

**- MSCI EMU Ricardo Comparative
Advantage Fixed Basket 25 Index
- MSCI EMU Ricardo Comparative
Advantage Fixed Basket 25 Decrement
5% Index**

September 2024

Contents

1. Introduction3

2. Index Construction.....4

 2.1. Applicable Universe..... 4

 2.2. Eligible Universe 4

 2.2.1. Euro Denominated Securities 4

 2.3. Selected Universe.....4

 2.4. Weighting Scheme.....5

 2.5. Application of the MSCI Decrement Indexes Methodology..... 5

3. Maintenance of the Index.....6

 3.1. Quarterly Index Reviews..... 6

 3.2. Daily Decrement Calculation 6

 3.3. Conditions for Terminating the Index.....6

 3.4. Ongoing Event Related Changes..... 6

Appendix 1: Methodology Set8

Appendix 2: MSCI EMU Ricardo Comparative Advantage Top 25 5% Decrement Select Index9

1. Introduction

The MSCI EMU Ricardo Comparative Advantage Fixed Basket 25 Index (the “Index”)¹ contains a fixed basket of securities whose selection is motivated by the theory of comparative advantage created by the early 19th century British economist David Ricardo. Ricardo's theory of comparative advantage holds that countries produce more efficiently by focusing on their strengths and benefit from focusing on making things they are best at making.

Based on the data as of 3 month prior to the index launch date, a single security has been selected for inclusion in the Index² from each GICS®³ Industry Group, from the country in the MSCI EMU Index that has the highest active weight in this industry.

The MSCI EMU Ricardo Comparative Advantage Fixed Basket 25 Decrement 5% Index aims to represent the performance of the net total return variant of the Index while applying a constant markdown (‘synthetic dividend’) of 5% on an annual basis, expressed as a percentage of performance.

1 The Indexes are governed by a set of methodology and policy documents (“Methodology Set”), including the present index methodology document. Please refer to Appendix 1 for more details.

2 Refer to the list of securities in section 2.3

3 GICS, the Global Industry Classification Standard jointly developed by MSCI and S&P Global Market Intelligence.

2. Constructing the Index

2.1 Applicable Universe

Applicable Universe includes all the constituents of the MSCI ACWI IMI (denoted the “Parent Index”).

2.2 Eligible Universe

The Eligible Universe is constructed from the Applicable Universe by excluding securities of companies based on the exclusion criterion below.

2.2.1 Euro denominated securities

Only Euro denominated securities within the Parent Index are eligible for inclusion in the Index.

2.3 Selected Universe

Securities from the Eligible Universe which belong to the below list of securities are selected for the Index:

AHOLD DELHAIZE
ALLIANZ
BANCO SANTANDER
MERCEDES BENZ GROUP
ESSILORLUXOTTICA
IBERDROLA
L'OREAL
LVMH MOET HENNESSY
NOKIA CORP
UPM-KYMMENE
SANOFI
SAP
SCHNEIDER ELECTRIC
TOTALENERGIES
UNIBAIL-RODAMCO-WE
WOLTERS KLUWER
ASML HLDG
DEUTSCHE TELEKOM
DEUTSCHE POST
ANHEUSER-BUSCH INBEV
DEUTSCHE BOERSE
INDITEX
AMADEUS IT GROUP A
VONOVIA
UNIVERSAL MUSIC GROUP

2.4 Weighting Scheme

At each Index Review and at initial construction, the securities selected for inclusion in the Index are weighted in proportion of their free-float adjusted market capitalization and are then normalized to sum to 100%.

Additionally, the constituent weights are capped to mitigate concentration risk in the Index. The individual security weights in the final Index are capped at 10%.

2.5 Application of the MSCI Decrement Indexes Methodology

The MSCI Decrement Indexes Methodology⁴ is applied on the Index to construct the MSCI EMU Ricardo Comparative Advantage Fixed Basket 25 Decrement 5% Index. The parameters for the decrement index are noted in Appendix 2.

⁴ Please refer to the MSCI Decrement Indexes Methodology at <http://www.msci.com/index-methodology> for details as well as intended use of such indexes.

3. Maintaining the Index

3.1 Quarterly Index Review

The Index is reviewed on a quarterly basis, coinciding with the February, May, August, and November Index Reviews of the Parent Index. The pro forma Index is announced nine business days before the effective date.

3.2 Daily Decrement Calculation

The performance of the MSCI EMU Ricardo Comparative Advantage Fixed Basket 25 Decrement 5% Index is computed by reducing the performance of the net total return variant of the Index, by a fixed percentage, on a daily basis using parameters detailed in Section 2.5.

3.3 Conditions for Termination of the Index

If, after an Index rebalance, the number of constituents in the Index falls below 10, due to deletions from the Parent Index over time or otherwise, MSCI will, by default, terminate the Index in line with the Index Termination Policy⁵.

3.4 Ongoing Event-Related Changes

The following section briefly describes the treatment of common corporate events within the Index.

No new securities will be added (except where noted below) to the Index between Index Reviews. For cases where additions are noted below, securities will be added to the Index only if added to the Parent Index. Parent Index deletions will be reflected simultaneously.

EVENT TYPE

EVENT DETAILS

New additions to the Parent Index

A new security added to the Parent Index (such as IPO and other early inclusions) 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 not be added to the index at the time of event implementation.

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

⁵ The MSCI Index Termination Methodology may be found at <http://www.msci.com/index-methodology>

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>.

Appendix 1: Methodology Set

The Index is governed by a set of methodology and policy documents (“Methodology Set”), including the present index methodology document as mentioned below:

- Description of methodology set – www.msci.com/index/methodology/latest/ReadMe
- MSCI Corporate Events Methodology – www.msci.com/index/methodology/latest/CE
- MSCI Fundamental Data Methodology – <https://www.msci.com/index/methodology/latest/FundData>
- MSCI Index Calculation Methodology – www.msci.com/index/methodology/latest/IndexCalc
- MSCI Index Glossary of Terms – www.msci.com/index/methodology/latest/IndexGlossary
- MSCI Index Policies – www.msci.com/index/methodology/latest/IndexPolicy
- MSCI Global Industry Classification Standard (GICS) Methodology – <https://www.msci.com/index/methodology/latest/GICS>
- MSCI Decrement Indexes Methodology - www.msci.com/index/methodology/latest/Decrement
- MSCI Capped Indexes Methodology - www.msci.com/index/methodology/latest/Capped
- MSCI Global Investable Market Indexes Methodology – www.msci.com/index/methodology/latest/GIMI

The Methodology Set for the Index can also be accessed from MSCI’s webpage <https://www.msci.com/index-methodology> in the section ‘Search Methodology by Index Name or Index Code’.

Appendix 2: MSCI EMU Ricardo Comparative Advantage Fixed Basket 25 Decrement 5% Index

The following parameters are used for the calculation of MSCI EMU Ricardo Comparative Advantage Fixed Basket 25 5% Decrement 5% Index:

MSCI Decrement Indexes Methodology Parameters		Parameter Value
1	Currency of Calculation	EUR
2	Return Variant of the Index	Daily Net Total Return
3	Decrement Type	Fixed Percentage
4	Decrement Application	Geometric
5	Decrement Value	5%
6	Day-count Convention	Actual / 365
7	Index Floor	0
8	Decrement Frequency	Daily

Contact us

[msci.com/contact-us](https://www.msci.com/contact-us)

AMERICAS

United States	+ 1 888 588 4567 *
Canada	+ 1 416 687 6270
Brazil	+ 55 11 4040 7830
Mexico	+ 52 81 1253 4020

EUROPE, MIDDLE EAST & AFRICA

South Africa	+ 27 21 673 0103
Germany	+ 49 69 133 859 00
Switzerland	+ 41 22 817 9777
United Kingdom	+ 44 20 7618 2222
Italy	+ 39 02 5849 0415
France	+ 33 17 6769 810

ASIA PACIFIC

China	+ 86 21 61326611
Hong Kong	+ 852 2844 9333
India	+ 91 22 6784 9160
Malaysia	1800818185 *
South Korea	+ 82 70 4769 4231
Singapore	+ 65 67011177
Australia	+ 612 9033 9333
Taiwan	008 0112 7513 *
Thailand	0018 0015 6207 7181 *
Japan	+ 81 3 4579 0333

* toll-free

About MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 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.

The process for submitting a formal index complaint can be found on the index regulation page of MSCI's website at: <https://www.msci.com/index-regulation>.

Notice and disclaimer

This document is research for informational purposes only and is intended for institutional professionals with the analytical resources and tools necessary to interpret any performance information. Nothing herein is intended to promote or recommend any product, tool or service.

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 disseminated in whole or in part without prior written permission from MSCI. All rights in the Information are reserved by MSCI and/or its Information Providers.

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 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 may include "Signals," defined as quantitative attributes or the product of methods or formulas that describe or are derived from calculations using historical data. Neither these Signals nor any description of historical data are intended to provide investment advice or a recommendation to make (or refrain from making) any investment decision or asset allocation and should not be relied upon as such. Signals are inherently backward-looking because of their use of historical data, and they are not intended to predict the future. The relevance, correlations and accuracy of Signals frequently will change materially.

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 investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. The calculation of indexes and index returns may deviate from the stated methodology. 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 a 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 msci.com.

MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. 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 a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such, provided that applicable products or services from MSCI ESG Research may constitute investment advice. 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. MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC, a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate are products of MSCI Inc. that utilize information from MSCI ESG Research LLC. MSCI Indexes are administered by MSCI Limited (UK) and MSCI Deutschland GmbH.

Please note that the issuers mentioned in MSCI ESG Research materials sometimes have commercial relationships with MSCI ESG Research and/or MSCI Inc. (collectively, "MSCI") and that these relationships create potential conflicts of interest. In some cases, the issuers or their affiliates purchase research or other products or services from one or more MSCI affiliates. In other cases, MSCI ESG Research rates financial products such as mutual funds or ETFs that are managed by MSCI's clients or their affiliates, or are based on MSCI Inc. Indexes. In addition, constituents in MSCI Inc. equity indexes include companies that subscribe to MSCI products or services. In some cases, MSCI clients pay fees based in whole or part on the assets they manage. MSCI ESG Research has taken a number of steps to mitigate potential conflicts of interest and safeguard the integrity and independence of its research and ratings. More information about these conflict mitigation measures is available in our Form ADV, available at <https://adviserinfo.sec.gov/firm/summary/169222>.

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 S&P Global Market Intelligence. "Global Industry Classification Standard (GICS)" is a service mark of MSCI and S&P Global Market Intelligence.

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.

Privacy notice: For information about how MSCI collects and uses personal data, please refer to our Privacy Notice at <https://www.msci.com/privacy-pledge>.