

MSCI Corporate Sustainability Insights



Why Choose MSCI?

Leadership in Climate Data & Analytics

Climate Data Provider to 44 of the World's Top 50 Asset Managers¹

900+ Climate Change Metrics, Covering 10,000+ Issuers²

Leadership in Climate Indexes

#1 Climate Index Provider by Equity Assets Linked to its Climate Indexes³

Leadership in ESG Ratings and Data

#1 ESG Data and Research Provider⁴

2,650+ MSCI ESG Research Clients⁵ globally with coverage of 17,500+ Issuers and 750,000+ Securities

Leadership in ESG Indexes

#1 ESG Index Provider by Equity ETF Assets Linked to its ESG Indexes⁶

\$USD 579 billion are benchmarked to MSCI ESG & Climate Equity Indexes³

Our Solutions and Competitive Edge

- **Over 34 years experience** in objectively measuring and modeling ESG characteristics¹
- **580+ ESG experts and technologists** providing the most efficient investment signals
- **1500+ MSCI ESG equity and fixed income indexes²**
- **Extensive set of solutions** for ESG and Climate integration
- **Deep integration across MSCI products** catering to the investment value chain

¹ MSCI ESG Research's climate solutions are used by 44 of the top 50 world's largest Asset Managers as determined by Willis Towers Watson report "The world's largest 500 asset managers, Joint study with Pensions & Investments." AUM and rankings calculated as of December 2020. Report published October 2021. MSCI Clients as of December 2021; ² Source: MSCI ESG Research as of February 2022 ³ Data as of 30th June 2021, based on eVestment for Institutional funds, Morningstar for Retail funds and Refinitiv Universe for ETFs ⁴ UBS Report published 2/16/2021 "Is the ESG Data and Services TAM Expanding? Who is Capitalizing on the Trend?" - Survey data from 35 Mutual funds, 18 hedge funds, 9 pension funds, 63 Wealth Management (High Net Worth), and 48 Long-only institutional investors. ⁵ To calculate the number of clients, we use the shipping address of the ultimate customer utilizing the product, which counts affiliates, user locations or business units within a single organization as separate clients; As of December 2021. ⁶ Data based on Refinitiv Universe as of December 2021, only primary listings, and not cross-listings. ⁷ As of September 2021 MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC, a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate are products of MSCI Inc. that utilize information from MSCI ESG Research LLC. MSCI Indexes are administered by MSCI Limited (UK). As of September 2021

Introducing MSCI ESG Research

First ESG provider to assess companies based on industry financial materiality¹

- 300+**
ESG analysts²
(~550 FTE)
- 2,650+**
clients
- 1,500+**
ESG equity & fixed
income indices
use MSCI ESG
Research ratings
and data**
- 10,000+**
Companies
(16,000+ issuers
incl subsidiaries
rated by MSCI ESG
Research*)



1. Through our legacy companies KLD, Innovest, IRRIC, and GMI Ratings. ESG Ratings dating back to 1999.
2. Source: MSCI ESG Research as of December 2021. Includes full time employees, employees of foreign affiliates providing investment advisory services to MSCI ESG Research LLC, and global allocated staff performing non-investment advisory tasks.
3. To calculate the number of clients, we use the shipping address of the ultimate customer utilizing the product, which counts affiliates, user locations or business units within a single organization as separate clients; As of December 2021.

*Representative office for business development.
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Information Classification: GENERAL



The Context



Stakeholder capitalism:

Regulators, customers, employees, suppliers, investors and other stakeholders demand evidence of action on social and environmental challenges.



Beyond commitments & targets:

Stakeholders are now expecting actions and tangible results. Companies need access to the right data to account for progress and results on their sustainability journey.



Avoiding climate catastrophe:

Global emissions need to be cut by 45 percent by 2030. But the Paris Agreement of 1.5°C goal is in danger of slipping out of reach. More than half of listed companies align with future warming greater than 2°C*.

What Does That Mean for Sustainability Leaders?



Corporate Sustainability Insights on MSCI One

Deepen your understanding of your key ESG and Climate exposures



Facilitate your ability to provide updated climate-related disclosures to MSCI, such as emissions and target-setting data



Identify and act on disclosure gaps that may exist for your climate-related data



Gain deeper access into MSCI's leading climate metrics – MSCI Climate Value-at-Risk and Implied Temperature Rise – to better understand your company's exposures and market positioning



Better pinpoint the ESG key issues where your company is leading or lagging against industry peers or other specific companies

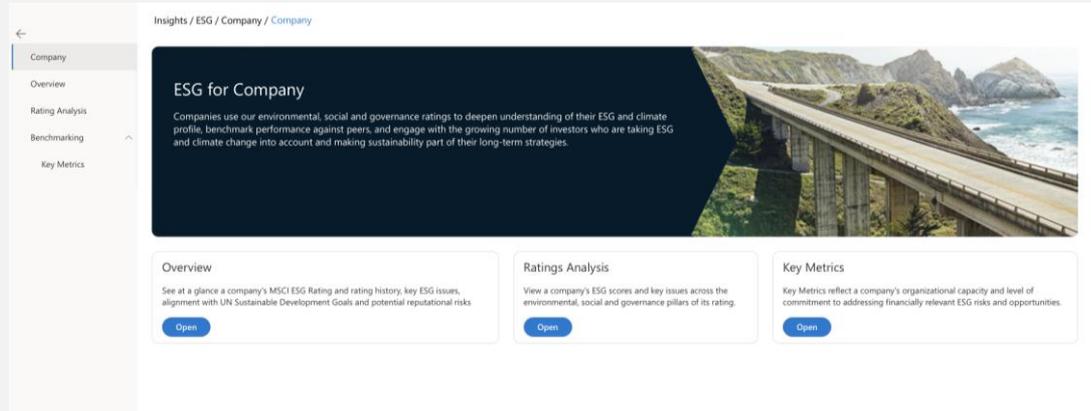


View climate-related risks and opportunities compared with peers, according to the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD)



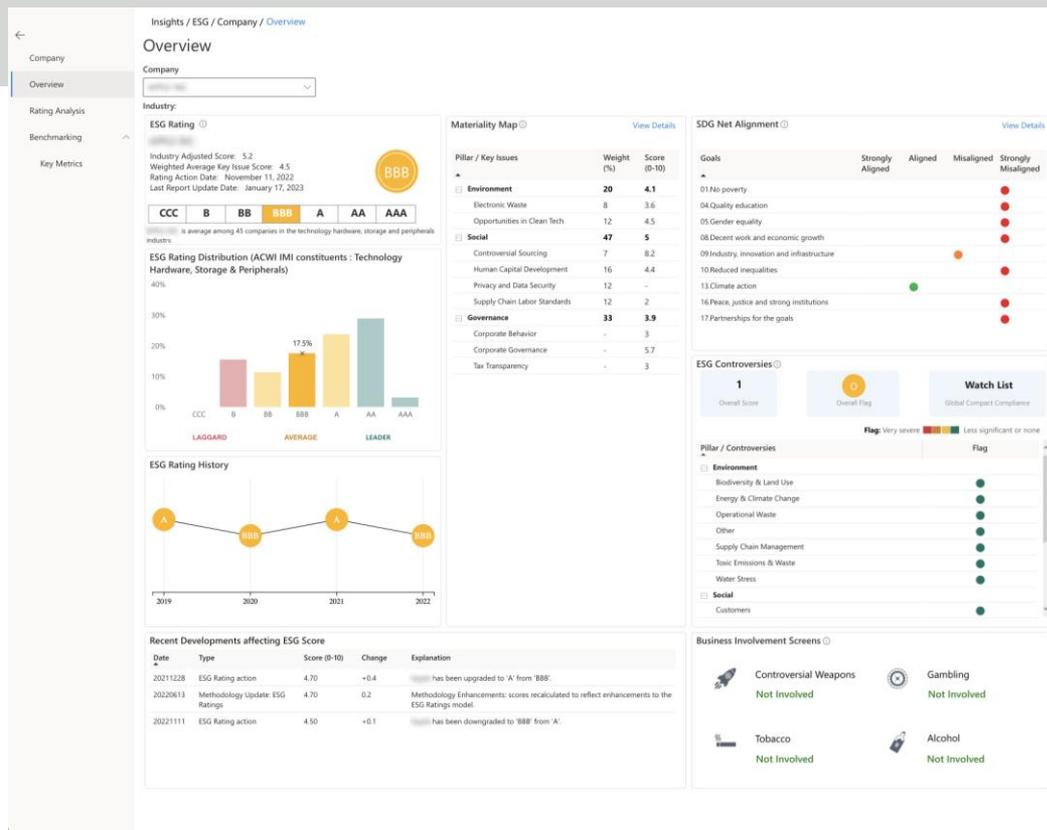
How to Use ESG Company

- **Shows** you ESG key issues to pay attention to and act on
- **Visualizes** data you can share in presentations with your board
- **Enables** you to compare your company's performance with peers
- **Delivers** data to deepen insight that you can use for meetings, reports, and to build your sustainability strategy



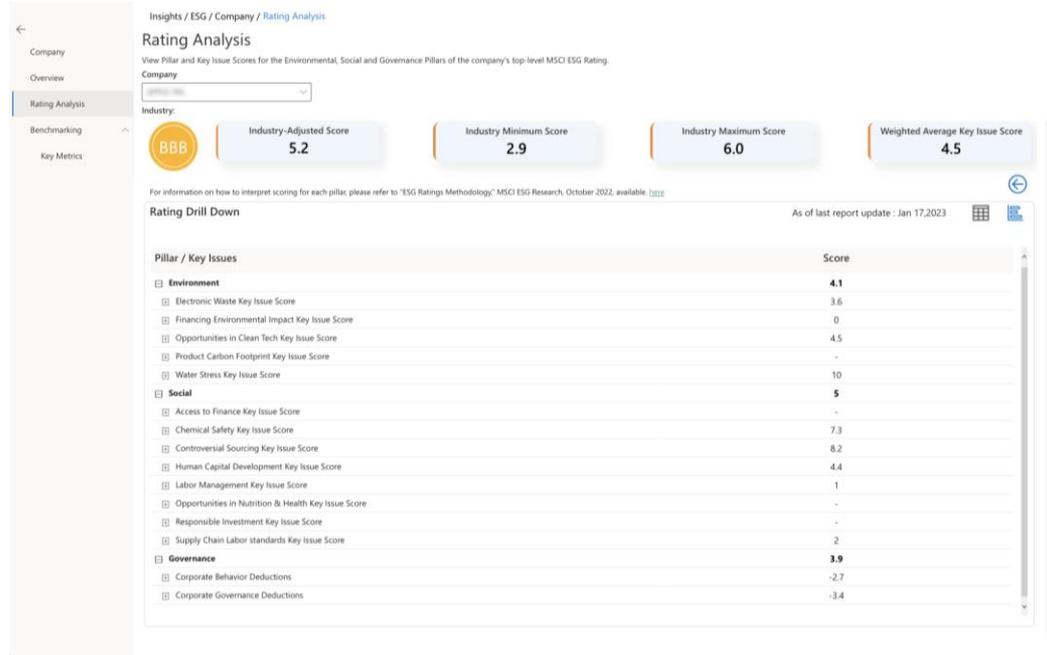
ESG Overview

- The ESG Company Overview shows you a broad view of key metrics related to your MSCI ESG Rating
- You can view your company's ESG Rating history and track your progress over time
- Designed to enable you to look up all the above data for any company



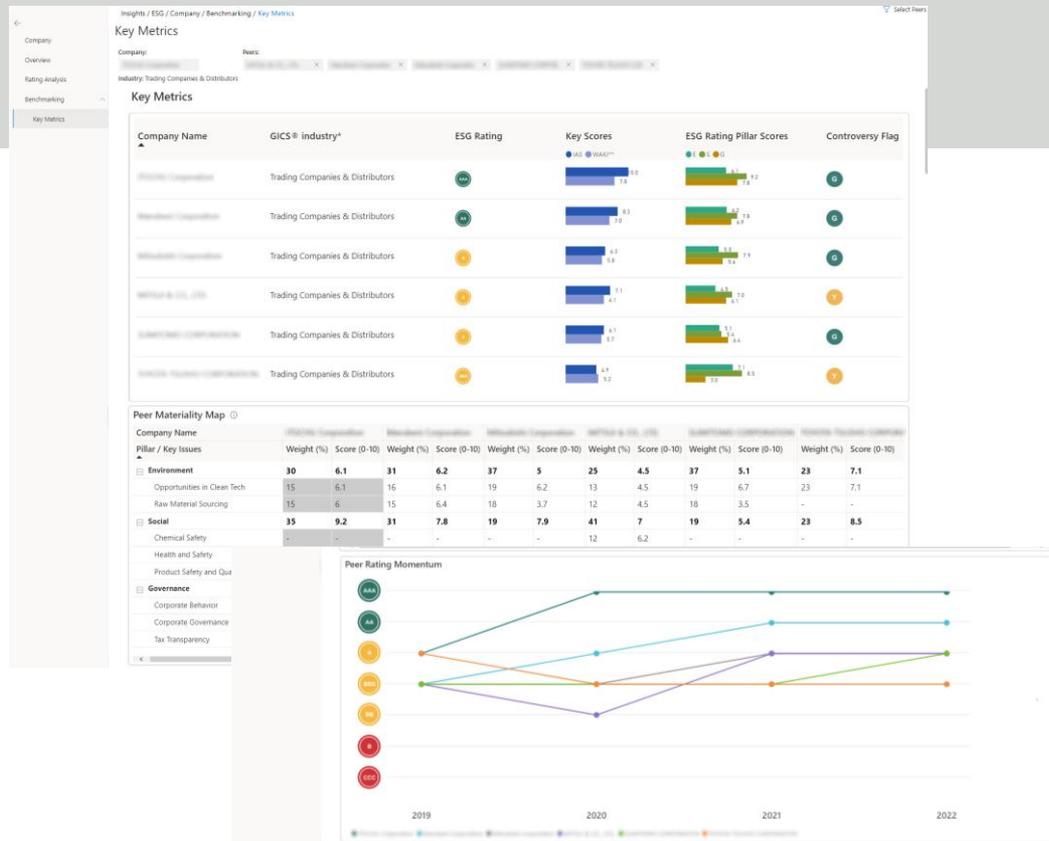
Ratings Analysis

- The Rating Analysis section of the tool enables you to drill down into the pillars and key issues of your ESG Rating
- View the key issues that have been identified for your company
- Look up the above data for any other company



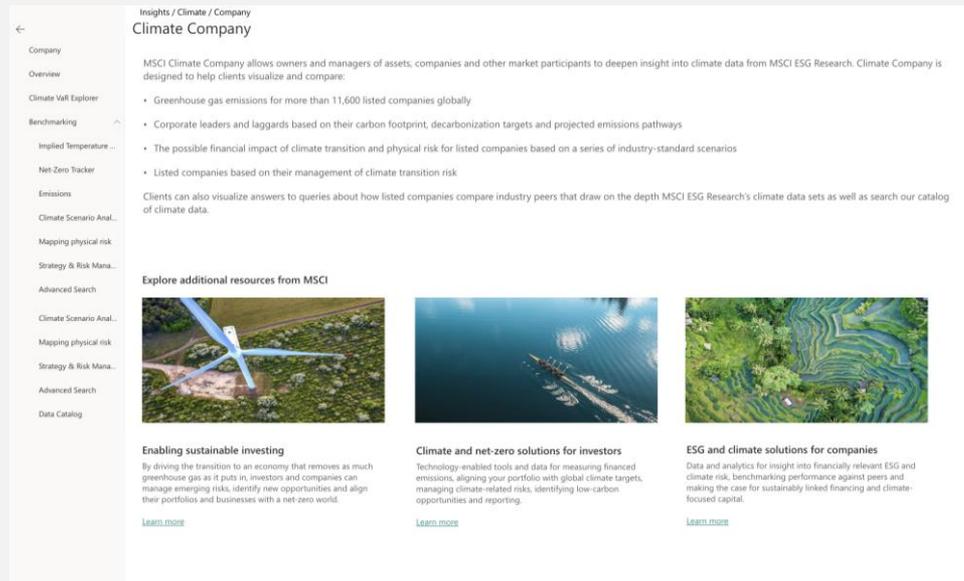
Benchmarking

- The Benchmark section enables you to compare your performance against your industry peers
- Data visualizations provide an engaging overview of your peers' performances compared to your own
- Ability to see peers' individual key issues
- Access to valuable insights and trends in your industry or the broader sustainability market



How to Use Climate Company

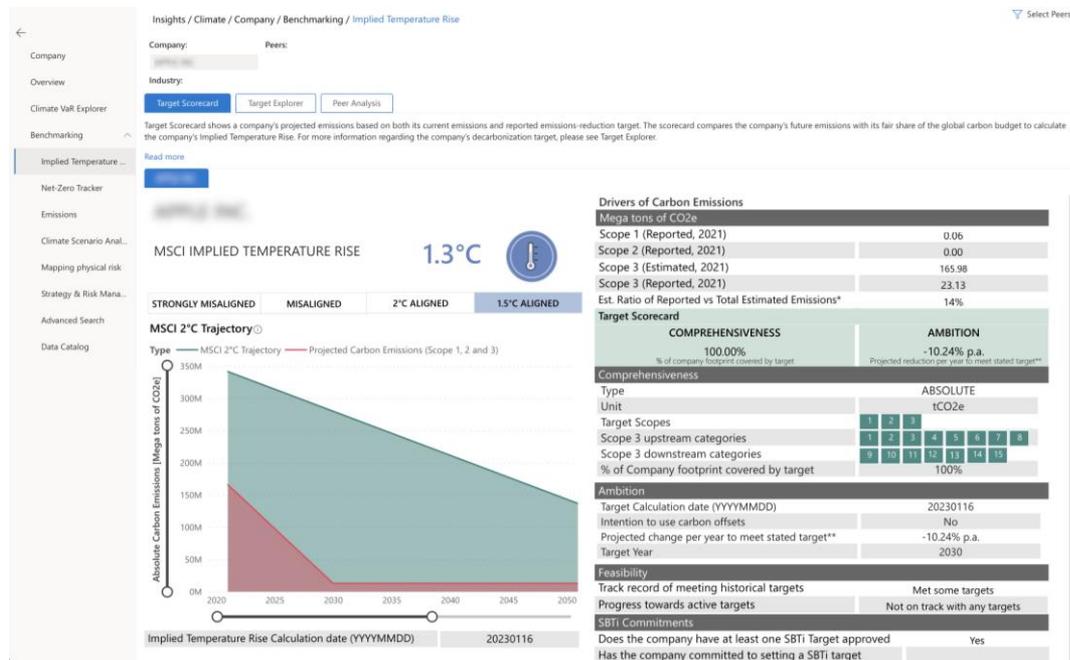
- **Shows** you key climate metrics to pay attention to and take-action on
- **Visualizes** data you can share in presentations with your board
- **Enables** you to compare your company's performance with peers
- **Provides** data and insight you can use for your sustainability and TCFD reporting



The screenshot displays the MSCI Climate Company website. On the left is a navigation menu with items: Company, Overview, Climate VaR Explorer, Benchmarking, Implied Temperature..., Net Zero Tracker, Emissions, Climate Scenario Anal..., Mapping physical risk, Strategy & Risk Mana..., Advanced Search, Climate Scenario Anal..., Mapping physical risk, Strategy & Risk Mana..., Advanced Search, and Data Catalog. The main content area is titled 'Insights / Climate / Company' and 'Climate Company'. It features an introductory paragraph: 'MSCI Climate Company allows owners and managers of assets, companies and other market participants to deepen insight into climate data from MSCI ESG Research. Climate Company is designed to help clients visualize and compare:'. Below this are three bullet points: 'Greenhouse gas emissions for more than 11,600 listed companies globally', 'Corporate leaders and laggards based on their carbon footprint, decarbonization targets and projected emissions pathways', and 'The possible financial impact of climate transition and physical risk for listed companies based on a series of industry-standard scenarios'. A fourth bullet point states: 'Listed companies based on their management of climate transition risk'. A paragraph follows: 'Clients can also visualize answers to queries about how listed companies compare industry peers that draw on the depth MSCI ESG Research's climate data sets as well as search our catalog of climate data.' Below this is a section titled 'Explore additional resources from MSCI' with three columns. The first column has an image of a wind turbine and the text: 'Enabling sustainable investing' followed by a paragraph: 'By driving the transition to an economy that removes as much greenhouse gas as it puts in, investors and companies can manage emerging risks, identify new opportunities and align their portfolios and businesses with a net-zero world.' and a 'Learn more' link. The second column has an image of a ship on the water and the text: 'Climate and net-zero solutions for investors' followed by a paragraph: 'Technology-enabled tools and data for measuring financed emissions, aligning your portfolio with global climate targets, managing climate-related risks, identifying low-carbon opportunities and reporting.' and a 'Learn more' link. The third column has an image of a green field and the text: 'ESG and climate solutions for companies' followed by a paragraph: 'Data and analytics for insight into financially relevant ESG and climate risk, benchmarking performance against peers and making the case for sustainably linked financing and climate-focused capital.' and a 'Learn more' link.

Implied Temperature Rise

- Get access to your climate profile* and climate data. View your Implied Temperature Rise (ITR) and Climate Target Scorecard to understand your alignment with global goals and key drivers of carbon emissions
- View your reported or estimated Scope 1, 2 and 3 emissions, target ambition, feasibility, and SBTi commitments



*based on Climate Data from MSCI ESG Research



Target Explorer

- The Target Explorer provides an overview of how MSCI ESG Research assesses your climate targets
- View your disclosure gaps - sufficient, insufficient, as well as conflicting targets - and understand their impact on your ITR and other MSCI climate models

Insights / Climate / Company / Benchmarking / Implied Temperature Rise Select Peers

Company: Peers:

Industry:

Target Scorecard **Target Explorer** Peer Analysis

Target Explorer displays publicly available data about a company's decarbonization target. MSCI ESG Research reviews corporate climate targets based on the sufficiency of data disclosed, with the goal of identifying emissions or targets that have lapsed. MSCI ESG Research incorporates data from corporate targets in its Implied Temperature Rise model based on an assessment of greenhouse gas emissions by scope that the company aims to reduce. If you are a corporate issuer and would like to update your targets or emissions data, please visit our MSCI One issuer portal.

Targets Included **Targets Excluded**

Sufficient Target Disclosure

2 These are the targets considered

Imputed Target Disclosure

0 Some crucial data gaps were filled-in by MSCI ESG Research

Insufficient Target Disclosure

2 Crucial target data are missing

Conflicting Targets

0 Targets deprioritized because of other conflicting targets available

Inactive Targets

8 Targets are not active and therefore not considered

Energy Targets

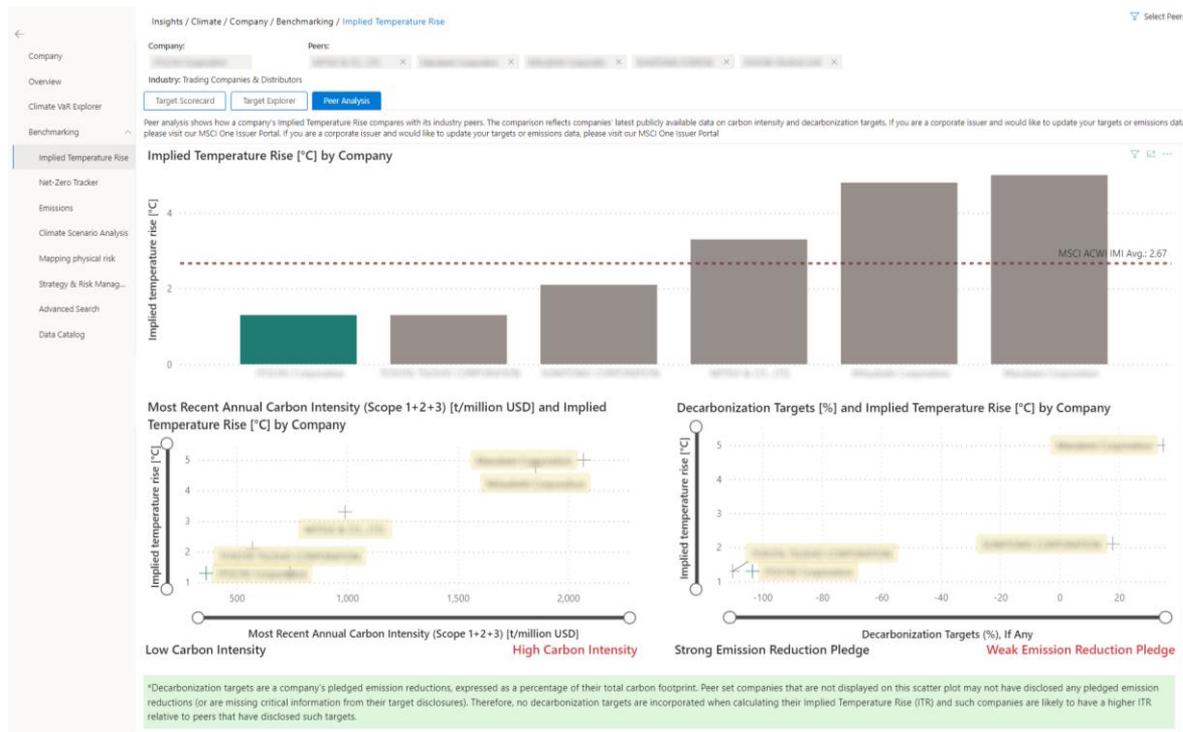
1 Energy efficiency and consumption targets which are not considered

All Targets (13)

Target Description	Target ID	Target Year	Target Baseline	Target Base Year	Target metric unit
commits to reduce absolute combined scope 1, 2 and 3 GHG emissions 62% by FY2030 from a FY2019 base year.	HC000000002157615-9	2030	25100000	2019	tCO2e
Scope 1 & 2 emissions reduction target for 61.7 percent by 2030 relative to our 2019 emissions.	HC000000002157615-11	2030	25100000	2019	tCO2e
also commits to continue annually sourcing 100% renewable electricity through FY2030.	HC000000002157615-10	2030	N/A	2019	Other
Reduce emissions by 100%. 75% reduction through low-carbon design, energy efficiency, renewable energy and direct emissions abatement. For the remaining 25%, develop/invest in innovative carbon removal solutions.	HC000000002157615-5	2030	N/A	2015	tCO2e
We also set a new goal to become carbon neutral for our entire carbon footprint by 2030	HC000000002157615-17	2030	N/A	N/A	tCO2e
Increase to 4 gigawatts of additional renewable energy to our supply chain by 2020 from 2015	HC000000002157615-18	2020	0	2015	Other
power 100% of global facilities with 100% renewable energy	HC000000002157615-7	2019	24	2011	Other
Reduce emissions by 75% through low-carbon design, energy efficiency, renewable energy and direct emissions abatement.	HC000000002157615-4	2030	38400000	2015	tCO2e
Reduce Scope 1+2 emissions (market-based)	HC000000002157615-2	2020	160400	2012	tCO2e
Reduce Scope 1+2 emissions (market-based)	HC000000002157615-3	2036	160400	2012	tCO2e
Reduce Scope 2 emissions (market-based)	HC000000002157615-6	2019	154270	2011	tCO2e
source from or install more than 4 gigawatts of new renewable energy projects worldwide, by 2020	HC000000002157615-8	2020	0	2015	Other
We set an ambitious goal to power 100% of our global facilities with 100% renewable energy by 2019	HC000000002157615-14	2019	24	2011	Other

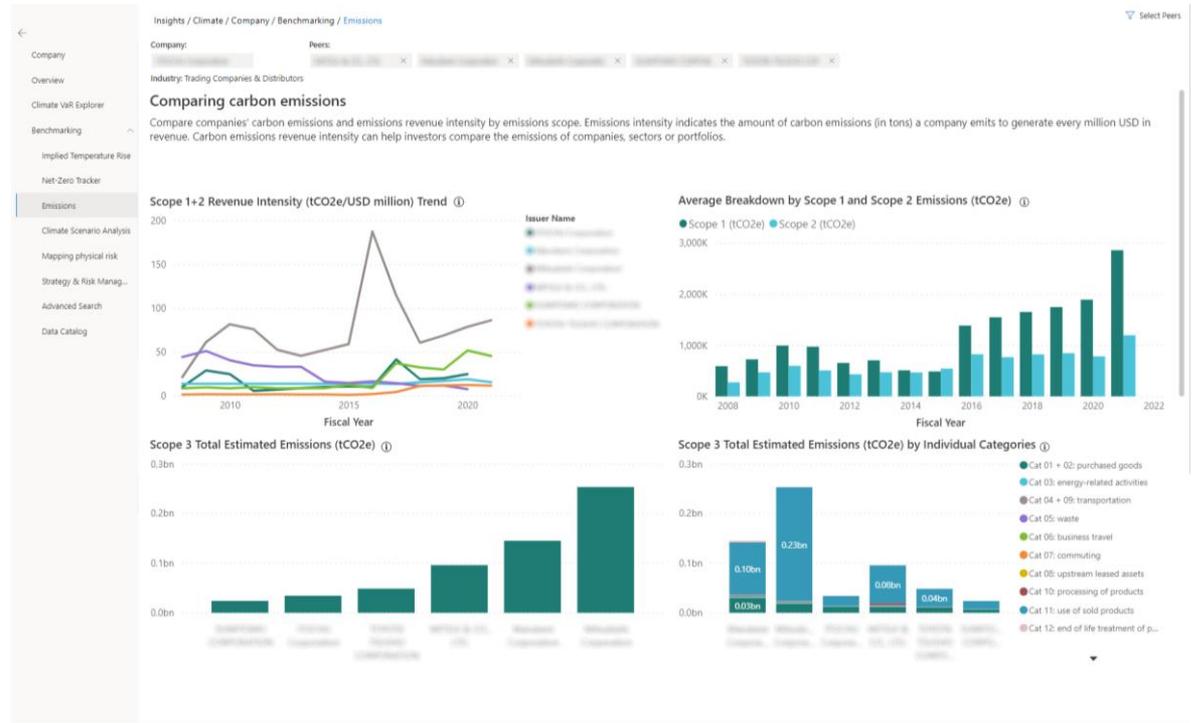
Implied Temperature Rise Peer Analysis

- ITR Peer Analysis is designed to provide you with a view of your performance against your peers across MSCI's climate metrics



Carbon Emissions

- View and benchmark your company's and select peers' Scope 1, Scope 2, and Scope 3 carbon emissions per USD million revenue, including by categories defined by the Greenhouse Gas Protocol



Data Entry Screens

- Companies that are part of MSCI's client coverage universe can access new data entry screens on MSCI One to review and submit their climate-related data, including decarbonization targets, performance, mitigation, and scope 1, 2 and 3 GHG Emissions
- Opportunity to provide updated climate-related disclosure

The screenshot shows the MSCI One issuer portal interface. On the left is a navigation sidebar with categories like Home, Insights, Risk, Performance, Climate, Enterprise, Company, Design, Index Builder, Models, Developer Community, Data Explorer, Operate, Reports, Job Management, Data Provisioning, and BarraOne. The main content area is titled 'Climate' and contains a welcome message: 'Welcome to the MSCI One issuer portal. We invite you to use this page to update the data that informs your company's climate profile. To update your company's climate data, enter it in the following fields, which cover information about your company's climate targets, performance, progress in reducing emissions and greenhouse gas emissions footprint for each emissions scope. Click on any field to open it. [Read more](#)'.

Below the message is a 'Targets' section with a table header:

Datapoints	Status	Fiscal year	MSCI Value	Issuer value
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Under the table, there are expandable sections for 'SBTi Committed', 'Climate Change Targets and Commitments', 'Performance', 'Mitigation', and 'GHG Emissions'. At the bottom, there is a copyright notice: '© 2022 MSCI Inc. All Rights Reserved. Subject to [Terms of Use & Disclaimer](#)'.

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