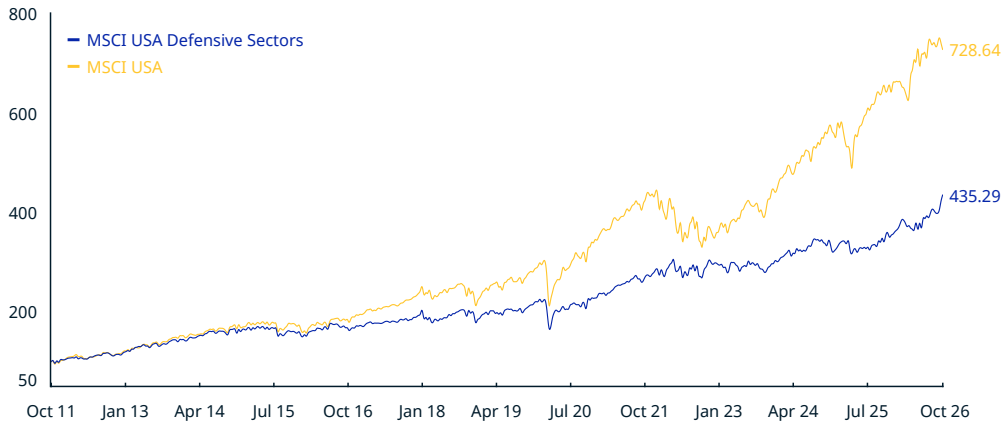
MSCI USA Defensive Sectors Index (USD)

The **MSCI USA Defensive Sectors Index** is based on MSCI USA Index, its parent index and captures large and mid-cap segments of the US market. The index is designed to reflect the performance of the opportunity set of global defensive companies across various GICS® sectors. All constituent securities from Consumer Staples, Energy, Healthcare and Utilities are included in the Index.

For a complete description of the index methodology, please see Index methodology - MSCI.

CUMULATIVE INDEX PERFORMANCE — NET RETURNS (USD) (OCT 2011 – OCT 2026)



ANNUAL PERFORMANCE (%)

Year	MSCI USA Defensive Sectors	MSCI USA
2025	10.21	17.31
2024	7.58	24.58
2023	-0.31	26.49
2022	4.61	-19.85
2021	24.15	26.45
2020	4.40	20.73
2019	20.54	30.88
2018	-3.61	-5.04
2017	11.41	21.19
2016	6.92	10.89
2015	-1.65	0.69
2014	12.20	12.69
2013	27.91	31.79
2012	9.77	15.33

INDEX PERFORMANCE — NET RETURNS (%) (OCT 30, 2026)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED 3 Yr	5 Yr	10 Yr	Since Dec 31, 1998
MSCI USA Defensive Sectors	10.83	11.11	27.38	22.66	15.86	9.78	10.15	6.62
MSCI USA	-0.99	1.31	11.21	11.24	23.00	11.13	14.86	8.01

FUNDAMENTALS (OCT 30, 2026)

	Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI USA Defensive Sectors	1.91	24.44	18.82	4.62
MSCI USA	1.13	24.74	18.70	5.58

INDEX RISK AND RETURN CHARACTERISTICS (DEC 31, 1998 – OCT 30, 2026)

	Beta	Tracking Error (%)	Turnover (%) [1]	ANNUALIZED STD DEV (%) [2] 3 Yr	5 Yr	10 Yr	SHARPE RATIO [2,3] 3 Yr	5 Yr	10 Yr	Since Dec 31, 1998	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
MSCI USA Defensive Sectors	0.63	9.58	2.43	11.77	13.49	13.25	0.93	0.48	0.61	0.40	41.65	2007-12-26—2009-03-09
MSCI USA	1.00	0.00	2.99	12.53	15.64	15.57	1.37	0.52	0.81	0.43	55.36	2007-10-09—2009-03-09

[1] Last 12 months [2] Based on monthly net returns data [3] Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

The MSCI USA Defensive Sectors Index was launched on Jun 30, 2014. Data prior to the launch date is back-tested test (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance -- whether actual or back-tested -- is no indication or guarantee of future performance.

INDEX CHARACTERISTICS

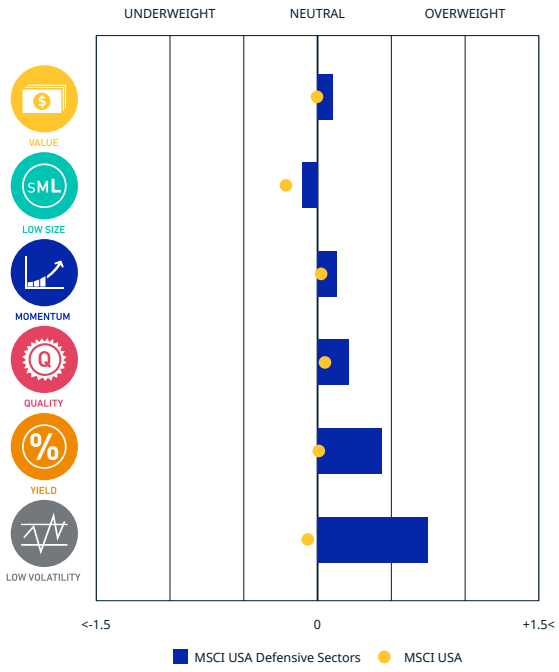
	MSCI USA Defensive Sectors	MSCI USA
Number of Constituents	137	514
	Weight (%)	
Largest	8.20	7.76
Smallest	0.08	0.01
Average	0.73	0.19
Median	0.34	0.07

TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
LILLY (ELI) & COMPANY	8.20	1.74	Health Care
EXXONMOBIL HOLDINGS	5.61	1.19	Energy
JOHNSON & JOHNSON	4.75	1.01	Health Care
WALMART	3.91	0.83	Cons Staples
ABBVIE	3.77	0.80	Health Care
COSTCO WHOLESALE CORP	3.24	0.69	Cons Staples
CHEVRON CORP	3.14	0.67	Energy
PROCTER & GAMBLE CO	2.72	0.58	Cons Staples
UNITEDHEALTH GROUP	2.67	0.57	Health Care
MERCK & CO	2.67	0.57	Health Care
Total	40.68	8.63	

FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

MSCI FACTOR BOX



MSCI FaCS

VALUE
Relatively Inexpensive Stocks

LOW SIZE
Smaller Companies

MOMENTUM
Rising Stocks

QUALITY
Sound Balance Sheet Stocks

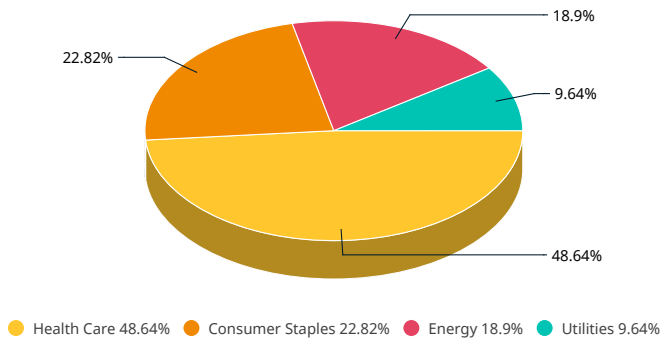
YIELD
Cash Flow Paid Out

LOW VOLATILITY
Lower Risk Stocks

MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

SECTOR WEIGHTS



MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology here)

MSCI FaCS is a standard method for evaluating and reporting the Factor characteristics of equity portfolios. MSCI FaCS consists of Factor Groups (e.g. Value, Size, Momentum, Quality, Yield, and Volatility) that have been extensively documented in academic literature and validated by MSCI Research as key drivers of risk and return in equity portfolios. These Factor Groups are constructed by aggregating 16 factors (e.g. Book-to-Price, Earnings/Dividend Yields, LT Reversal, Leverage, Earnings Variability/Quality, Beta) from the latest Barra global equity factor risk model, GEMLT, designed to make fund comparisons transparent and intuitive for use. The MSCI Factor Box, which is powered by MSCI FaCS, provides a visualization designed to easily compare absolute exposures of funds/indexes and their benchmarks along 6 Factor Groups that have historically demonstrated excess market returns over the long run.

ABOUT MSCI

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