

Morgan Stanley

June 3, 2019

Christen Dobson & Marti Flacks
Business & Human Rights Resource Centre

Dear Christen and Marti,

Thank you for reaching out to Morgan Stanley with the opportunity to comment.

Morgan Stanley is committed to respecting and supporting the protection and advancement of human rights. Morgan Stanley also recognizes that climate change is occurring and seeks to be a part of the solution, working alongside public policy makers, regulators, civil society and the private sector. Morgan Stanley's policy statements govern our approach to addressing environmental and social risks, including human rights and climate change. Our Environmental Policy Statement sets forth our environmental guidelines, including diligence guidelines where indigenous tribes are impacted. Our Statement on Human Rights articulates our commitment to respect, protect, and advance human rights. Our Coal/Oil and Gas Policy Statement outlines how we evaluate transactions involving coal or oil and gas companies.

As described in the policy statements, we analyze environmental and social risks through our due diligence processes that incorporate international frameworks, such as the International Finance Corporation's Performance Standards and Equator Principles. We engage with stakeholders, including indigenous tribes, and incorporate their perspectives and insights into our transaction review. If potentially significant issues, such as potential indigenous rights or human rights violations, are flagged, our Environmental and Social Risk Management (ESRM) Group conducts enhanced due diligence to further understand how the risks are being mitigated and how impacts are being addressed by the company. Depending on the results of the review, transactions may be escalated for further review to our Regional and Global Franchise Committees in addition to senior management.

When we identify a potential environmental or social issue, we also seek to engage as appropriate with a company to address the risk. We have worked with companies to enhance their environmental and social risk management practices, including human rights policies. We have also mobilized financing to increase the proportion of clients' low-carbon energy sources. Recognizing the need to rapidly scale climate finance, in April 2018, we announced plans to mobilize \$250 billion to support low-carbon solutions by 2030. In 2018, we mobilized nearly \$30 billion in capital toward this goal.

We recognize the importance of these issues and are sensitive to them. We appreciate the opportunity to share our efforts in this regard with you and other stakeholders.

Sincerely,

Keren G. Raz
Head of Environmental and Social Risk Management