MSCI Transition Aware Select Indexes Methodology

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1 Introduction

The MSCI Transition Aware Select Indexes (the "Indexes") are designed to represent the performance of companies that have been assessed to lead in terms of their positioning and actions relative to a climate transition. Companies are included on the basis of sector relative greenhouse gas emissions intensity and measures taken to reduce emissions.

The Indexes select constituents of the parent index (the "Parent Index"[1]) based on the assessment on the following three dimensions:

1) One or more greenhouse gas emissions reduction targets[2] approved by Science Based Targets initiative (SBTi)
2) Revenue above a threshold from greener businesses
3) Relative to the sector peers on their greenhouse gas emissions (Scope 1 and 2) intensity. The Indexes use this assessment to select the top 50% (by market capitalization) of the securities from each GICS®[3] sector in the Parent Index

[1] The Index is governed by a set of methodology and policy documents ("Methodology Set"), including the present index methodology document. Please refer to Appendix VI for more details.

[2] Company level emission reduction targets which have been approved by Science Based Targets initiative (SBTi). More details on SBT are available at https://sciencebasedtargets.org/companies-taking-action

[3] GICS, the Global Industry Classification Standard jointly developed by MSCI and S&P Global.

2 Index Construction Methodology

2.1 APPLICABLE UNIVERSE

The Applicable Universe includes all the constituents of the Parent Index.

2.2 ELIGIBLE UNIVERSE

The Eligible Universe is constructed from the Applicable Universe by excluding securities of companies based on the exclusion criteria[4] below:

2.2.1. ESG CONTROVERSY SCORE ELIGIBILITY

The Indexes use MSCI ESG Controversies Scores to identify those companies that are involved in very serious controversies involving the environmental, social, or governance impact of their operations and/or products and services. Companies are required to have an MSCI ESG Controversies Score of 1 or above to be eligible for inclusion in the Indexes.

2.2.2. ESG BUSINESS INVOLVEMENT ELIGIBILITY

The Indexes use MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics to identify companies that are involved in the following business activities. Companies that meet the below mentioned business involvement criteria are excluded from the Indexes. Please refer to Appendix I for details on these criteria.

- Controversial Weapons
- Tobacco
- Thermal Coal Mining
- Thermal Coal Power
- Unconventional Oil and Gas
- Compliance with the United Nations Global Compact Principles

2.2.3. ELIGIBILITY WITHIN SELECTED SECTORS

Within Energy, Materials, Industrials and Utilities GICS sectors, securities which meet either of the following criteria are excluded:

1) Greenhouse gas emissions intensity[5] greater than or equal to the High Emission Intensity Threshold. High Emissions Intensity Threshold is defined as Greenhouse gas emissions intensity of the constituents of the

[4] Please refer to Section 4 for further information regarding the ESG and climate data used in the Index / Indexes that MSCI Limited sources from MSCI ESG Research LLC, a separate subsidiary of MSCI Inc. MSCI ESG Research is solely responsible for the creation, determination, and management of such data. MSCI Limited is the benchmark administrator for the MSCI indexes.

[5] The calculation of greenhouse gas emissions intensity is described in Appendix III.

MSCI World Index[6] at the 90th percentile within each GICS sector based on greenhouse gas emissions intensity. This 90th percentile calculation excludes securities without emissions intensity data.

2) Do not yet have published emissions reduction targets[7]. Companies with missing information on emissions reduction targets are also excluded.

3) Do not report[8] their greenhouse gas emissions to CDP[9]

2.3 SELECTION OF ELIGIBLE SECURITIES

The constituents from the Eligible Universe are selected if they meet any of the below three selection-based criteria:

- Science-based Targets Based Selection
- Green Business Revenue Based Selection
- Emissions Intensity Based Selection

If the total weight of the selected securities is greater than 75% of the Applicable Universe, then the securities are iteratively excluded from the Index as defined in section 2.3.4.

2.3.1. SCIENCE-BASED TARGETS BASED SELECTION

Securities from the Eligible Universe are selected if they have one or more greenhouse gas emissions reduction target(s)[10] approved by the Science Based Targets initiative (SBTi).

2.3.2. GREEN BUSINESS REVENUE BASED SELECTION

Securities from the Eligible Universe are selected if the security level cumulative % of revenue derived from a set of environmental impact themes as described in Appendix II is greater than or equal to 20%.

Securities from the Eligible Universe that have cumulative % of green business revenue greater than or equal to 15% and are also current constituents of the Index are also selected.

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[6] For the regional Parent Indexes that are subset of the MSCI World Index, MSCI World Index is used for the 90th percentile calculation.

[7] The Emission Reduction Targets used in May 2019 Semi-annual Index Review and all Index reviews prior to that are as of 31-Oct-2019.

[8] The ESG data field "CARBON_EMISSIONS_CDP_DISCLOSURE" uses data as of 31-Jan-2020 for Index reviews including and prior to Nov 2019 Semi-annual Index Review

[9] https://www.cdp.net/en

[10] Company level emission reduction targets which have been approved by Science Based Targets initiative (SBTi). More details on SBT are available at https://sciencebasedtargets.org/companies-taking-action. The Approved Science-Based Targets used in Nov 2021 Semi-annual Index Review and all Index reviews prior to that are as of 30-Nov-2021.

2.3.3. EMISSIONS INTENSITY BASED SELECTION

For each GICS sector, the securities of the Eligible Universe which also have published emissions reduction targets[11] are ranked based on the greenhouse gas emissions intensity[12].

Subsequently, the securities are selected from the ranked universe starting from the lowest emissions intensity, until the sector coverage of 50% based on cumulative free float-adjusted market capitalization of the Applicable Universe is reached, in the following order:

- Securities which are ranked in the top 40% of the sector coverage of Applicable Universe are selected.
- Securities which are ranked between 40% and 60% of the sector coverage in the Applicable Universe and are also current constituents of the Index are selected.
- Remaining securities which are ranked between 40% and 60% of the sector coverage in the Applicable Universe are selected until the cumulative free float-adjusted market capitalization of the Applicable Universe selected for that sector is less than or equal to 50%. Any security which takes the sector coverage beyond 50% in the Applicable Universe is also selected.

2.3.4. ITERATIVE EXCLUSION PROCESS

If the selected securities cover greater than 75% weight of the Applicable Universe, then the securities are iteratively excluded from the Indexes in the following steps:

a. Sectors are ranked by the % sector coverage of the Applicable Universe in descending order.

b. Within the sector with the highest %sector coverage, the securities are ranked by greenhouse gas emissions intensity[13] in descending order. The security with the highest emissions intensity is excluded.

c. The total weight of remaining selected securities in the Applicable Universe is computed again and if it is greater than 75% then steps a and b above are repeated, else the process stops.

2.4 WEIGHTING OF SELECTED SECURITIES

The selected securities are weighted by their market capitalization weight in the Parent Index. The weights are then normalized to sum up to 100%.

[11] The Emission Reduction Targets used in May 2019 Semi-annual Index Review and all Index reviews prior to that are as of 31-Oct-2019.

[12] The calculation of greenhouse gas emissions intensity is described in Appendix III.

[13] The calculation of greenhouse gas emissions intensity is described in Appendix III

Additionally, a capping methodology is applied on constituent weights, country weights, and sector weights, as described in Appendix IV.

2.4.1. MINIMUM INDEX-LEVEL SUSTAINABLE EXPOSURE

Indexes are designed so that the index-level sustainable exposure (which reflects a particular interpretation of the company-level sustainable investment assessment as per Article 2(17) of the Sustainable Finance Disclosure Regulation (SFDR)[14] along with an associated aggregation method) meets the relevant thresholds.

The capping methodology has been described in Appendix IV.

A minimum of 11% Index-level Sustainable Exposure (SE) is used for each index.

Please refer to Appendix V for the criteria used to determine the company-level sustainable exposure qualification, the calculation of index-level sustainable exposure.

2.5 TREATMENT OF UNRATED COMPANIES

Companies not assessed by MSCI Research on data for the following MSCI ESG Research products are not eligible for inclusion in the Indexes

- MSCI ESG Controversies

[14] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R2088&from=EN

3 Maintaining the Indexes

3.1 SEMI-ANNUAL INDEX REVIEWS

The Indexes are rebalanced on a semi-annual basis, as of the close of the last business day of May and November, coinciding with the May and November Index Review of the MSCI Global Investable Market Indexes. The pro forma Indexes are in general announced nine business days before the effective date.

In general, MSCI uses MSCI ESG Research data[15] (including MSCI Climate Change Metrics, MSCI ESG Sustainable Impact Metrics, MSCI ESG Controversies and MSCI Business Involvement Screening Research) as of the end of the month preceding the Index Reviews for the rebalancing of the Indexes.

3.2 QUARTERLY INDEX REVIEWS

In addition to the semi-annual index rebalances, the 'ESG Controversy Score Eligibility' and 'ESG Business Involvement Eligibility' of existing constituents are reviewed on a quarterly basis, as of the close of the last business day of February and August, coinciding with the February and August Index Review of the MSCI Global Investable Market Indexes. Existing constituents that meet the exclusion criteria are deleted from the Indexes and the weight of remaining constituents are renormalized to 100%. The pro forma Indexes are in general announced nine business days before the effective date.

In general, MSCI uses MSCI ESG Controversies data and MSCI Business Involvement Screening Research data as of the end of the month preceding the Index Reviews for the rebalancing of the Indexes.

3.3 MONTHLY INDEX REVIEWS

In addition to the semi-annual and quarterly rebalances, the 'ESG Controversy Score Eligibility' and compliance with the United Nations Global Compact Principles are reviewed on a monthly basis, as of the close of the last business day of the month. Existing constituents that meet the exclusion criteria with regard to the two metrics will be deleted from the Indexes. The weight of remaining constituents is renormalized to 100%. The pro forma Indexes are in general announced nine business days before the effective date.

In general, MSCI uses MSCI ESG Controversies data and MSCI Business Involvement Screening Research data as of the end of the month preceding the Index Reviews for the rebalancing of the Indexes.

3.4 ONGOING EVENT RELATED CHANGES

The general treatment of corporate events in the Indexes aims to minimize turnover outside of Index Reviews. The methodology aims to appropriately

15 See section 4 for details of data sourced from MSCI ESG Research used in the Indexes.

represent an investor's participation in an event based on relevant deal terms and pre-event weighting of the index constituents that are involved.

The following section briefly describes the treatment of common corporate events within the Indexes.

No new securities will be added (except where noted below) to the Indexes between Index Reviews. Parent Index deletions will be reflected simultaneously.

EVENT TYPE	EVENT DETAILS
New additions to the Parent Index	A new security added to the Parent Index (such as IPO and other early inclusions) will not be added to the index.
Spin-Offs	All securities created as a result of the spin-off of an existing Index constituent will be added to the Index at the time of event implementation. Reevaluation for continued inclusion in the Index will occur at the subsequent Index Review.
Merger/Acquisition	for Mergers and Acquisitions, the acquirer's post event weight will account for the proportionate amount of shares involved in deal consideration, while cash proceeds will be invested across the Index. If an existing Index constituent is acquired by a non-Index constituent, the existing constituent will be deleted from the Index and the acquiring non-constituent will not be added to the Index.
Changes in Security Characteristics	A security will continue to be an Index constituent if there are changes in characteristics (country, sector, size segment, etc.) Reevaluation for continued inclusion in the Index will occur at the subsequent Index Review.

Further detail and illustration regarding specific treatment of corporate events relevant to this Index can be found in the MSCI Corporate Events Methodology book under the sections detailing the treatment of events in Capped Weighted and Non-Market Capitalization Weighted indexes.

The MSCI Corporate Events methodology book is available at: https://www.msci.com/index/methodology/latest/CE.

4 MSCI ESG Research

The Indexes use company ratings and research provided by MSCI ESG Research. In particular, the Indexes use the following MSCI ESG Research products: MSCI Impact Solutions, MSCI ESG Ratings MSCI Climate Change Metrics and MSCI ESG Controversies.

For details on MSCI ESG Research's full suite of ESG products, please refer to: https://www.msci.com/esg-investing.

4.1 MSCI ESG RATINGS

MSCI ESG Ratings aim to measure entities' management of environmental, social and governance risks and opportunities. MSCI ESG Ratings use a weighted average key issue calculation that is normalized by industry to arrive at an industry-adjusted ESG score (0-10), which is then translated to a seven-point scale from 'AAA' to 'CCC', indicating how an entity manages relevant key issues relative to industry peers.

The MSCI ESG Ratings methodology can be found at: https://www.msci.com/esg-and-climate-methodologies.

4.2 MSCI IMPACT SOLUTIONS: SUSTAINABLE IMPACT METRICS

MSCI Impact Solutions' Sustainable Impact Metrics is designed to identify companies that derive revenue from products or services with a positive impact on society and the environment. The Sustainable Impact Metrics are comprised of six Environmental Impact categories and seven Social Impact categories arranged by theme.

MSCI Sustainable Impact Taxonomy

Pillar	Themes	Categories
Environmental Impact	Climate Change	1. Alternative Energy 2. Energy Efficiency 3. Green Building
	Natural Capital	4. Sustainable Water 5. Pollution Prevention 6. Sustainable Agriculture
Social Impact	Basic Needs	7. Nutrition 8. Major Disease Treatment 9. Sanitation 10. Affordable Real Estate
	Empowerment	11. SME Finance 12. Education 13. Connectivity – Digital divide

Under each of the actionable environmental and social impact themes, MSCI ESG Research has identified specific categories of products and services that it has determined companies can offer as potential solutions to environmental and social challenges.

More detailed taxonomy for each category can be found in Section 4.4 of the MSCI ACWI Sustainable Impact Index Methodology available at: https://www.msci.com/index-methodology/latest/SI.

4.3 MSCI ESG CONTROVERSIES

MSCI ESG Controversies provide assessments of controversies concerning the potential negative environmental, social, and/or governance impact of company operations, products and services. The evaluation framework used in MSCI ESG Controversies is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact. MSCI ESG Controversies Score falls on a 0-10 scale, with "0" being the most severe controversy.

The MSCI ESG Controversies methodology can be found at: https://www.msci.com/esg-and-climate-methodologies.

4.4 MSCI ESG BUSINESS INVOLVEMENT SCREENING RESEARCH

MSCI ESG Business Involvement Screening Research (BISR) aims to enable institutional investors to manage environmental, social and governance (ESG) standards and restrictions reliably and efficiently.

For more details on MSCI ESG Business Involvement Screening Research, please refer to http://www.msci.com/resources/factsheets/MSCI_ESG_BISR.pdf.

4.5 MSCI CLIMATE CHANGE METRICS

MSCI Climate Change Metrics provides climate data & tools to support institutional investors seeking to integrate climate risk & opportunities into their investment strategy and processes. This includes investors seeking to achieve a range of objectives, including measuring and reporting on climate risk exposure, implementing low carbon and fossil fuel-free strategies, align with temperature pathways and factoring climate change research into their risk management processes, in particular through climate scenario analysis for both transition and physical risks.

The dataset spans across the four dimensions of a climate strategy: transition risks, green opportunities, physical risks and 1.5° alignment.

For more details on MSCI Climate Change Metrics, please refer to https://www.msci.com/climate-change-solutions.

Appendix I: ESG Business Involvement Eligibility

- **Controversial Weapons**
  - All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments, and incendiary weapons), as defined by the methodology of the MSCI Global Ex-Controversial Weapons Indexes available at https://www.msci.com/indexmethodology.
- **Tobacco**
  - All companies classified as a "Producer."
  - All companies deriving 5% or more aggregate revenue from the production, distribution, retail, supply, and licensing of tobacco-related products.
- **Thermal Coal Mining**
  - All companies deriving 5% or more revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It does not cover revenue from metallurgical coal, coal mined for internal power generation (e.g., in the case of vertically integrated power producers), intra-company sales of mined thermal coal, and revenue from coal trading (either reported or estimated).
- **Thermal Coal Power**[16]
  - All companies deriving 25% or more revenue from the thermal coal-based power generation.
  - All companies deriving greater than or equal to 5% and less than 25% revenue from the thermal coal-based power generation and do not satisfy both of the below criteria:
    - Have one or more greenhouse gas emissions reduction target(s)[17] approved by the Science Based Targets initiative (SBTi)

[16] Data availability starts from 31-July 2017 and so this exclusion is not effective in the Index reviews prior to this date.

[17] Company level emission reduction targets which have been approved by Science Based Targets initiative (SBTi). More details on SBT are available at https://sciencebasedtargets.org/companies-taking-action. The Approved Science-Based Targets used in Nov 2021 Semi-annual Index Review and all Index reviews prior to that are as of 30-Nov-2021.

        - Security level cumulative % of revenue derived from a set of environmental impact themes as described in Appendix II is greater than or equal to 20%

- **Unconventional Oil and Gas**[18]
    - All companies deriving 25% or more revenue from unconventional oil and gas extraction. It includes revenue from the production of oil sands, oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane, as well as revenue from onshore or offshore oil and gas production in the Arctic region.
    - All companies deriving greater than or equal to 5% and less than 25% revenue from unconventional oil and gas extraction and do not satisfy both of the below criteria:
        - Have one or more greenhouse gas emissions reduction target(s)[19] approved by the Science Based Targets initiative (SBTi)
        - Security level cumulative % of revenue derived from a set of environmental impact themes as described in Appendix II is greater than or equal to 20%
- **Compliance with all the UN Global Compact Principles**
    - All companies that fail to comply with the United Nations Global Compact principles. In this filter, activities are not classified under any specific tolerance level.

[18] Data availability starts from 31-July 2019 and so this exclusion is not effective in the Index reviews prior to this date.

[19] Company level emission reduction targets which have been approved by Science Based Targets initiative (SBTi). More details on SBT are available at https://sciencebasedtargets.org/companies-taking-action. The Approved Science-Based Targets used in Nov 2021 Semi-annual Index Review and all Index reviews prior to that are as of 30-Nov-2021.

Appendix II: Calculation of Green Business Revenue

For each security in the Applicable Universe, the Green Revenue% is calculated as the cumulative revenue (%) from the six Environmental Impact themes which are as follows:

- Alternative Energy – products and services that support the transmission, distribution and generation of renewable energy and alternative fuels to reduce carbon and pollutant emissions in supporting affordable and clean energy to combat climate change.
- Energy Efficiency – products, and services that support the maximization of productivity in labor, transportation, power, and domestic applications with minimal energy consumption to ensure universal access to affordable, reliable, and modern energy services.
- Sustainable Water – products, services, infrastructure projects and technologies that resolve water scarcity and water quality issues, through minimizing and monitoring current water demand, improving the quality and availability of water supply to improve resource management in both domestic and industrial use.
- Green Building – design, construction, redevelopment, retrofitting, or acquisition of green-certified properties to promote mechanisms for raising capacity for effective climate change mitigation and adaptation.
- Pollution Prevention – products, services, infrastructure projects and technologies that reduces volume of waste materials through recycling, minimizes introduction of toxic substances, and offers remediation of existing contaminants such as heavy metals and organic pollutants in various environmental media to significantly address pollution in all levels and its negative effects.
- Sustainable Agriculture - revenues from forest and agricultural products that meet environmental and organic certification requirements to significantly address biodiversity loss, pollution, land disturbance, and water overuse.

Appendix III: Calculation of Greenhouse Gas Emissions Intensity

Greenhouse gas emissions intensity has been defined below:

Security level Emissions Intensity =

Global Green House Gas (GHG) Emissions / (Enterprise Value + Cash ($))

Where, Global GHG Emission = Emissions from Scope 1+2

Appendix IV: Capping Methodology

The capping methodology is applied on issuer, country, and sector weights to mitigate the concentration in the Index and maintain a minimum Index-level sustainable exposure.

A. Parameters of Capping

The maximum weight of an Index constituent at an issuer level will be restricted to 18%. The maximum weight of an Index constituent at an issuer level will not exceed more than +2% of its respective weight in the Parent Index.

The maximum GICS sector weight in the Index will not deviate more than +/-1% from the sector weight in the Parent Index.

The maximum country weight in the Index will not deviate more than +/-1% from the country weight in the Parent Index. If no securities are selected from a country of the Parent Index during rebalancing, the above country weights constraint will be applied after the proforma weight of that country in the Parent Index is re-distributed amongst remaining countries of the Index.

The maximum weight of constituents in the Index that do not qualify to have company-level sustainable exposure[20] will not exceed 89%. This is to be able to achieve a minimum of 11% Index-level sustainable exposure.

B. Capping Methodology

The Capping methodology is iteratively applied with the following steps:

- Find the most violating constraint from all the given constraints (sector minimum bound, sector maximum bound, country minimum bound, country maximum bound, issuer maximum bound and maximum bound for constituents not qualifying to have company-level sustainable exposure).
- For each group[21] (for example, Energy sector) within all the constraints, the deviation ratio is calculated based on:
  - ratio of current value (for example, weight of issuer ‘A’ in the Index) to maximum bound (for example, maximum bound of issuer ‘A’ weight), in case of maximum bound constraint.
  - ratio of minimum bound value (for example, mimimum bound of Energy sector weight) to current value (for example, weight of Energy sector in the Index), in case of minimum bound constraint.

  The most violating constraint is the maximum of all the deviation ratios.

[20] The criteria used to determine the company-level sustainable exposure qualification are described in Appendix V.

[21] A group refers to an Issuer, a GICS sector, a country or categorization of company-level sustainable exposure

- The most violating constraint is adjusted first to the respective bound value.
- The excess weight (difference of current value to the respective bound value) is distributed proportionally to all the other constituents.
- The iterative capping stops when the most violating constraint ratio (rounded off to 5 decimals) is less than or equal to 1 or it has reached the maximum iteration count. In case of maximum iteration count, the capping steps will return the solution found until this maximum iteration step.
- If the most violating constraint ratio value for each group (for example, Energy sector in sector minimum bound) is repeated in more than 10 iterations, the capping methodology applies relaxation steps.

C. Relaxation Steps

The following conditions are alternatively relaxed until the most violating constraint ratio (rounded off to 5 decimals) is less than or equal to 1 or it has met the maximum iteration criteria of 2000 steps:

- Relax the minimum bound of weight for countries in steps of -1%.
- Relax the maximum bound of weight for countries in steps of 1%.
- Relax the minimum bound of sector weights in steps of -1%, up to a maximum of 4 iterations.
- Relax the maximum bound of sector weights in steps of 1%, up to a maximum of 4 iterations.

At each step of relaxation, if the most violating constraint ratio value for each group is repeated more than 10 times, the next step of relaxation is initiated.

Appendix V: Sustainable Exposure

A. Baseline Criteria

A company meets the "baseline criteria" if it meets all the following conditions:

- MSCI ESG Rating of "BB" or above[22]
- MSCI ESG Controversies Score of 2 or above[23]
- Not flagged by the following business involvement criteria:
  - Has any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments, and incendiary weapons), in line with the methodology of the MSCI Ex-Controversial Weapons Indexes available at: https://www.msci.com/index-methodology
  - Derives 1% or more revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties
  - Manufactures tobacco products, such as cigars, blunts, cigarettes, e-cigarettes, inhalers, beedis, kreteks, smokeless tobacco, snuff, snus, dissolvable and chewing tobacco
  - Derives 5% or more aggregate revenue from the production, distribution, retail, supply and licensing of tobacco-related products

B. Company-Level Sustainable Exposure

A company qualifies as having company-level sustainable exposure if it meets all the following conditions:

- Passes the baseline criteria as defined above
- Passes at least one of the following:
  - Derives 20% or more aggregate revenue from any of the thirteen social and environmental impact categories of Sustainable Impact Metrics (including nutrition, sanitation, major diseases treatment, SME finance, education, connectivity, affordable real estate, alternative energy, energy efficiency, green building, pollution prevention, sustainable agriculture, and sustainable water)
  - Has one or more greenhouse gas emissions reduction target(s) approved by the Science Based Targets initiative (SBTi)

[22] The condition is not met if the MSCI ESG Rating is missing for the company.

[23] The condition is not met if the MSCI ESG Controversies Score is missing for the company.

C. Index-Level Sustainable Exposure

The index-level sustainable exposure is calculated as the sum of the weight of constituents in the index that qualify as having company-level sustainable exposure.

Appendix VI: Methodology Set

The Index is governed by a set of methodology and policy documents ("Methodology Set"), including the present index methodology document as mentioned below:

Description of methodology set – https://www.msci.com/index/methodology/latest/ReadMe

MSCI Corporate Events Methodology – https://www.msci.com/index/methodology/latest/CE

MSCI Fundamental Data Methodology – https://www.msci.com/index/methodology/latest/FundData

MSCI Index Calculation Methodology – https://www.msci.com/index/methodology/latest/IndexCalc

MSCI Index Glossary of Terms – https://www.msci.com/index/methodology/latest/IndexGlossary

MSCI Index Policies – https://www.msci.com/index/methodology/latest/IndexPolicy

MSCI Global Industry Classification Standard (GICS) Methodology – https://www.msci.com/index/methodology/latest/GICS

MSCI Global Investable Market Indexes Methodology – https://www.msci.com/index/methodology/latest/GIMI

MSCI Global ex Controversial Weapons Indexes Methodology – https://www.msci.com/index/methodology/latest/XCW

MSCI Global ex Tobacco Involvement Index – https://www.msci.com/index/methodology/latest/ExTobacco

ESG Factors In Methodology[24]

The Methodology Set for the Indexes can also be accessed from MSCI's webpage https://www.msci.com/index-methodology in the section 'Search Methodology by Index Name or Index Code'.

[24] 'ESG Factors in Methodology' contains the list of environmental, social, and governance factors considered, and how they are applied in the methodology (e.g., selection, weighting or exclusion). It can be accessed in the Methodology Set as described above."

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To learn more, please visit www.msci.com.

The process for submitting a formal index complaint can be found on the index regulation page of MSCI's website at: https://www.msci.com/index-regulation.

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