

MSCI ESG GOVERNANCE METRICS

FROM MSCI ESG RESEARCH INC.

MSCI ESG Governance Metrics provides institutional investors with corporate governance research and data on over 7,000 public companies worldwide.

KEY FEATURES AND BENEFITS

Comprehensive Methodology

The MSCI ESG Governance Metrics assessment model is based on 96 unique metrics organized into four individual scoring pillars, designed to provide consistency, transparency and structural integrity.

Unique Insights

MSCI's governance analysis looks beyond governance structures to evaluate regional context, interaction between metrics, and patterns of corporate behavior, emphasizing behavior over policy.

Broad Coverage

Corporate governance scores (1-10) and percentile rankings cover over 7,000 global companies. Additional bespoke coverage beyond the standard coverage universe is available upon request.

Accounting Risk Metrics

The accounting pillar evaluates corporate transparency and the reliability of reported financials as an aspect of corporate governance, based on quantitative analysis of approximately 60 underlying forensic accounting ratios.

Support Engagement Activities

Leverage in-depth company profile reports, rankings and underlying governance and accounting metrics to identify governance weaknesses, understand company dynamics and to support an engagement strategy.

Create Watchlists and Alert Flags

Portfolio risk assessment tools enable clients to create weighted watchlists to monitor portfolios and receive alerts with rankings changes, news and updates.

Historical U.S. Governance Analysis

Historical U.S. governance data, including management and shareholder proposals and annual meeting results dating back 14 years, are available for in-depth trend analysis.

NEW FEATURES

- **Redesigned Report** makes it easier to see the issues most relevant to each company, including how they change over time.
- **More Graphics** to make it easier to spot important information at a glance.
- **Adaptable Format** to highlight regional differences in countries like France, Germany and Japan.

The screenshot displays a detailed report for Carlsberg A/S (CARLB). It includes a table for the Supervisory Board with columns for Name, MVE, Age, Tenure (Years), Board, Independence of Chair, and Management Lead. Below this, there are sections for 'GOVERNANCE THEMES AND RANKINGS' with bar charts for various metrics, 'KEY AREAS OF CONCERN' with a list of issues, and 'CORPORATE GOVERNANCE SCORE HISTORY' with a line chart showing the score from 2008 to 2023.

THE MSCI ESG GOVERNANCE METRICS MODEL IS ORGANIZED INTO FOUR SCORING PILLARS:

Board

Is there misalignment between managers and shareholders?

Pay

Are the right compensation incentives in place for executives?

Ownership and Control

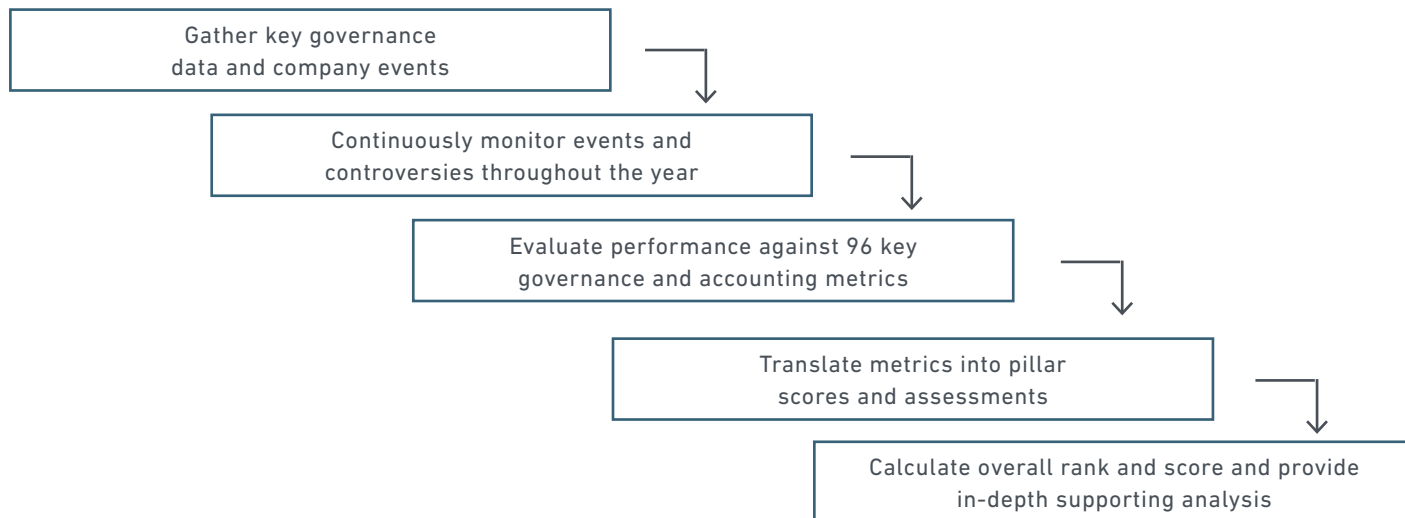
Is there a controlling shareholder or unusual voting rights?

Accounting

Do the company's financial statements properly reflect the state of the business?

PRODUCT OVERVIEW

The MSCI ESG Governance Metrics model emphasizes behavior over policy in evaluating key material governance issues at global public companies.



ABOUT MSCI ESG RESEARCH PRODUCTS AND SERVICES

MSCI's ESG products and services are provided by MSCI ESG Research Inc. and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research is produced by MSCI's indirect wholly-owned subsidiary MSCI ESG Research Inc., a Registered Investment Adviser under the Investment Advisers Act of 1940.

ABOUT MSCI

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