

MSCI Minimum Volatility ESG Reduced Carbon Target Indexes Methodology

February 2020

Contents

1	Introduction	3
2	ESG Research Framework	4
2.1	MSCI ESG Ratings.....	4
2.2	MSCI ESG Controversies.....	4
2.3	MSCI ESG Business Involvement Screening Research	5
2.4	MSCI Climate Change Metrics.....	5
3	Index Construction Methodology	6
3.1	Defining the Parent Index and the Base Currency for Optimization 6	
3.2	Defining the exclusion criteria	6
3.2.1	Business Exclusion criteria	6
	Other Exclusion Criteria	7
3.3	Defining the Security Level Carbon Exposure	7
3.3.1	Greenhouse Gas Emissions	7
3.3.2	Potential Carbon Emissions from Fossil Fuels.....	7
3.4	Defining the Optimization Constraints.....	8
3.5	Determining the Optimized Portfolio	9
4	Maintaining the Index.....	10
4.1	Semi-Annual Index Reviews.....	10
4.2	Ongoing Event Related Changes	10
5	Appendix I: The Parent Index and the Base Currency for Optimization.....	12
6	Appendix II: Business Exclusion Criteria	13
7	Appendix III: Handling Infeasible Optimizations.....	15
8	Appendix IV: New release of Barra® Equity Model or Barra® Optimizer	16

1 Introduction

The MSCI Minimum Volatility ESG Reduced Carbon Target Indexes are designed to represent the performance of a strategy that seeks systematic integration of environmental, social and governance (ESG) norms along with the minimum volatility factor.

The Indexes are constructed by selecting constituents of a market capitalization weighted index (the 'Parent Index') through an optimization process that aims to minimize volatility risk, reduce the carbon-equivalent exposure to CO₂ and other GHG as well as the exposure to potential emissions risk of fossil fuel reserves by thirty percent (30%) and improve the weighted-average industry-adjusted ESG score of the Index portfolio by 20% with respect to their respective underlying market capitalization weighted indexes (the 'Parent Index') under certain constraints.

2 ESG Research Framework

MSCI ESG Research LLC provides in-depth research, ratings and analysis of the environmental, social and governance-related business practices of thousands of companies worldwide. It consists of an integrated suite of tools and products designed to help institutional investors efficiently manage research, analysis and compliance tasks across the spectrum of ESG factors.

The MSCI Minimum Volatility ESG Reduced Carbon Target Indexes use company ratings and research provided by MSCI ESG Research. In particular, this index uses the following four MSCI ESG Research products: MSCI ESG Ratings, MSCI ESG Controversies Score, MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics.

For details on MSCI ESG Research's full suite of ESG products, please refer to:
http://www.msci.com/products/esg/about_msci_esg_research.html

2.1 MSCI ESG RATINGS

MSCI ESG Ratings provides research, analysis and ratings of how well companies manage environmental, social and governance risks and opportunities.

MSCI ESG Ratings provides an overall company ESG rating - a seven point scale from 'AAA' to 'CCC'. In addition, the product provides scores and percentiles indicating how well a company manages each key issue relative to industry peers.

For more details on MSCI ESG Ratings, please refer to
https://www.msci.com/documents/1296102/1636401/MSCI_ESG_Ratings.pdf

2.2 MSCI ESG CONTROVERSIES

MSCI ESG Controversies (previously known as Impact Monitor) provides assessments of controversies concerning the negative environmental, social, and/or governance impact of company operations, products and services. The evaluation framework used in MSCI ESG Controversies is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact. MSCI ESG Controversies Score falls on a 0-10 scale, with "0" being the most severe controversy.

For more details on MSCI ESG Controversies Score, please refer to
<https://www.msci.com/documents/10199/acbe7c8a-a4e4-49de-9cf8-5e957245b86b>

2.3 MSCI ESG BUSINESS INVOLVEMENT SCREENING RESEARCH

MSCI ESG Business Involvement Screening Research (BISR) aims to enable institutional investors to manage environmental, social and governance (ESG) standards and restrictions reliably and efficiently.

For more details on MSCI ESG Business Involvement Screening Research, please refer to http://www.msci.com/resources/factsheets/MSCI_ESG_BISR.pdf

2.4 MSCI CLIMATE CHANGE METRICS

MSCI Climate Change Metrics is designed to support investors seeking to achieve a range of objectives, including measuring and reporting on climate risk exposure, implementing low carbon and fossil fuel-free strategies, and factoring climate change research into their risk management processes. It provides Carbon Emissions, Fossil Fuel exposure, environmental impact (i.e., clean technology) data and screens, as well as climate-related risk exposure and management assessment on companies.

For more details on MSCI Climate Change Metrics, please refer to <https://www.msci.com/climate-change-solutions>

3 Index Construction Methodology

Constructing the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes involves the following steps:

- Defining the Parent Index and the base currency for optimization
- Defining the exclusion criteria
- Defining the Security Level Carbon Exposure
- Defining the optimization constraints
- Determining the optimized portfolio

The steps mentioned above are defined in detail in the subsequent sections.

3.1 DEFINING THE PARENT INDEX AND THE BASE CURRENCY FOR OPTIMIZATION

Constructing the MSCI Minimum Volatility ESG Reduced Carbon Target Index (herein, 'the Index') begins with selecting the Parent Index and eligible universe to perform total risk minimizing optimization. The Parent Indexes serve as the universe of eligible securities for optimization. The optimization is performed from a base currency perspective and does not allow short selling of securities. The default currency is the US Dollar.

Please refer to Appendix I for more details.

3.2 DEFINING THE EXCLUSION CRITERIA

Securities of companies involved in Very Severe business controversies as defined by the MSCI ESG Controversies Methodology are not eligible for inclusion in the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes. This is implemented by excluding constituents of the Parent Index with ESG Controversy Score = 0 ('Red Flag' companies).

3.2.1 BUSINESS EXCLUSION CRITERIA

Companies that are involved in specific businesses which have high potential for negative social and/or environmental impact are ineligible for inclusion in the index.

- Controversial Weapons
- Nuclear Weapons
- Civilian Firearms
- Tobacco
- Thermal Coal

- Oil Sands

In addition to the above, companies that fail to comply with the United Nations Global Compact Principles are also excluded from the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes.

Please refer to Appendix II for more details on these criteria.

OTHER EXCLUSION CRITERIA

- Missing Controversy Score – Companies not assessed by MSCI ESG Research's MSCI ESG Controversy Scores are excluded from the index.
- Missing ESG Rating or ESG Score – Companies which are not rated by MSCI ESG Research for an MSCI ESG Rating are excluded from the index.

3.3 DEFINING THE SECURITY LEVEL CARBON EXPOSURE

The carbon exposure of a security is measured in terms of its greenhouse gas emissions and its potential carbon emissions from fossil fuel reserves. The MSCI Minimum Volatility ESG Reduced Carbon Target Indexes use MSCI Climate Change Metrics data from MSCI ESG Research.

3.3.1 GREENHOUSE GAS EMISSIONS

MSCI ESG Research collects company-specific direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions data from company public documents and/or the Carbon Disclosure Project. If a company does not report GHG emissions, then MSCI ESG Research uses its proprietary methodology to estimate Scope 1 and Scope 2 GHG emissions.

For newly added companies to the index which do not report emission data and where MSCI ESG Research has not estimated the greenhouse gas emissions yet, MSCI uses the average emissions per dollar of issuer market capitalization for the companies in the same industry group, multiplied by the market capitalization of the company as the estimated emission for the company.

3.3.2 POTENTIAL CARBON EMISSIONS FROM FOSSIL FUELS

MSCI ESG Research collects fossil fuel reserves data where relevant for companies which have reserves, typically in the Oil & Gas, Coal Mining and Electric Utilities industries. Fossil fuel reserves can be used for several applications including energy or industrial (e.g. coking coal used for steel production). For the development of the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes, only fossil fuel reserves used for energy are taken into account. The data is updated on an annual basis and based on information disclosed by companies. Sources include company publications, other public records and third party data providers. For newly added

companies to the index where data is not available yet, MSCI uses zero fossil fuel reserves. The size of reserves of a company typically influences its market valuation, and hence MSCI normalizes for size by dividing the potential carbon emissions of the company by its market capitalization.

To convert reserves data to potential carbon emissions, MSCI ESG Research applies a formula from the Potsdam Institute for Climate Impact Research¹.

3.4 DEFINING THE OPTIMIZATION CONSTRAINTS

At each Semi-Annual Index Review (SAIR), the following optimization constraints are employed, which aim to ensure replicability and investability.

- The maximum weight of an index constituent will be restricted to the lower of 1.5% and 20 times the weight of the security in the Parent Index
- The minimum weight of an index constituent will be 0.05%
- For countries with weight greater than 2.5% in the Parent Index, the weight in the MSCI Minimum Volatility ESG Reduced Carbon Target Index will not deviate more than +/-5% from the country weight in the Parent Index
- For countries with weight less than 2.5% in the Parent Index, the weight in the MSCI Minimum Volatility ESG Reduced Carbon Target Index will be capped at 3 times their weight in the Parent Index
- The above country weight constraint will also apply on China A Stock Connect listings as a group separately in addition to the usual country weight constraint on China
- The sector weights of the MSCI Minimum Volatility ESG Reduced Carbon Target Index will not deviate more than +/-5% from the sector weights of the Parent Index
- No constraint will be applied on the exposure of the MSCI Minimum Volatility ESG Reduced Carbon Target Index to the Barra Volatility risk factors (BETA and RESVOL). Exposure to all other Barra risk factors will be restricted to +/- 0.25 standard deviations relative to the Parent Index
- The weighted-average industry-adjusted ESG score of the Index portfolio will be at least 20% more than the weighted-average industry-adjusted ESG score of the Parent Index portfolio at the time of rebalancing

¹ Malte Meinshausen, Nicolai Meinshausen, William Hare, Sarah C. B. Raper, Katja Frieler, Reto Knutti, David J. Frame & Myles R. Allen. Greenhouse-gas emission Target for limiting global warming to 2 °C. Nature 458, 1158-1162 (30 April 2009) | doi: 10.1038/nature08017; Received 25 September 2008; Accepted 25 March 2009. Supplementary Information, p. 7.

- The minimum reduction in the Carbon Emission Intensity relative to the Parent Index will be 30%
- The minimum reduction in the Potential Emissions per dollar of market capitalization relative to the Parent Index will be 30%
- The one-way turnover of the MSCI Minimum Volatility ESG Reduced Carbon Target Index is constrained to a maximum of 10% at each SAIR

The Carbon Emission Intensity and the Potential Emissions per dollar of market capitalization of the Index are calculated using the formulae defined in Appendix I of the MSCI Global Low Carbon Leaders Indexes Methodology (for details about the methodology, please refer to: <https://www.msci.com/index-methodology>).

3.5 DETERMINING THE OPTIMIZED PORTFOLIO

The MSCI Minimum Volatility ESG Reduced Carbon Target Index is constructed using the Barra Open Optimizer in combination with the relevant Barra Equity Model². The optimization uses the eligible universe as the universe of eligible securities and the specified optimization objective and constraints to determine the MSCI Minimum Volatility ESG Reduced Carbon Target Index. Infeasible optimizations are handled as explained in Appendix III.

² Please refer to Appendix IV for the detailed information on model usage

4 Maintaining the Index

4.1 SEMI-ANNUAL INDEX REVIEWS

The MSCI Minimum Volatility ESG Reduced Carbon Target Indexes are rebalanced on a semi-annual basis, usually as of the close of the last business day of May and November, coinciding with the May and November Semi-Annual Index Reviews (SAIRs) of the MSCI Global Investable Market Indexes. Barra Equity Model data as of the end of April and October are used respectively.

Similarly, the MSCI ESG Research data (including MSCI ESG Ratings, MSCI ESG Controversies Scores, MSCI Business Involvement Screening Research, and MSCI Climate Change Metrics) used for the Semi-annual Index Reviews will be taken as of the end of the month preceding the Index Review i.e., April and October. For some securities, such data may not be published by MSCI ESG Research by the end of the month preceding the Index Review. For such securities, MSCI will use ESG data published after the end of month, when available.

The pro forma MSCI Minimum Volatility ESG Reduced Carbon Target Indexes are in general announced nine business days before the effective date.

4.2 ONGOING EVENT RELATED CHANGES

The general treatment of corporate events in the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes aims to minimize turnover outside of Index Reviews. The methodology aims to appropriately represent an investor's participation in an event based on relevant deal terms and pre-event weighting of the index constituents that are involved. Further, changes in index market capitalization that occur as a result of corporate event implementation will be offset by a corresponding change in the Variable Weighting Factor (VWF) of the constituent.

The following section briefly describes the treatment of common corporate events within the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes.

No new securities will be added (except where noted below) to the Index between Index Reviews. Parent Index deletions will be reflected simultaneously in the Index.

EVENT TYPE

EVENT DETAILS

New additions to the Parent Index

A new security added to the Parent Index (such as IPO and other early inclusion) will not be added to the Index.

Spin-Offs

All securities created as a result of the spin-off of an existing Index constituent will be added to the Index at the time of event implementation. Reevaluation for continued inclusion in the Index will occur at the subsequent Index Review.

Merger/Acquisition

For Mergers and Acquisitions, the acquirer's post event weight will account for the proportionate amount of shares involved in deal consideration, while cash proceeds will be invested across the Index.

If an existing Index constituent is acquired by a non-Index constituent, the existing constituent will be deleted from the Index and the acquiring non-constituent will not be added to the Index.

Changes in Security Characteristics

A security will continue to be an Index constituent if there are changes in characteristics (country, sector, size segment, etc.). Reevaluation for continued inclusion in the Index will occur at the subsequent Index Review.

Further detail and illustration regarding specific treatment of corporate events relevant to this Index can be found in the MSCI Corporate Events Methodology book under the sections detailing the treatment of events in Capped Weighted and Non-Market Capitalization Weighted indexes.

The MSCI Corporate Events methodology book is available at:
<https://www.msci.com/index/methodology/latest/CE>

5 Appendix I: The Parent Index and the Base Currency for Optimization

Minimum Volatility ESG Reduced Carbon Target Index	Parent Index	Base Currency for Optimization
MSCI World Minimum Volatility ESG Reduced Carbon Target Index	MSCI World Index	USD
MSCI EM Minimum Volatility ESG Reduced Carbon Target Index	MSCI EM (Emerging Markets) Index	USD
MSCI USA Minimum Volatility ESG Reduced Carbon Target Index	MSCI USA Index	USD
MSCI Europe Minimum Volatility ESG Reduced Carbon Target Index	MSCI Europe Index	EUR
MSCI Japan Minimum Volatility ESG Reduced Carbon Target Index	MSCI Japan Index	USD
MSCI EMU Minimum Volatility ESG Reduced Carbon Target Index	MSCI EMU Index	EUR

6 Appendix II: Business Exclusion Criteria

MSCI ESG Research has developed a framework designed to define significant involvement in controversial activities. According to this framework, there are three tolerance levels: Zero Tolerance, Minimal Tolerance and Low Tolerance.

Each controversial activity screened by the MSCI Minimum Volatility ESG Reduced Carbon Target Indexes (except Thermal Coal, Oil Sands and Global Norms) is assigned to one of these tolerance levels:

Activities classified under “Zero Tolerance”

- **Controversial Weapons**
 - All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments and incendiary weapons), as defined by the methodology of the MSCI Ex-Controversial Weapons Indexes available at <https://www.msci.com/index-methodology>.

Activities classified under “Minimal Tolerance”

- **Nuclear Weapons**
 - All companies that manufacture nuclear warheads and/or whole nuclear missiles.
 - All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles).
 - All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons.
 - All companies that provide auxiliary services related to nuclear weapons.
 - All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles).
 - All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons.
 - All companies that manufacture components for nuclear-exclusive delivery platforms.

- **Civilian Firearms**

- All companies classified as “Producer” of firearms and small arms ammunitions for civilian markets. It does not include companies that cater to the military, government, and law enforcement markets.
- All companies deriving 5% or more revenue from the distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.

- **Tobacco**

- All companies classified as a “Producer”
- All companies deriving 5% or more aggregate revenue from the production, distribution, retail and supply of tobacco-related products.

Activities not classified under any specific tolerance level

- **Thermal Coal**

- All companies deriving 5% or more revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It excludes: revenue from metallurgical coal; coal mined for internal power generation (e.g. in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading.
- All companies deriving 5% or more revenue (either reported or estimated) from the thermal coal based power generation.

- **Oil Sands**

- All companies deriving 5% or more revenue from oil sands extraction, which own oil sands reserves and disclose evidence of deriving revenue from oil sands extraction. Companies that derive revenue from non-extraction activities (e.g. exploration, surveying, processing, refining) or intra-company sales are not excluded. Additionally, companies that own oil sands reserves with no associated revenue are also not excluded.

- **Global Norms – United Nations Global Compact Compliance**

- All companies that fail to comply with the United Nations Global Compact principles.

7 Appendix III: Handling Infeasible Optimizations

During the Semi-Annual Index Review, in the event that there is no optimal solution that satisfies all the optimization constraints defined in Section 3.4, the following constraints are relaxed, until an optimal solution is found:

- Relax the turnover constraint in steps of 5%, up to a maximum of 30%
- Relax the minimum weight constraint in steps of 0.01% up to a minimum of 0.01%.

In the event that no optimal solution is found after the above constraints have been relaxed, the MSCI Minimum Volatility ESG Reduced Carbon Target Index will not be rebalanced for that semi-annual index review.

8 **Appendix IV: New release of Barra® Equity Model or Barra® Optimizer**

The methodology presently uses MSCI Barra Global Equity Model for Long-Term Investors (“GEMTLT”) for the optimization. A new release of the relevant Barra Equity Model or Barra Optimizer may replace the former version within a suitable timeframe.



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
São 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

MSCI is a leader provider of critical decision support tools and services for the global investment community. With over 45 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.

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 be 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 ESG Research LLC collects and uses personal data concerning officers and directors, please refer to our Privacy Notice at <https://www.msci.com/privacy-pledge>.