

MSCI Real Estate - Risk and Regulatory Committee

Terms of Reference

December 2020

General

MSCI uses a committee structure to provide overall oversight and governance for the design, calculation and maintenance of MSCI indexes as follows:

- Oversight as required by the EU benchmark regulation and any similar post-Brexit UK regulation (collectively, the “BMR”) is provided by the BMR Oversight Committee (“OC”).
- A Risk and Regulatory Committee presides over operational and business risk and regulatory compliance matters.
- The Index Policy Committee (“IPC”) presides over major methodology developments and changes as well as equity market classification decisions, and is an escalation point for any index committee.
- An Index Committee presides over the development, review and interpretation of index methodologies and other matters described in the relevant terms of reference.

All of the committees are staffed solely by MSCI group company employees with extensive relevant experience.

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, and are subject to MSCI’s compliance policies, including with respect to confidential information and relevant Chinese Walls.

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

MSCI believes that its editorial and operational independence is critical to its objectivity, efficiency and avoiding conflicts of interest.

The Real Estate – Risk and Regulatory Committee

DESCRIPTION

For the MSCI Private Real Estate Indexes the risk and regulatory committee is known as the MSCI Real Estate - Risk and Regulatory Committee (“RE-RRC”).

The RE-RRC presides over operational and business risks and regulatory compliance matters.

These terms of reference are reviewed and approved by the RE-RRC and reviewed by the MSCI BMR Oversight Committee (“OC”) annually.

RESPONSIBILITY

The key responsibilities of the RE-RRC include, but are not limited to, the following:

- Preside over the integrity of the MSCI Private Real Estate index processes. The aim is to ensure that there is in place an effective system reasonably designed to evaluate and control general risks within the MSCI Private Real Estate product line.
 - Review and approve the “MSCI Benchmark Administration Framework” (“BAF”) and “MSCI Risk and Control Matrix - Private Real Estate Indexes” (“RE-RACM”)
 - Review the results of internal and external audits and recommend actions
 - Review and implement recommendations from the OC, as appropriate
- Highlight and address potential material risks and issues, including operational risks, changes in regulatory environment, and conflicts of interest.
- Review any formal MSCI Private Real Estate index complaints.
- Assess and manage the firm’s compliance with existing regulation or regulatory principles for existing, new and proposed indexes, as well as changes in processes.
- Discuss regulation and potential regulation and the impact on the MSCI Private Real Estate index product line.

Note that this committee has no authority over the REIC and IPC and their responsibilities.

COMPOSITION

The composition of the committee is determined by job function. Membership changes are approved by the RE-RRC, and any changes to the voting membership are approved by the OC.

The RE-RRC is chaired by the Head of Real Estate and comprises of members representing senior leadership selected from each of:

- Real Estate Research
- Real Estate Data Management
- Real Estate IT
- Real Estate Product Management
- Real Estate Program Management
- Legal and Compliance

Membership shall be revoked for the following reasons:

- The member notifies the committee of his or her decision to resign from the RE-RRC.
- The member is no longer an employee of an MSCI group company or his or her role changes significantly.
- The member does not fulfill or is not capable of fulfilling his or her responsibilities on the committee, including attendance at meetings.

MEETINGS

- Meetings are to be held at least quarterly and as needed and may be attended in person or by teleconference.
- The Chairperson and a member from each of the six functions as listed in the composition above must be present at any meeting¹. If a member is unable to attend, he or she must be represented by a delegate from his or her function to ensure that all relevant areas are present. Each voting member has one vote. A delegate can vote on behalf of the member.

¹ In case of an unexpected delay of the Chairperson for the RE-RRC meeting, the RE-RRC Secretary will chair the meeting. However; decisions required from the RE-RRC will be made only in presence of the Chairperson by simple majority. Should the Chairperson be delayed beyond the end of the RE-RRC meeting, such decisions would be processed via email.

- Decisions will be taken by simple majority² of the voting members present at the meeting.
- In instances when a RE-RRC decision is required and scheduling an ad-hoc RE-RRC meeting is not possible, such decision may be reached via email communication, provided at least three members of the RE-RRC explicitly approve a proposal.
- Members must disclose any potential conflict of interest before each agenda item and recuse themselves from any discussions where they have a conflict of interest. This will be recorded in the minutes.
- The committee may ask any personnel to attend or to present at the meeting. These attendees will not have voting rights.
- The agendas for all RE-RRC meetings contain the date, time, expected attendees and topics. Topics presented at the RE-RRC may have supporting documents.
- Generally, the minutes of all RE-RRC meetings contain the date, time, attendees, topics discussed, and decisions made. The minutes of each RE-RRC meeting are approved by the members.
- The Secretary will record minutes of each meeting, which will be retained for at least five years

² Simple majority means more than half of the total number of votes cast.



Contact us

realestate@msci.com

+ 44 20 7336 4783

AMERICAS

Canada + 1 416 687 6284

US + 1 212 804 3900

EUROPE, MIDDLE EAST & AFRICA

UK + 44 20 7336 9200

France + 44 20 7336 4783

Germany + 49 691 3385 900

Italy + 44 20 7336 9684

Spain + 34 93 467 7403

South Africa + 27 11 656 2115

Sweden + 46 8 400 252 30

ASIA PACIFIC

Australia + 61 2 9033 9300

Hong Kong + 852 2844 9333

Singapore + 65 6826 9339

Japan + 81 3 5211 1455

ABOUT MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

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>.

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 disseminated in whole or in part without prior written permission from MSCI. All rights in the Information are reserved by MSCI and/or its Information Providers.

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 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.

MIFID2/MIFIR notice: MSCI ESG Research LLC does not distribute or act as an intermediary for financial instruments or structured deposits, nor does it deal on its own account, provide execution services for others or manage client accounts. No MSCI ESG Research product or service supports, promotes or is intended to support or promote any such activity. MSCI ESG Research is an independent provider of ESG data, reports and ratings based on published methodologies and available to clients on a subscription basis. We do not provide custom or one-off ratings or recommendations of securities or other financial instruments upon request.

Privacy notice: For information about how MSCI collects and uses personal data, please refer to our Privacy Notice at <https://www.msci.com/privacy-pledge>.

NO REGULATED USE OF ANY MSCI PRIVATE REAL ASSETS INDEXES IN ANY JURISDICTION IS PERMITTED WITHOUT MSCI'S EXPRESS WRITTEN AUTHORIZATION. THE PROCESS FOR APPLYING FOR MSCI'S EXPRESS WRITTEN AUTHORIZATION CAN BE FOUND ON THE INDEX REGULATION PAGE OF MSCI'S WEBSITE AT: <https://www.msci.com/index-regulation>.