

MSCI Europe Sector Neutral Quality Index (EUR)

The **MSCI Europe Sector Neutral Quality Index** captures large and mid-cap representation across 15 Developed Markets (DM) countries*. The index aims to capture the performance of securities that exhibit stronger quality characteristics relative to their peers within the same GICS® sector by identifying stocks with high quality scores based on three main fundamental variables: high Return-on-Equity (ROE), low leverage and low earnings variability.

For a complete description of the index methodology, please see [Index methodology - MSCI](#).

CUMULATIVE INDEX PERFORMANCE – NET RETURNS (EUR) (NOV 2010 – NOV 2025)



ANNUAL PERFORMANCE (%)

Year	MSCI Europe Sector Neutral Quality	MSCI Europe
2024	4.40	8.59
2023	15.07	15.83
2022	-12.12	-9.49
2021	26.65	25.13
2020	1.27	-3.32
2019	30.75	26.05
2018	-6.62	-10.57
2017	10.15	10.24
2016	-1.16	2.58
2015	16.05	8.22
2014	10.17	6.84
2013	16.60	19.82
2012	16.79	17.29
2011	-2.09	-8.08

INDEX PERFORMANCE – NET RETURNS (%) (NOV 28, 2025)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Dec 31, 1998
					3 Yr	5 Yr	10 Yr		
MSCI Europe Sector Neutral Quality	0.33	4.20	5.92	7.42	7.34	8.23	6.32	5.89	
MSCI Europe	0.91	5.14	15.71	16.28	12.17	11.14	6.82	5.19	

FUNDAMENTALS (NOV 28, 2025)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.83	17.92	16.63	4.01
2.96	16.95	14.77	2.36

INDEX RISK AND RETURN CHARACTERISTICS (DEC 31, 1998 – NOV 28, 2025)

	Beta	Tracking Error (%)	Turnover (%) ¹	ANNUALIZED STD DEV (%) ²			SHARPE RATIO ^{2,3}			Since Dec 31, 1998	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI Europe Sector Neutral Quality	0.91	3.61	19.53	9.60	12.64	12.69	0.48	0.56	0.50	0.37	54.08	2000-11-06–2003-03-12
MSCI Europe	1.00	0.00	2.98	9.83	11.90	13.24	0.92	0.81	0.52	0.31	58.54	2007-07-16–2009-03-09

¹ Last 12 months

² Based on monthly net returns data

³ Based on EMMI EURIBOR 1M from Sep 1 2021 & on ICE LIBOR 1M prior that date

* DM countries in Europe include: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK.

The MSCI Europe Sector Neutral Quality Index was launched on Sep 23, 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

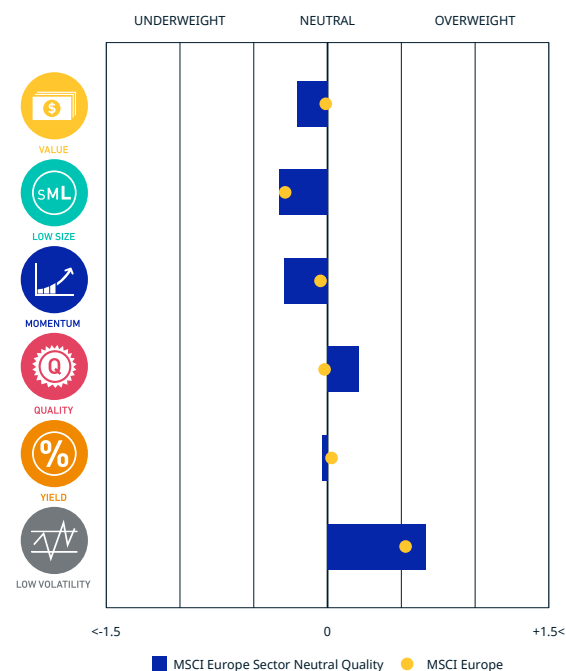
	MSCI Europe Sector Neutral Quality	MSCI Europe
Number of Constituents	125	403
	Weight (%)	
Largest	6.40	3.10
Smallest	0.03	0.02
Average	0.80	0.25
Median	0.37	0.11

TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
ASML HLDG	NL	6.40	3.10	Info Tech
ALLIANZ	DE	4.21	1.27	Financials
SHELL	GB	3.44	1.63	Energy
ABB LTD	CH	3.36	0.86	Industrials
ASTRAZENECA	GB	3.29	2.19	Health Care
NESTLE	CH	3.23	1.95	Cons Staples
ROCHE HOLDING GENUSS	CH	3.17	2.05	Health Care
NOVARTIS	CH	3.13	1.89	Health Care
ZURICH INSURANCE GROUP	CH	2.93	0.80	Financials
IBERDROLA	ES	2.80	1.02	Utilities
Total		35.96	16.77	

FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

MSCI FACTOR BOX



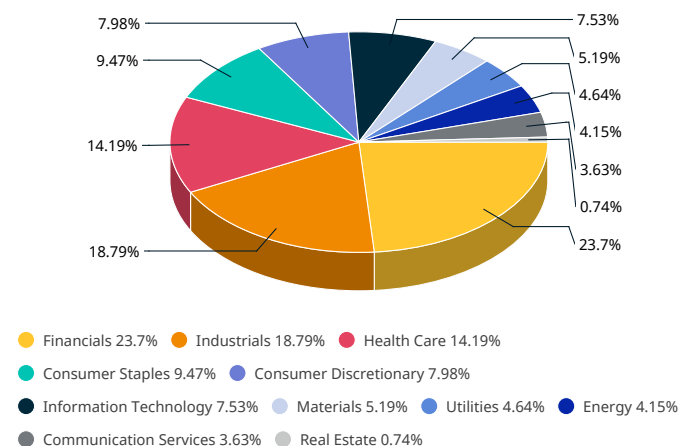
MSCI FaCS

- 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

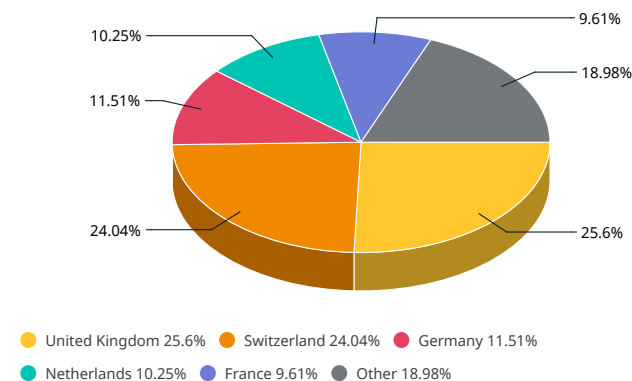
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

SECTOR WEIGHTS



COUNTRY 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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