

MSCI EQUITY INDEX COMMITTEE

Terms of Reference

February 2019

CONTENTS

General	3
The Equity Index Committee	4
Description	4
Responsibility.....	4
Composition	5
Meetings	5

GENERAL

MSCI uses four main committees to provide overall oversight and governance for benchmark for MSCI indexes ¹.

- Oversight is provided by the Oversight Committee (“OC”).
- Governance is provided by the Risk and Regulatory Committee (“RRC”), the Index Policy Committee (“IPC”) and the Equity Index Committee (“EIC”).

All of the committees are staffed solely by MSCI group company employees with extensive relevant experience. MSCI believes that its editorial and operational independence is critical to its objectivity, efficiency and avoiding conflicts of interest.

All committee members are expected to act with integrity as is required of all our employees according to our Code of Ethics and Business Conduct posted on www.msci.com.

All decisions taken by the committees are the responsibility of their members.

¹ For the purpose of this document, “MSCI indexes” refer to MSCI’s equity and blended indexes.

THE EQUITY INDEX COMMITTEE

DESCRIPTION

The EIC presides over the development, review and interpretation of index methodologies. Both MSCI equity indexes as well as blended indexes, which combine MSCI equity indexes with indexes representing other asset classes or indexes, fall under responsibility of the EIC.

These terms of reference are reviewed and approved by the OC annually.

RESPONSIBILITY

The key responsibilities of the EIC include, but are not limited to, the following:

- Review and approve new methodologies, including methodology books, material methodology changes and market reclassifications.
- Review and approve the results of the regular index rebalancings for the Global Investable Market Indexes.
- Review and approve the results of regular index rebalancing of indexes governed by other methodologies, as escalated by index research. Provide the IPC with highlights of rebalancing results.
- Review and approve complex or exceptional corporate event treatment that cannot be addressed by current methodologies, escalated by the Corporate Events team.
- Review and approve all proposals for equity index terminations not directly as a result of a methodology. Some index terminations may be escalated to the IPC.
- Approve or propose consultations, review feedback, and decide if methodology changes are needed.
- Determine what changes are significant after considering relevant factors such as operational impact on market participants and estimated turnover and transaction costs associated with the changes.
- Review and approve the MSCI Index Policies document.
- Delegate signoffs and decisions to sub-committees and functional teams for index changes that strictly follow the methodologies.
- May elect to escalate issues to the IPC for changes that it deems major or in cases where there is no agreement / decision. All market classification decisions are escalated to the IPC.

COMPOSITION

- The EIC is composed of six voting members: the chairman of the IPC and five members with significant experience and seniority selected from MSCI's Index Research. The Chair of the IPC is also a member of the EIC. All members are inside the MSCI Chinese Wall.
- The EIC may elect to add non-voting members selected from MSCI's Index Research and Data teams. Designated non-voting members may act as a substitute if no quorum is reached.
- Changes to voting members are proposed by the EIC and approved by the IPC.

MEETINGS

- The EIC is scheduled to meet once a week. In addition, the EIC meets on an ad-hoc basis if required.
- Regular meetings require the attendance of at least three members. Plenary meetings require the attendance of the IPC Chair and two additional members. In case no quorum² can be reached, designated non-voting members may act as a substitute.
- Topics are requested by members or other parties. If there are no topics or no quorum, the meeting is cancelled.
- The agendas for all EIC meetings contain the date, time, expected attendees and topics. All topics presented at the EIC generally have supporting documents.
- Generally, the minutes of all EIC meetings contain the date, time, attendees, topics discussed and decisions made. The secretary will record minutes of each meeting, which will be retained for at least five years.
- In instances when an EIC decision is required prior to a regular meeting and scheduling an ad-hoc EIC meeting is not possible, such decision may be reached via email communication, provided at least three members of the EIC explicitly approve a proposal. New index methodologies not requiring detailed discussion may also be approved via email communication, based on circulated methodology documents and/or additional supporting materials. In case of exceptionally time critical, typically market driven topics, consent of two EIC members is sufficient. In case no quorum can be reached within 24 hours, designated non-voting members may act as a substitute. Topics for which non-voting members acted as a substitute are brought to attention of the EIC at the next scheduled meeting.

² Three voting EIC members are required to constitute quorum

February 2018 updates:

Responsibility

- clarification on the role of the Index Equity Committee (EIC) in index termination decisions

Meetings

- change in the EIC voting rules in the cases when quorum cannot be reached

August 2018 updates:

Meetings

- clarification on the definition of quorum

February 2019 updates:

Responsibilities

- clarification on the new methodology book approvals

Meetings

- clarification on the definition of quorum

CONTACT US

clientservice@msci.com

AMERICAS

Americas	1 888 588 4567 *
Atlanta	+ 1 404 551 3212
Boston	+ 1 617 532 0920
Chicago	+ 1 312 675 0545
Monterrey	+ 52 81 1253 4020
New York	+ 1 212 804 3901
San Francisco	+ 1 415 836 8800
Sao Paulo	+ 55 11 3706 1360
Toronto	+ 1 416 628 1007

EUROPE, MIDDLE EAST & AFRICA

Cape Town	+ 27 21 673 0100
Frankfurt	+ 49 69 133 859 00
Geneva	+ 41 22 817 9777
London	+ 44 20 7618 2222
Milan	+ 39 02 5849 0415
Paris	0800 91 59 17 *

ASIA PACIFIC

China North	10800 852 1032 *
China South	10800 152 1032 *
Hong Kong	+ 852 2844 9333
Mumbai	+ 91 22 6784 9160
Seoul	00798 8521 3392 *
Singapore	800 852 3749 *
Sydney	+ 61 2 9033 9333
Taipei	008 0112 7513 *
Thailand	0018 0015 6207 7181 *
Tokyo	+ 81 3 5290 1555

* = toll free

ABOUT MSCI

For more than 40 years, MSCI's research-based indexes and analytics have helped the world's leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research.

Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research.

MSCI serves 97 of the top 100 largest money managers, according to the most recent P&I ranking.

For more information, visit us at www.msci.com.

NOTICE AND DISCLAIMER

This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the "Information") is the property of MSCI Inc. or its subsidiaries (collectively, "MSCI"), or MSCI's licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the "Information Providers") and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or redisseminated in whole or in part without prior written permission from MSCI.

The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.

Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.

The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.

It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, "Index Linked Investments"). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.

Index returns do not represent the results of actual trading of investable assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.

The Information may contain back tested data. Back-tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.

Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.

Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research LLC and Barra LLC, may be used in calculating certain MSCI indexes. More information can be found in the relevant index methodologies on www.msci.com.

MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.'s revenue includes fees based on assets in Index Linked Investments. Information can be found in MSCI Inc.'s company filings on the Investor Relations section of www.msci.com.

MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Except with respect to any applicable products or services from MSCI ESG Research, neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and MSCI's products or services are not intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Issuers mentioned or included in any MSCI ESG Research materials may include MSCI Inc., clients of MSCI or suppliers to MSCI, and may also purchase research or other products or services from MSCI ESG Research. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body.

Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD, FEA, InvestorForce, and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS)" is a service mark of MSCI and Standard & Poor's.