

MSCI JAPAN EMPOWERING WOMAN INDEX (WIN) FAQ FOR CORPORATE ISSUERS

MSCI ESG Issuer Communications

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Introduction

The MSCI Japan Empowering Women Index (WIN) aims to represent issuers that are leaders in terms of promoting and maintaining gender diversity. The following document addresses some of the most frequently asked questions by corporate issuers about this Index, particularly insight on the process to update the underlying data and communication of Index constituency.

1 Where can issuers find more information about the WIN Index?

There are several resources available publicly. MSCI Japan WIN Index information, including methodology, can be found in the following web links:

<https://www.msci.com/msci-japan-empowering-women-index> (English)

<https://www.msci.com/msci-japan-empowering-women-index-jp> (Japanese)

2 What data sources are used in the collection of the gender diversity data?

MSCI ESG Research collects the underlying gender diversity data. Data is primarily sourced via the following sources:

- The Japanese Ministry of Health, Labor and Welfare
- Corporate documents such as annual reports, corporate social responsibility reports, securities filings, and company websites

Quantitative performance data is only used if it pertains to all operations, to ensure comparability. In other words, **only consolidated data is collected**; company disclosure of only partial operations or selected subsidiary data will not be used. MSCI ESG Research only uses **data that is published in the public domain**.

3 How can issuers verify that the data is accurate?

MSCI ESG Research has established a standard data verification (DV) process through which issuers have the opportunity to review the underlying gender diversity data that we have collected on their company to date. This process is anchored in the annual gender diversity data update (see below).

Issuers will receive notification to review the underlying data in early Q1, and will have **three weeks to provide feedback**. The specific deadline and instructions on how to respond and comment will be included in the DV communication email sent to companies.

4 How frequently is the underlying data updated?

The gender diversity data is collected and updated annually. The annual data collection usually takes place in at the end of the calendar year, followed by a data verification process in Q1 the following year (see above).

MSCI ESG Research will also proactively update board diversity data (e.g. females on the board) following any changes that take place at a company's annual general meeting (AGM), on a rolling basis throughout the year. Note there will **not** be any additional data verification process for any new board diversity changes outside of the aforementioned standard DV process that takes places in Q1.

The annual and semi-annual rebalances to the MSCI Japan WIN Index in May and November are made based on this updated gender diversity data.

5 What if issuers release new information after the annual data collection period?

Any new company reports or company disclosures that are released after our annual data collection period will usually be picked up in the **next** annual data update cycle, which takes place at the end of each calendar year. The exception is the board diversity information, which, as noted above, is updated on a rolling basis throughout the year following a company's AGM. Other out-of-cycle data may be considered in *exceptional* circumstances only and will be determined on a case-by-case basis at the discretion of the data team.

However, if companies provide any *corrections* to existing data – even outside/beyond the standard DV process for the gender diversity data, the analyst team will reflect any changes accordingly in a timely fashion. Issuers should still be aware that any resulting changes to the score **after** the standard DV process is complete will **only** be considered at the May and November rebalances of the MSCI Japan WIN Index

If you would like to provide any updates to the gender data outside the annual standard DV process, please send in writing to the ESG Issuer Communications team at esgissuercomm@msci.com.

6 How can I see my company's gender data?

Companies in the MSCI Japan IMI Top 700 Index (the coverage universe for the MSCI Japan WIN Index), will receive their own gender diversity data through the standard data verification process that takes place annually. At any other time, Issuers can also request their gender data via the ESG Issuer Communications team at esgissuercomm@msci.com.

7 How/When can we know if we are on the MSCI Japan WIN Index? Will we be notified automatically if we are included or removed from the index?

The annual and semi-annual index rebalances take place in May and November. The updated constituent list will be posted on the MSCI website (Japanese) after a certain period of time from the actual rebalance. Please continue to check back at the [website](#). MSCI ESG Research and the ESG Issuer Communications team will **not** automatically notify Issuers of their status on the Index. For any further assistance with regard to constituency in the Index, please contact our Index team at clientservice@msci.com. MSCI ESG Research does not directly construct the Japan WIN Index.

8 If we are a constituent, is there a logo that we can use for our marketing materials?

Constituent Issuers may request the MSCI Japan WIN Index logo for use in corporate materials. Logo requests can be sent to the Index team at clientservice@msci.com.

9 What is the definition of Senior Management?

MSCI ESG research defines senior management as positions that are managers and above.

10 How does MSCI define Total Workforce?

The total workforce of a company consists of the total number of people working for a company at the end of a fiscal year. This data point includes the following categories:

- Full-time employee is defined according to national legislation and practice regarding working time (e.g. national legislation that define 'full-time' means a minimum of nine months per year and a minimum of 30 hours per week).
- Part-time employee is defined as an employee whose working hours per week, month, or year are less than 'full-time' as defined above.
- Supervised worker is defined as an individual who performs regular work on-site for, or on behalf of, the organization but is not recognized as an employee under national law or practice.
- Permanent contract is defined as a contract for an indeterminate period.
- Temporary contract is defined as a contract for a limited duration or determinate period.
- For more information please refer to the [MSCI WIN Methodology](#).

11 How does MSCI calculate the percentage difference in average employment years for female to male employees?

The calculation formula is as follows:

$$\frac{((\text{Average employment years for Female}) - (\text{Average employment years for Male}))}{(\text{Average employment years for Male})}$$

12 Can we access our historical gender data (previous 4-5 years)?

Unfortunately, we are unable to provide this data currently. Our system only displays the current data.

Contact us

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