Import** icon. The import mapping window opens.
- Click the **Open** icon and select the file from your saved files.

7. Using the column headers, select the correct **mappings** for each field.

Import - Morningstar Direct
✕

Account Holdings

Account Holdings

File Name

Date Format Weight Format

Security ID Type

Header Row

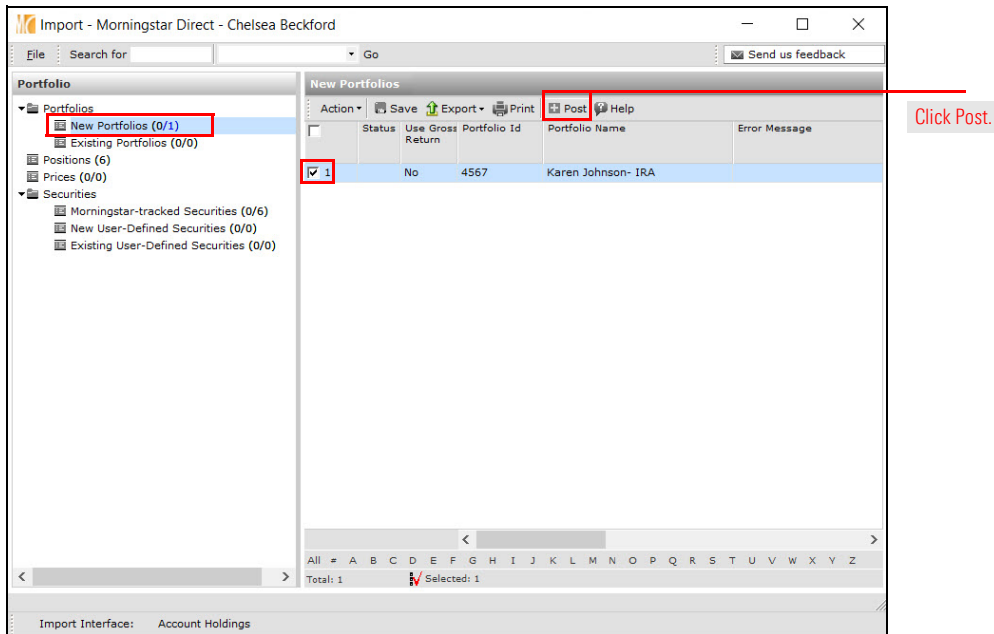
Available Templates

Column Code	Column No.
Portfolio Id	Column B (Portfolio ID)
Portfolio Name	Column A (Portfolio Name)
Holding Identifier	Column D (Ticker)
Holding Description	Column E (Holding Name)
Market Value	Select...
Share	Column G ()
Price	Select...
Coupon	Column I ()
Maturity Date	Column J ()
Currency	Column K ()
Weight	Column F (Weight)

Map the columns correctly.

8. Click **Import**. The blotter window opens.

- Click **Post**. A pop-up window opens.



- Click **OK** to continue.

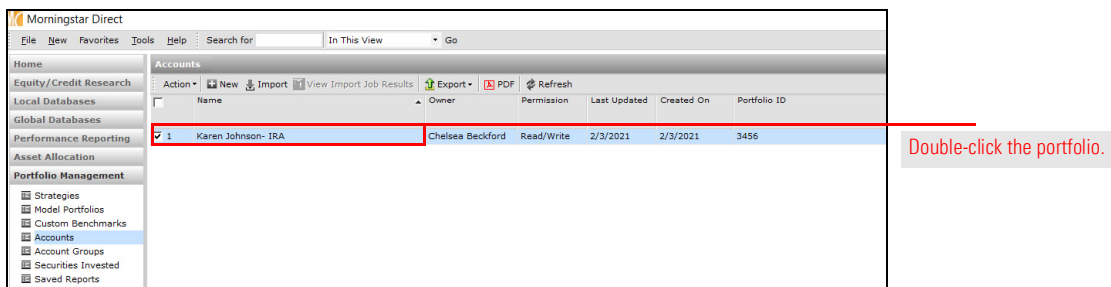
- Click the **X** to close the Import window. The imported account appears in the Accounts area.

Note: If you do not see the new account, click the **Refresh** icon.

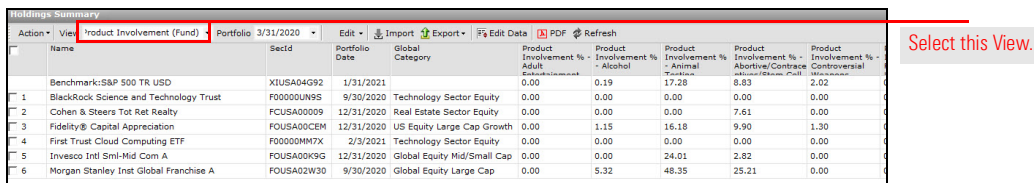
This exercise shows you how to find and use the Product Involvement data set in the Grid to look for holdings invested in the tobacco industry. Do the following:

Exercise 3: View Account Holdings

- Double-click** the **name** of the Karen Johnson portfolio. The Holdings Summary window opens.



- From the **View** drop-down, select **Sustainability: Product Involvement (Fund)**.



3. **Scroll** to the right to view the Product Involvement % - Tobacco column.
 - ☞ Which funds have a tobacco product involvement percentage over 1%?
4. **Right-click Morgan Stanley Inst Global Franchise A**. The right-click menu opens.
5. Select **View Holdings > Detailed Holdings Analysis**. The Detailed Holdings Summary window opens.
6. From the **View** drop-down, select **Sustainability: Product Involvement (Company)**.
 - ☞ Note: Company-level product involvement data is an add-on. Contact your Customer Success Manager to view this data if it is blank.

	Name	Portfolio Weighting %	Comp Prod Inv % - Adult Entertainment Production	Comp Prod Inv % - Adult Entertainment Distribution	Comp Prod Inv % - Alcoholic Beverages Production	Comp Prod Inv % - Alcoholic Beverages Related	Comp Prod Inv % - Alcoholic Beverages Retail	Comp Prod Inv % - Cannabis (Medical) Production	Comp Prod Inv % - Cannabis (Medical) Retail
1	Abbott Laboratories	4.07	None	None	None	None	None	None	None
2	Accenture PLC Class A	4.83	None	None	None	None	None	None	None
3	Automatic Data Processing Inc	3.49	None	None	None	None	None	None	None
4	Baxter International Inc	4.31	None	None	None	None	None	None	None
5	Becton, Dickinson and Co	3.63	None	None	None	None	None	None	None
6	British American Tobacco PLC	2.42	None	None	None	None	None	None	None
7	Coca-Cola Co	1.87	None	None	0%-4.9%	None	None	None	None
8	Danaher Corp	4.31	None	None	None	0%-4.9%	None	None	None
9	Davide Campari-Milano NV	0.51	None	None	50%-100%	None	None	None	None
10	Experian PLC	0.96	None	None	None	None	None	None	None
11	FactSet Research Systems Inc	0.92	None	None	None	None	None	None	None
12	Fidelity National Information Services Inc	2.65	None	None	None	None	None	None	None
13	Fox Corp Class A	0.84	None	None	None	None	None	None	None
14	Fox Corp Class B	0.46	None	None	None	None	None	None	None
15	Gip	0.10							
16	Heineken NV	2.00	None	None	50%-100%	None	None	None	None
17	Intercontinental Exchange Inc	1.53	None	None	None	None	None	None	None
18	L'Oréal SA	2.49	None	None	None	None	None	None	None
19	LVMH Moët Hennessy Louis Vuitton SE	1.34	None	None	10%-24.9%	None	None	None	None
20	Microsoft Corp	8.68	None	None	None	None	None	None	None
21	Moody's Corporation	1.13	None	None	None	None	None	None	None
22	Morgan Stanley InstLadgy TrsSecs Instl	1.94						None	None
23	Nike Inc B	1.58	None	None	None	None	None	None	None
24	Pernod Ricard SA	1.36	None	None	50%-100%	None	None	None	None
25	Philip Morris International Inc	7.57	None	None	None	None	None	None	None
26	Procter & Gamble Co	4.93	None	None	None	None	None	None	None
27	Reckitt Benckiser Group PLC	9.08	None	None	None	None	None	None	None
28	RELX PLC	2.84	None	None	None	None	None	None	None
29	Roper Technologies Inc	0.91	None	None	None	None	None	None	None
30	SAP SE	4.55	None	None	None	None	None	None	None
31	Thermo Fisher Scientific Inc	3.60	None	None	None	None	None	None	None
32	Unilever PLC	1.90	None	None	None	None	None	None	None
33	Visa Inc Class A	5.36	None	None	None	None	None	None	None
34	Zoetis Inc Class A	1.55	None	None	None	None	None	None	None

Select this View.

7. **Scroll** to the right to view the Comp Prod Inv % - Tobacco Products Production column.
 - ☞ How much of the Portfolio Weight is in the holdings with tobacco product production?
8. Click the **X** to close the Detailed Holdings Summary window.
9. **Right-click Morgan Stanley Inst Global Franchise A**. The right-click menu opens.
10. Select **Reports > Morningstar Report/Quicktake**. The web access point of Morningstar Direct opens in a browser.
 - ☞ Note: To which Morningstar Category does this fund belong?

Creating a Performance Report

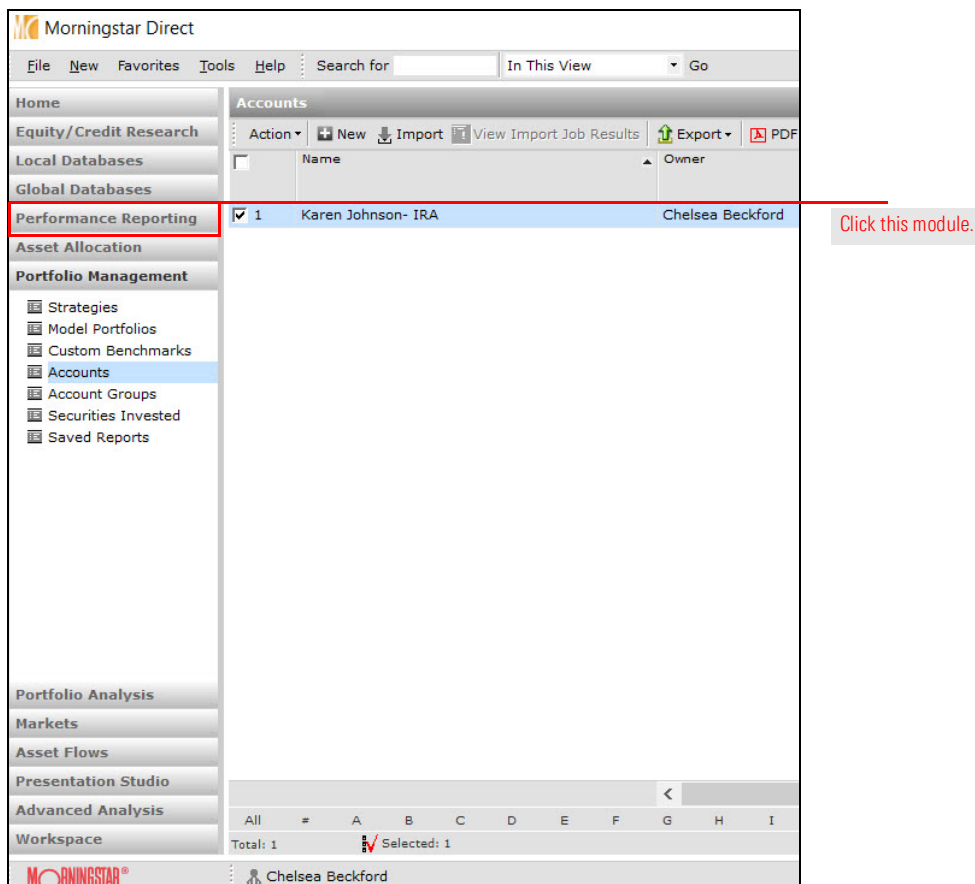
This report can be created in the desktop edition of Morningstar Direct. The desktop edition offers capabilities for performance reporting such as highlighting rows, applying conditional formatting with custom colors, and adding a summary column for scorecard scores.

Overview

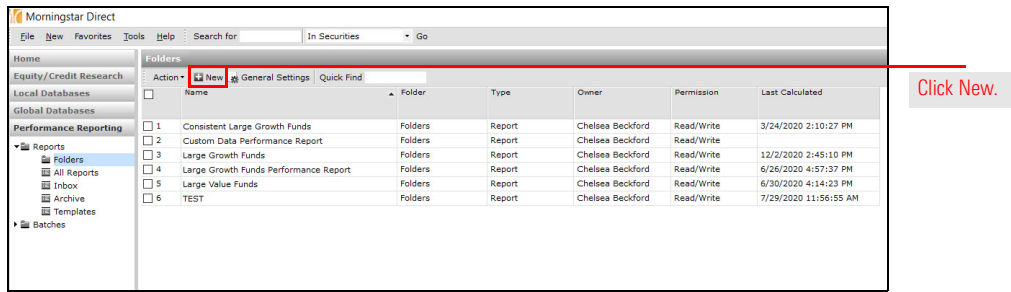
Now that you have identified the fund that needs to be replaced, the following exercise shows how to create a Search Criteria to replace the Morgan Stanley fund. To create a Search Criteria, do the following:

Exercise 4: Create a Search Criteria for a Performance Report

1. Open the **desktop access point of Morningstar Direct**.
2. Click the **Performance Reporting** module. The All Reports area opens.



- From the toolbar, click the **New** button. The Select Investments window opens.

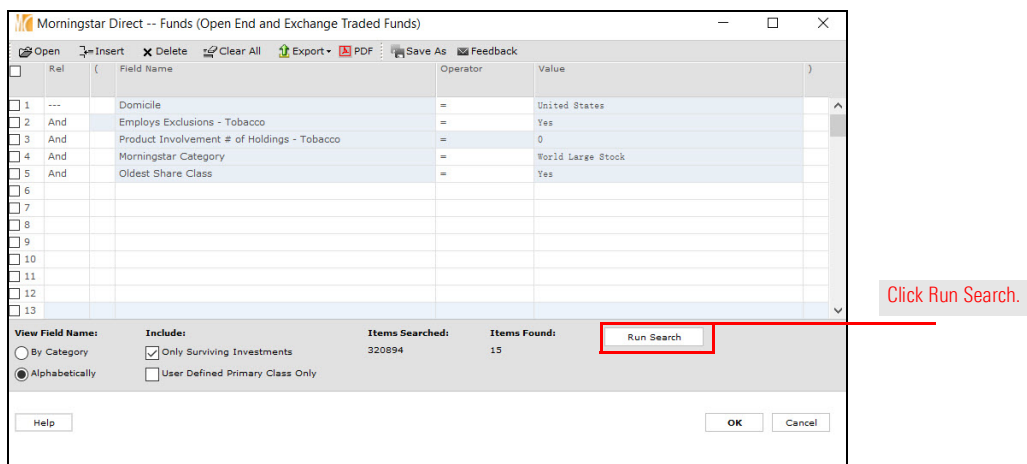


- Click the **Search Criteria** option.
- From the drop-down, select **Funds (Open-End and Exchange-Traded Funds)**.
- Click **OK**. The Search Criteria window opens.
- From the View Field Name area, select **Alphabetically**.
- Click the **first row** of the Field Name column, then select the first criteria in the table below.
- Use the following data points in the Search Criteria:

Note: You can jump to data points in the list by typing the first letter on your keyboard.

Field	Operator	Value
Domicile	=	United States
Employs Exclusions - Tobacco	=	Yes
Product Involvement # of Holdings - Tobacco	=	0
Morningstar Category	=	U.S. > World Large Stock
Oldest Share Class	=	Yes

- Click **Run Search**.



- Click **OK**. The Group Settings window opens.

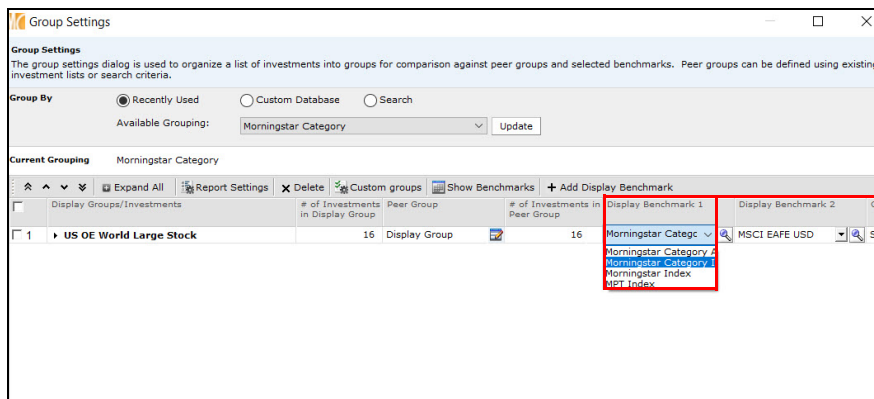
By default, when examining the performance of selected funds in a performance report, Morningstar Direct compares the funds to each other, rather than all of the funds in the appropriate Morningstar Category. In this section, you will learn how to change the peer group for a set of funds.

Exercise 5: Change the settings for the group

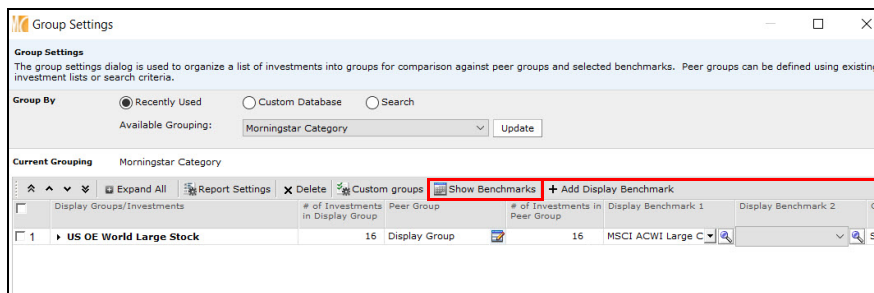
In a performance report, it is also important to use a relevant benchmark for both the performance comparison and performance calculations. You can also decide whether to display only one comparison benchmark (rather than the default two benchmarks).

To change these settings for a performance report, do the following:

1. In the Group Settings window, from the **Display Benchmark 1** drop-down field, select **Morningstar Category Index**.



2. To see what the benchmarks are for each category, from the toolbar, click **Show Benchmarks**. The setting in the Display Benchmark 1 changes to show the Morningstar Category Index for US OE World Large Stock.



3. **Scroll right** to see the Display Benchmark 2 column. Because you selected Show Benchmarks, both display benchmarks will be shown in the performance report, which is not what you intend.
4. On the toolbar, click **Report Settings**. The Report Settings window opens.

- To hide Display Benchmark 2, uncheck the **Show display benchmark 2** checkbox.

The screenshot shows the 'Report Settings' dialog box with the 'Display' tab selected. The 'Show display benchmark 2' checkbox is highlighted with a red box. A callout box on the right contains the text: 'Uncheck this box to ensure only one benchmark appears on the performance report'.

Report Settings

Select display and output settings for the performance report.

Display | **Output**

Report Display Settings

- Show calculation benchmark
- Show calculation benchmark 2
- Show floating date labels
- Show synchronized search criteria name
- Show synchronized investment list name
- Show Annualized/Cumulative tag

Group Display Settings

Display benchmarks position: Before funds After funds

- Show display benchmark 1
- Show display benchmark 2
- Show additional display benchmarks
- Show rank values for display benchmarks
- Show number of investments ranked
- Show peer group definition criteria

Summary Statistics Display Settings

- Show peer group summary statistics
- Show display group summary statistics
- Show list summary statistics

Summary Statistics

- Average
- Count
- Minimum
- Standard Deviation
- Weighted Average
- Sum
- Maximum
- Median
- Average ex 5% outliers

Breakpoint Display Settings

- Quartile breakpoints
- Quintile breakpoints
- 1 to 100 Percentile breakpoints
- 5th and 95th breakpoints
- Decile breakpoints

Descending Ascending

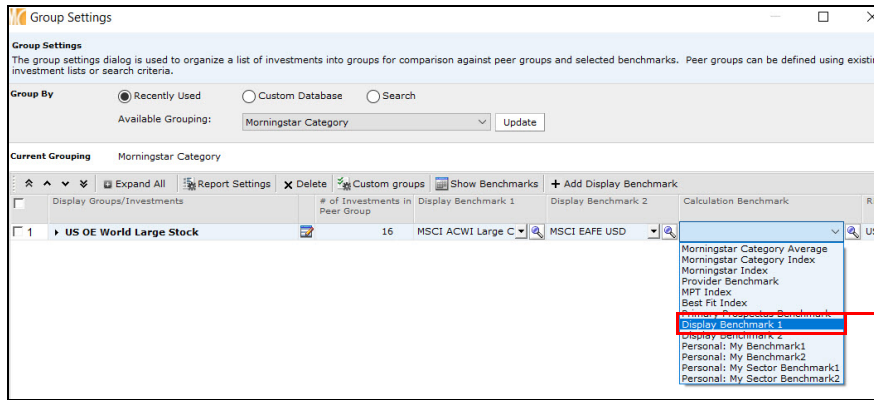
Buttons: Help, OK, Cancel

- Click **OK** to close the Report Settings window.

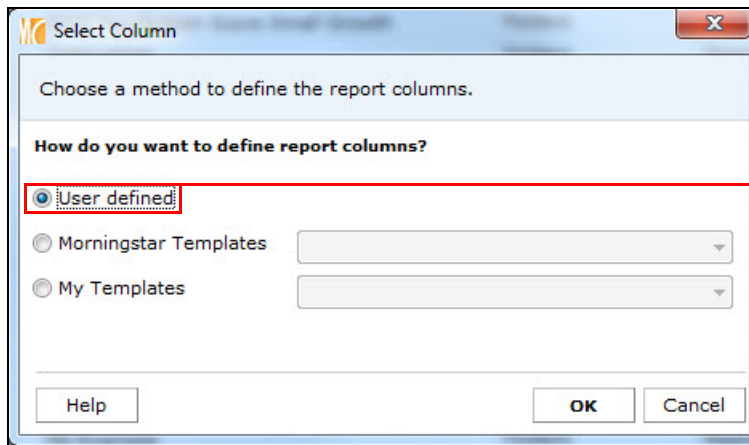
- Next, you need to ensure the proper benchmark is used for calculating the data on the performance report. From the **Calculation Benchmark** drop-down field, select **Display Benchmark 1**. (You might need to **scroll right** to see this column.)

By selecting Display Benchmark 1, you ensure the following:

- ▶ The same benchmark is used for both display and calculation, and
- ▶ A peer-appropriate index is used for calculations.



- Click **OK**. The Select Column window opens.
- Confirm the User Defined option is selected. This selection allows you to define the report columns.



- Click **OK**. The Performance Column Setup window opens.

You want to know if this set of funds has performed consistently over a set of rolling three-year periods, starting from five years ago through the most recent month-end.

Exercise 6: Set the values for the Time Periods tab

In this exercise, you will use the Time Periods tab in the Performance Column Setup window to set the values.

To change the time period for the performance report, do the following:

1. In the Performance Column Setup window, the Time Periods tab is selected by default. In the Time Periods area, click the **Rolling window** option.
2. Confirm the Start Date field reads 5 years ago. From the **End Date** drop-down field, select **Last Month End**.
3. From the **Window size** drop-down field, select **3 years**.
4. From the **Moving step** drop-down field, select **6 months**. The Number of columns field should read **5**.
5. Click **Add Columns**. The time periods for the report are added to the Selected Time Periods area at the bottom of the window.

Note: Do not click OK yet; the Data Points and Ranks tabs still need to be addressed.

Because you selected relative values for Start Date (5 years ago) and End Date (Last Month End), the dates displayed (03/01/2016 and 2/28/2021 in this sample) have no effect on the performance report

Be sure to select this option for Time Periods

Be sure to select the correct values for Window size and Moving step

The Time Periods shown in this list will be columns in the performance report

6. Click **OK**.

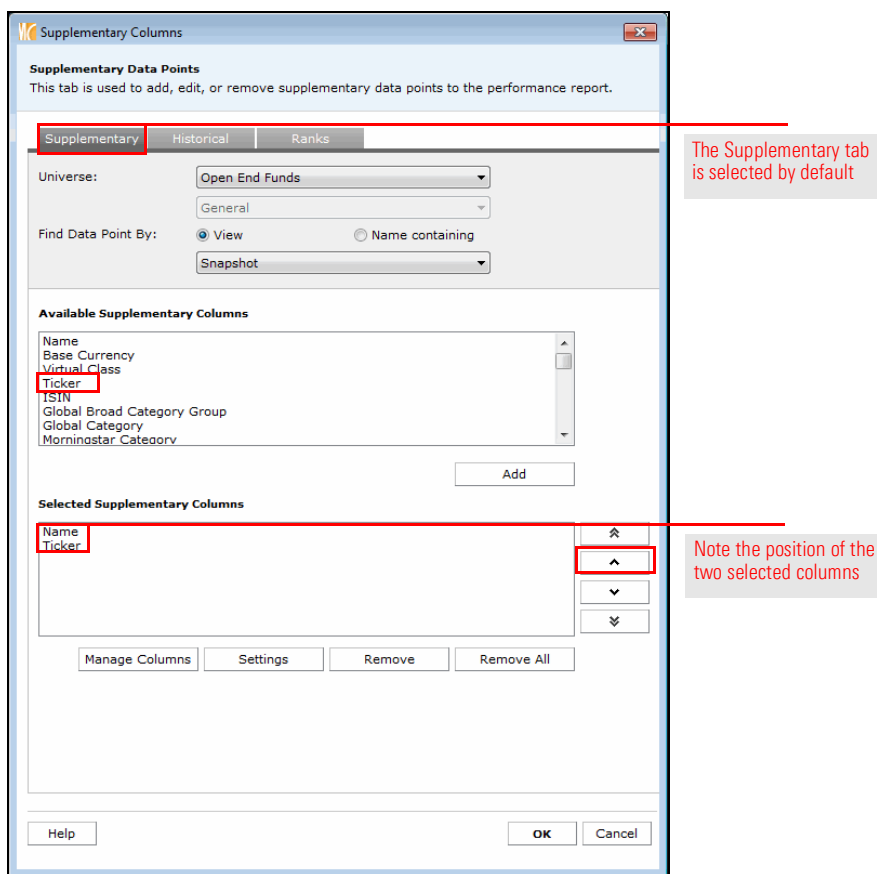
In the Performance Column Setup window, you selected data points related to performance. In this exercise, you will work in the Supplementary Columns window to select supplementary data points. These are data points not directly related to performance, such as ticker, Morningstar Analyst Rating, Morningstar Quantitative Rating, and Morningstar Sustainability Rating™. In addition to displaying the name of a fund on the performance report, it will be useful to include the fund’s ticker symbol. Also, you are interested to see which funds have a Morningstar Analyst Rating.

Exercise 7: Select data points in the Supplementary Columns window

To include a fund’s ticker symbol and Morningstar Analyst Rating on the performance report, do the following:

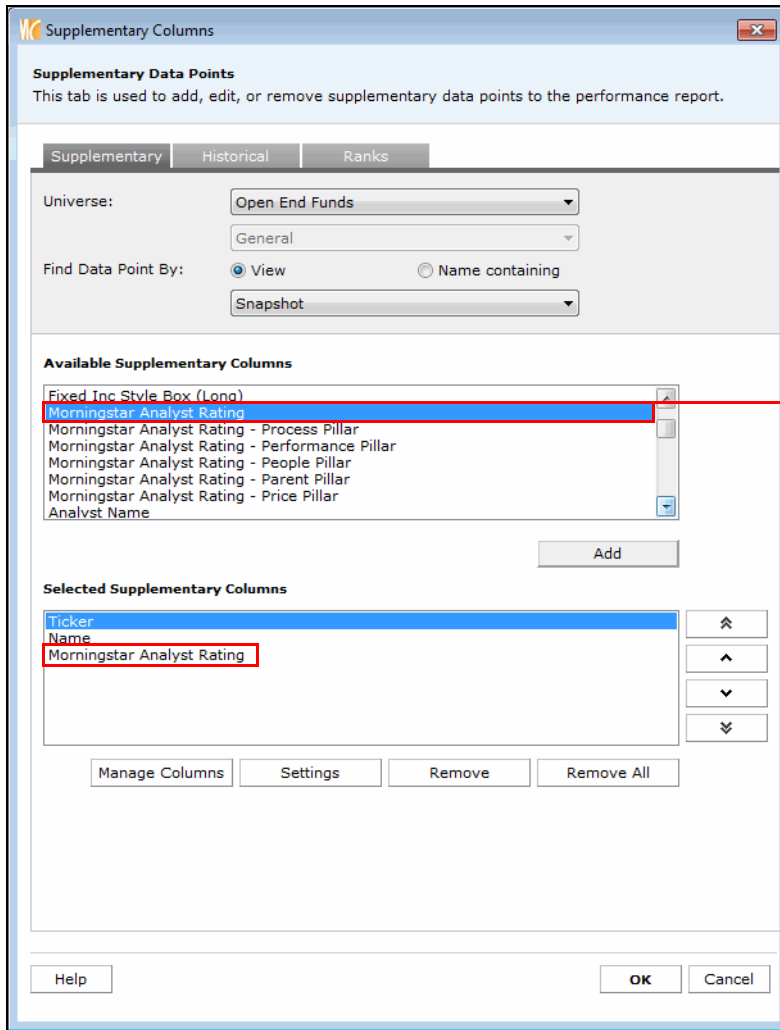
1. On the Supplementary tab, in the Available Supplementary Columns list, **double-click Ticker** to move it to the Selected Supplementary Columns list.

Note: ISIN can be used instead of Ticker for international funds.



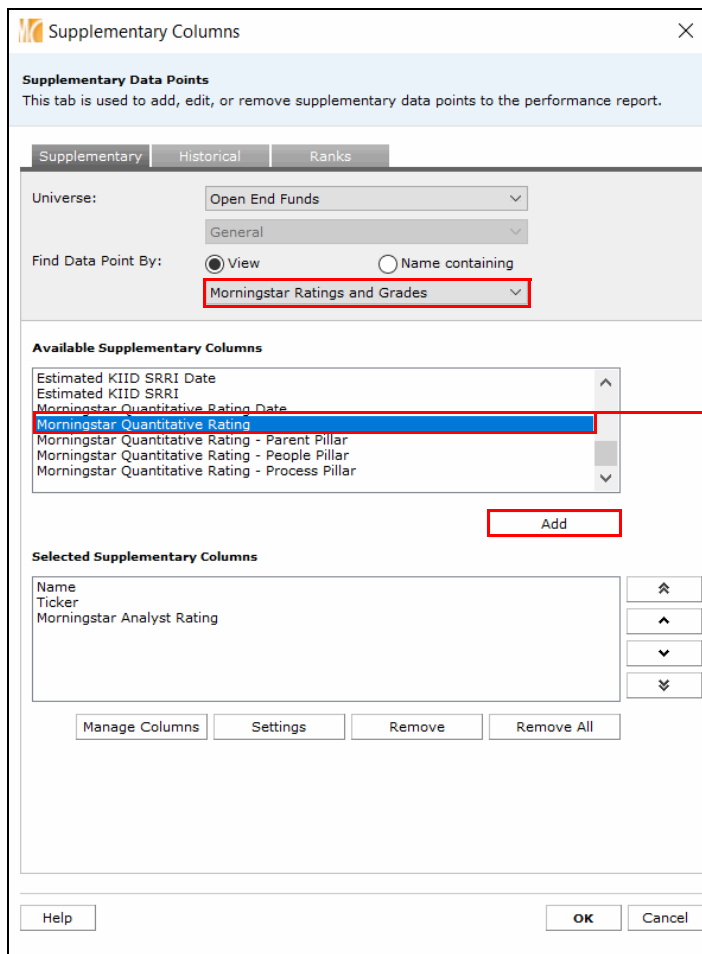
2. **Scroll down** in the Available Supplementary Columns list, then **double-click Morningstar Analyst Rating**. It is added to the Selected Supplementary Columns list.

Note: Data points are not listed alphabetically in the Available Supplementary Columns list.



Be sure to double-click the Morningstar Analyst Rating, not the Morningstar Rating

3. From the **View** drop-down field, select **Morningstar Ratings and Grades**.
4. **Scroll down** in the Available Supplementary Columns list, then **double-click Morningstar Quantitative Rating**.



Be sure to double-click the Morningstar Quantitative Rating.

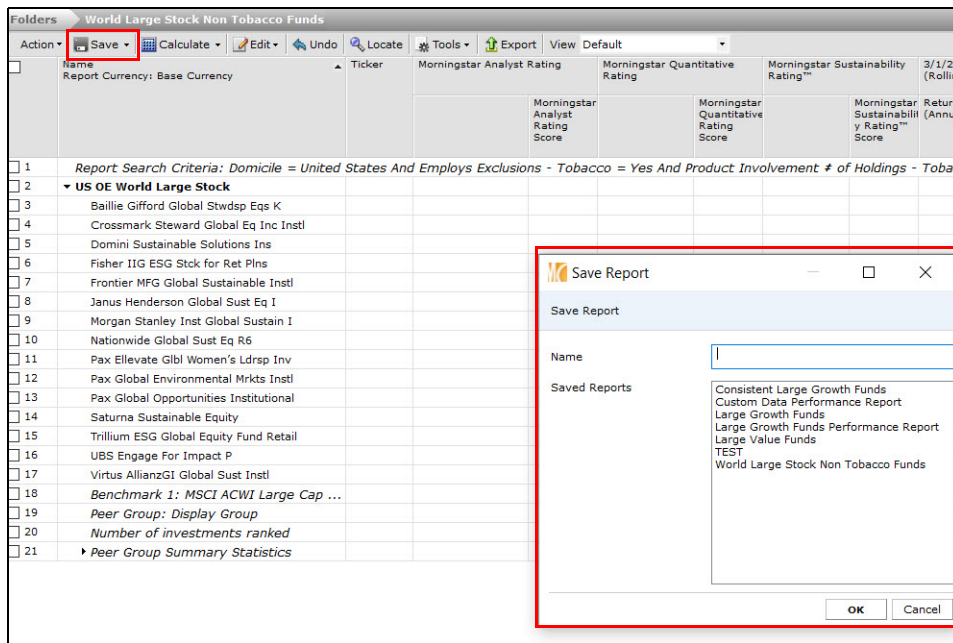
5. From the **View** drop-down field, select **Sustainability: ESG Risk (Fund)**.
6. **Double-click Morningstar Sustainability Rating™**.
7. Click **OK** to close the Supplementary Columns window. The performance report is displayed in the grid view.

Now that the parameters for the performance report are set, you can save it and calculate the data. You might have noticed the Name column is populated, but the other data columns are blank. When you calculate the report, the latest data is retrieved and displayed in those columns.

Exercise 8: Save and calculate the performance report

To save and calculate the performance report, do the following:

1. On the toolbar above the grid view, click **Save**. The Save Report dialog box opens.
2. Name the report **World Large Stock Non Tobacco Funds**.



3. Click **OK**. The Save Report dialog box closes, and the name of the performance report appears above the toolbar.
4. On the toolbar above the grid view, click **Calculate**. As the calculation runs, the Folders page is displayed.



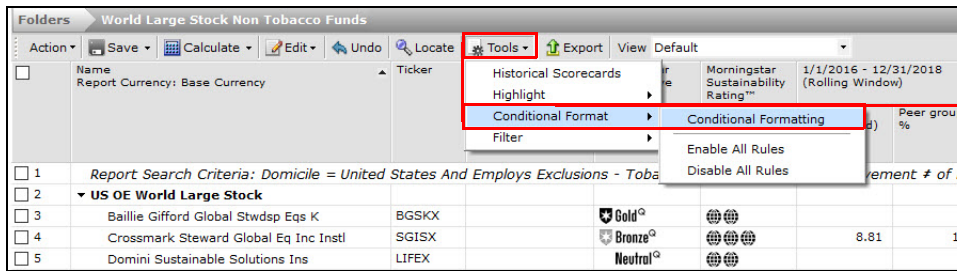
5. When the Report Calculation Complete alert opens, click **Yes** to view the report. The grid view is now filled with data.

The information in the performance report is helpful, but it can be a bit difficult to read without some additional formatting. The conditional formatting feature in the Performance Reporting module allows you to add color to a row, cell, or column to enhance the interpretation of the data.

Exercise 9: Apply conditional formatting to a performance report

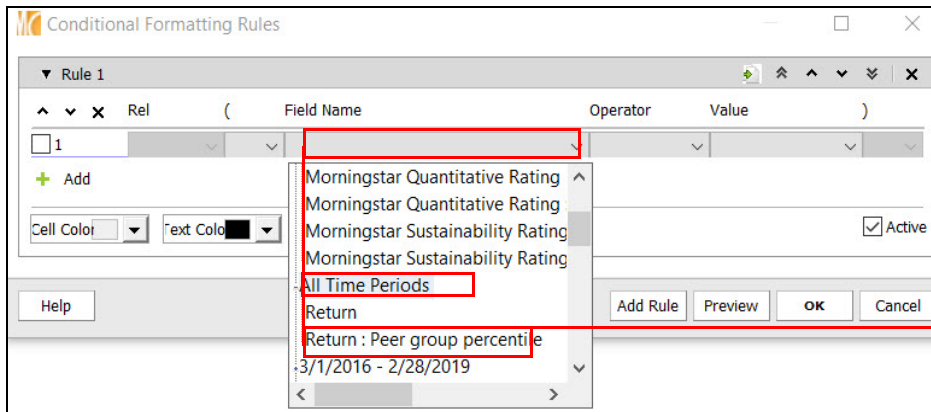
In this exercise, you will apply a color to the Peer group % column to call out the times when each fund was in the top quartile of its category. To apply conditional formatting to a performance report, do the following:

1. On the toolbar above the grid view, from the **Tools** drop-down field, select **Conditional Format > Conditional Formatting**. The Conditional Formatting Rules window opens.



Select this option to highlight information on the report.

2. From the **Field Name** drop-down field, expand the **All Time Periods** option and select **Return: Peer group %**.

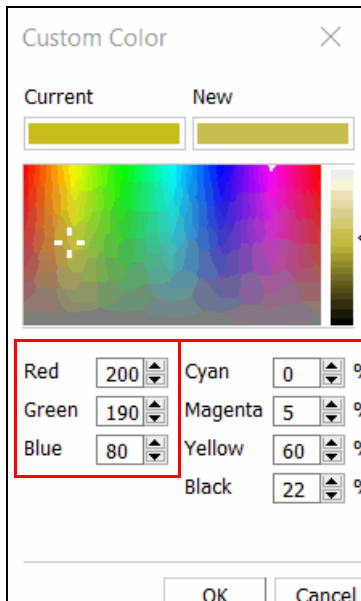


Be sure to select the correct option here

3. From the **Operator** drop-down field, select **<=**.
4. In the **Value** field, type **25**.
5. From the **Cell Color** drop-down field, click **Custom**. The Custom Color dialog box opens.

6. Set the following values:

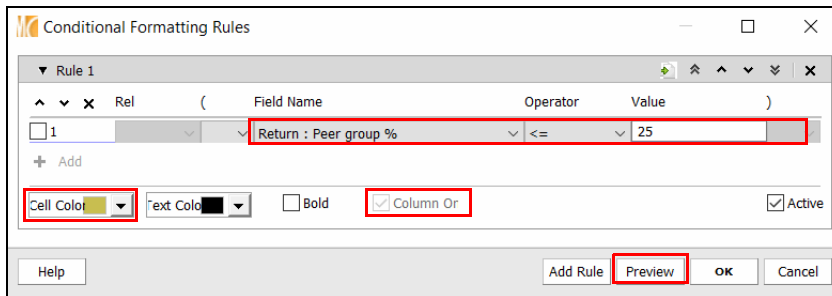
- ▶ Red = **200**
- ▶ Green = **190**
- ▶ Blue = **80**



Be sure your values match those shown here

7. Click **OK** to close the Custom Color dialog box.

8. Be sure the box for Column Only is checked. Click **Preview** to ensure the rule is working as expected.



Note all of the highlighted values for this first rule

9. Click **OK**. The Conditional Formatting Rules window closes.

Creating a Scorecard to Identify a Fund Replacement

The previous exercise shows how to apply conditional formatting to assess the funds that have performed well. While conditional formatting is helpful, it still is not clear which funds are sustainable. You are looking for a fund with a four- or five-globe Morningstar Sustainability Rating™, a Silver or Gold Analyst or Quantitative Rating, and ranked in the top quartile in the last 3 years. These calculations can be done with the Scorecard feature. A new column will be added for the Morningstar Sustainability Rating™, Morningstar Analyst Rating and Morningstar Quantitative Rating, as well as to the right side of the report for the Total Score of each fund across these time periods.

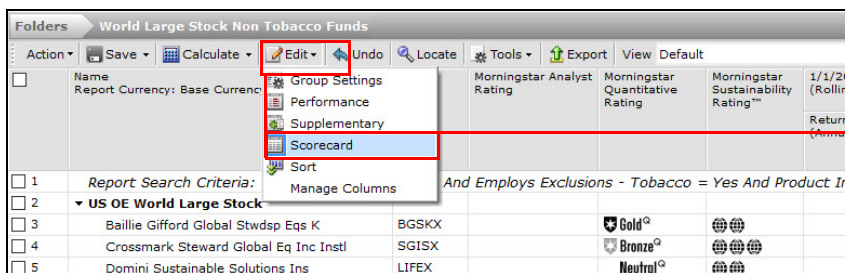
In this instance, each time a fund has a four or five-globe Sustainability Rating, a Silver or Gold Analyst Rating or Quantitative Rating, and ranked in the top quartile for the 3 year period, it will be given a weight of three points and will receive a pass score. If it has only one of the two values then it will receive a weight of two and will receive a watch score. If it has only one of the two values then it will receive a weight of one and will receive a fail score. Once you add a scorecard to a performance report, you will need to recalculate the report.

Overview

To create a Scorecard for this set of investments, do the following:

1. On the toolbar above the grid view, from the **Edit** drop-down field, select **Scorecard**. The Investment Scorecard window opens.

Exercise 10: Generate a Scorecard for a set of investments



Select this option from the Edit icon's drop-down field

2. In the Scoring Type area, click the **Custom Scoring** option.
3. When the Performance Reporting alert opens related to all formatting being lost, click **Yes**.

- In the Performance Factors area, on the toolbar, click **Add Score**. The Custom Score Setting window opens.

- From the **Time Period** drop-down field, select **Supplementary**.
- From the **Data Point** drop-down field, select **Morningstar Sustainability Rating™**.
- In row 1, enter the following values:

Operator	Value1	Score	Display
>=	Above Average	1	1

- Click **OK** to close the Custom Score Setting window.
- In the Investment Scorecard window, click **Add Score** again.
- From the **Time Period** drop-down field, select **Supplementary**.

- In the Data Point field, confirm Morningstar Analyst Rating is selected. In row 1, enter the following values:

Operator	Value1	Score	Display
>=	Silver	1	1

Custom Score Setting

Time Period: Supplementary

Data Point/Rank Selected: Morningstar Analyst Rating™

Custom Score Name: Morningstar Analyst Rating

Default Score Value: 0 Display: 0

Operator	Value1	Value2	Score	Display
>=	Above Average		1	1

Note the highlighted values for this rule.

- Click **OK** to close the Custom Score Setting window.
- Click **Add Score**.
- From the **Time Period** drop-down field, select **Supplementary**.
- From the **Data Point** drop-down field, select **Morningstar Quantitative Rating**.
- In row 1, enter the following values:

Operator	Value1	Score	Display
>=	Silver	1	1

- Click **OK** to close the Custom Score Setting dialog box.
- Click **Add Score**.
- From the **Time Period** drop-down field, **3/1/2018 - 2/28/2021** should be selected.
- From the **Data Point** drop-down field, select **Return: Peer Group percentile**.
- In row 1, enter the following values:

Operator	Value1	Score	Display
<=	25	1	1

- Click **OK** to close the Custom Score Setting dialog box.

23. Click **Add Score**.
24. From the **Time Period** drop-down field, select **Score**.
25. In row 1-3 and enter the following values:

Operator	Value1	Display
=	3	Pass
=	2	Watch
<=	1	Fail

Custom Score Setting

Time Period: Score

Data Point/Rank Selected: Total Score

Custom Score Name: Total Score

Default Display: 0

	Operator	Value1	Value2	Score	Display
1	=	3			Pass
2	=	2			Watch
3	<=	1			Fail

Buttons: Help, OK, Cancel

Click Insert Rule to add rules.

26. Click **OK** to close the Investment Scorecard dialog box.
27. On the toolbar above the spreadsheet grid, click **Calculate**.
28. When the confirmation message opens, click **Yes** to view the report.

29. To see only the scores, on the toolbar above the grid view, click the **View** drop-down field and select **Score Columns**. A Total Score column is added on the far right side.

Note: You will probably need to scroll right to see the Total Score column.

Name	Morningstar Analyst Rating	Morningstar Quantitative Rating	Morningstar Sustainability Rating	9/1/2016 - 8/31/2019 (Rolling Window)	9/1/2017 - 2/29/2020 (Rolling Window)	9/1/2017 - 8/31/2020 (Rolling Window)	3/1/2018 - 2/28/2021 (Rolling Window)	Total Score
Report Search Criteria: Domicile = United States And Product Involvement: # of Holdings - Tobacco = 0 And Morningstar Category = World Large Stock And Oldest Share Class = Yes								
US OE World Large Stock								
Pax Elevate Gbl Women's Ldrsp Inv	Neutral	0.00	1.00	12.57	71	9.97	71	8.11
Crossmark Steward Global Eq Inc Instl	Neutral	0.00	1.00	13.52	15	9.62	85	6.68
Saturna Sustainable Equity	Neutral	0.00	1.00	10.56	100	10.74	29	10.83
Morgan Stanley Inst Global Sustain I	Bronze	0.00	1.00	12.98	57	13.74	1	11.96
Virtus AllianzGI Global Sust Instl	Bronze	0.00	1.00	12.06	85	10.08	57	10.02
Pax Global Environmental Mkts Instl	Neutral	0.00	1.00	13.48	29	7.41	100	6.43
Trillium ESG Global Equity Fund Retail	Silver	1.00	1.00	13.06	43	10.49	43	10.13
Nationwide Global Sust Eq R6	Bronze	0.00	1.00	15.07	1	11.20	15	8.77
Baillie Gifford Global Stwdsp Eqs K	Neutral	1.00	0.00					
Domini Sustainable Solutions Ins	Neutral	0.00	0.00					
Fisher IIG ESG Stck for Ret Pins	Gold	1.00	0.00					
Frontier MFG Global Sustainable Instl	Negative	0.00	1.00					
Janus Henderson Global Sust Ec I	Negative	0.00	1.00					
Pax Global Opportunities Institutional	Neutral	0.00	1.00					
UBS Engage For Impact P	Bronze	0.00	0.00					
Benchmark 1: MSCI ACWI Large Cap ...				13.12		9.56		7.40
Peer Group: Display Group								9.72
Number of investments ranked					8		8	
								8
								9

The Total Score column appears to the far right side.

30. Choose a replacement fund for the client account.

Now that the replacement fund has been selected, Morgan Stanley Inst Global Franchise A needs to be replaced in the client account.

Exercise 11: Replace a fund in a client account

To replace the fund, do the following:

1. Click the **Portfolio Management** module.

Name	Ticker	Morningstar Analyst Rating	Morningstar Quantitative Rating
Report Search Criteria: Domicile = United States And Employs Exclusions - Tobacco = Yes And Product Inv			
US OE World Large Stock			
Baillie Gifford Global Stwdsp Eqs K	BGSIX	0.00	Gold
Crossmark Steward Global Eq Inc Instl	SGISX	0.00	Bronze
Domini Sustainable Solutions Ins	LIFEX	0.00	Neutral
Fisher IIG ESG Stck for Ret Pins	QDVXK	0.00	Gold
Frontier MFG Global Sustainable Instl	FMSGX	0.00	Negative
Janus Henderson Global Sust Eq I	JEUIX	0.00	Neutral
Morgan Stanley Inst Global Sustain I	MGQIX	0.00	Bronze
Nationwide Global Sust Eq R6	GGEIX	0.00	Silver
Pax Elevate Gbl Women's Ldrsp Inv	PXWEX	Neutral	0.00
Pax Global Environmental Mkts Instl	PGINX	Bronze	0.00
Pax Global Opportunities Institutional	PXGOX	Bronze	0.00
Saturna Sustainable Equity	SEEFX	0.00	Neutral
Trillium ESG Global Equity Fund Retail	PORTX	0.00	Gold
UBS Engage For Impact P	UEIPX	0.00	Bronze
Virtus AllianzGI Global Sust Instl	ASTNX	0.00	Bronze
Benchmark 1: MSCI ACWI Large Cap ...			
Peer Group: Display Group			
Number of investments ranked			
Peer Group Summary Statistics			

Click Portfolio Management.

2. **Double-click** the **Karen Johnson** account. The account opens in a new window.

- From the toolbar, select **Edit > Edit Portfolio**.

The screenshot shows the 'Holdings Summary' window with a table of portfolio holdings. The 'Edit' button in the toolbar is highlighted, and its dropdown menu is open, showing 'Edit Portfolio' as the selected option. A red box highlights the 'Edit' button and its dropdown menu. A red arrow points from the text 'Click Edit Portfolio.' to the 'Edit Portfolio' option in the dropdown menu.

	Name	Weight (%)		ISIN
	Benchmark:S&P 500 TR USD			
1	BlackRock Science and Technology Trust	25.00	Morningstar Price	US09258G1040
2	Cohen & Steers Tot Ret Realty	20.00	Morningstar Price	US19247R1032
3	Fidelity® Capital Appreciation	10.00	Morningstar Price	US3160661092
4	First Trust Cloud Computing ETF	10.00	Morningstar Price	US33734X1928
5	Invesco Intl Sml-Mid Com A	20.00	Morningstar Price	US00900W5711
6	Morgan Stanley Inst Global Franchise A	15.00	Morningstar Price	US61744J2758

- In the Portfolio Data Selection window, click **OK**.
- Check the **box** next to **Morgan Stanley Inst Global Franchise A**.
- From the toolbar, select **Action > Delete Rows**. The fund is removed from the list.

The screenshot shows the 'Holdings Entry - Morningstar Direct' window. The toolbar at the top has 'Delete Rows' highlighted with a red box. A red arrow points from the text 'Click Delete Rows.' to the 'Delete Rows' button. The table below shows the list of holdings, with 'Morgan Stanley Inst Global Franchise A' (row 6) selected.

	Name	Inception Date	Percent (%)	Number of Shares	USD Equivalent Amount	Amount Currency
1	BlackRock Science and Technology Trust	10/29/2014	25.00	0.87	25.00	21
2	RFI	9/27/1993	20.00	1.98	20.00	21
3	FDCAX	11/26/1986	10.00	0.35	10.00	11
4	SKYY	7/6/2011	10.00	0.18	10.00	11
5	DSMAX	11/17/1997	20.00	0.53	20.00	21
6	MSFBX	11/28/2001	15.00	0.62	15.00	11
7						
8						
9						
10						
11						
12						
13						
14						
15						

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

8. From the **Find By** drop-down field, select **Ticker**.
9. Enter **portx**, then click **Go**.
10. Click the **available record**, then click **Add**.
11. Click **OK**. The Add Holdings window closes.

The screenshot shows the 'Add Holdings' window with the following details:

- Within:** Universes (selected), My Lists, My Searches
- Open End Funds:** dropdown menu
- Find By:** ticker (selected), Begins with, Contains
- Search Text:** portx
- Include Only Surviving Investments:** checked
- Available Records:** Total records: 1. Record: Trillium ESG Global Equity Fund Retail (USD,XNAS,PORTX,Port+Perf,Oldest,RepPerf)
- Buttons:** Add, Add All, Remove, Remove All, OK, Cancel, Help

Note the highlighted areas.

12. In row 6, enter **15** in the **Percent** column.

The screenshot shows the 'Holdings Entry' window with a table of fund holdings. The table has the following columns: Action, Enter By, Add, Refresh Price, Edit Definition Master, Symbol, Name, Inception Date, Percent (%), Number of Shares, USD Equivalent Amount, and Amount Currency. Row 6 is highlighted, and the 'Percent (%)' column for 'PORTX' is set to 15.00.

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"/>					BST	BlackRock Science and Technology Trust	10/29/2014	25.00	0.87	25.00	2f
<input type="checkbox"/>					RFI	Cohen & Steers Tot Ret Realty	9/27/1993	20.00	1.98	20.00	2f
<input type="checkbox"/>					FDCAX	Fidelity® Capital Appreciation	11/26/1986	10.00	0.35	10.00	1f
<input type="checkbox"/>					SKYY	First Trust Cloud Computing ETF	7/6/2011	10.00	0.18	10.00	1f
<input type="checkbox"/>					OSMAX	Invesco Intl Sm-Mid Com A	11/17/1997	20.00	0.53	20.00	2f
<input type="checkbox"/>					PORTX	Trillium ESG Global Equity Fund Retail	9/30/1999	15.00	0.00	0.00	0
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											
<input type="checkbox"/>											

Enter 15.

13. Click **Finish**. The Holdings Entry window closes.