

MSCI EUROPE QUALITY INDEX (CAD)

The MSCI Europe Quality Index is based on MSCI Europe, its parent index, which includes large and mid cap stocks across 15 Developed Markets (DM) countries in Europe*. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage. The MSCI Quality Indexes complement existing MSCI Factor Indexes and can provide an effective diversification role in a portfolio of factor strategies.

CUMULATIVE INDEX PERFORMANCE - NET RETURNS (CAD) (JUN 2004 – JUN 2019)



ANNUAL PERFORMANCE (%)

Year	MSCI Europe Quality	MSCI Europe
2018	-3.77	-7.20
2017	17.53	17.26
2016	-7.09	-3.85
2015	23.93	16.52
2014	8.25	2.28
2013	29.04	33.64
2012	15.73	16.48
2011	2.40	-8.85
2010	-0.09	-1.54
2009	13.92	15.35
2008	-22.88	-32.98
2007	2.41	-3.43
2006	28.77	33.21
2005	8.40	6.68

INDEX PERFORMANCE — NET RETURNS (%) (JUN 28, 2019)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since Jun 30, 1994
MSCI Europe Quality	3.86	3.73	8.52	15.40	9.52	8.56	10.86	9.68
MSCI Europe	3.15	2.19	1.21	10.80	9.34	5.49	8.26	6.72

FUNDAMENTALS (JUN 28, 2019)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.59	20.48	18.57	5.10
3.65	15.71	13.53	1.78

INDEX RISK AND RETURN CHARACTERISTICS (JUN 01, 1994 – JUN 28, 2019)

	Beta	Tracking Error (%)	Turnover (%) ¹	ANNUALIZED STD DEV (%) ²			SHARPE RATIO ^{2,3}			Since Jun 01, 1994 (%)	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		Period YYYY-MM-DD	
MSCI Europe Quality	0.81	5.43	22.08	11.15	12.39	11.31	0.87	0.73	0.94	0.60	39.95	2007-12-12—2009-03-05
MSCI Europe	1.00	0.00	1.80	10.40	11.94	12.94	0.91	0.51	0.65	0.35	53.61	2007-04-20—2009-03-09

¹ Last 12 months ² Based on monthly net returns data ³ Based on ICE LIBOR 1M

* 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 Quality Index was launched on Dec 18, 2012. Data prior to the launch date is back-tested data (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.

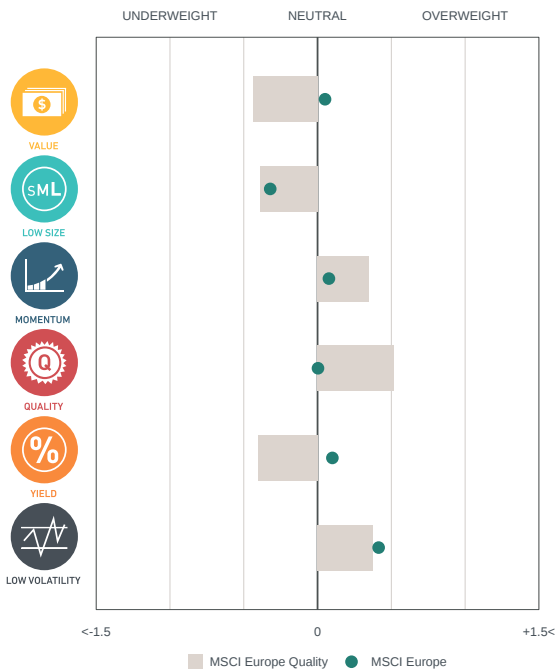
INDEX CHARACTERISTICS

	MSCI Europe Quality	MSCI Europe
Number of Constituents	125	442
Weight (%)		
Largest	5.16	3.60
Smallest	0.06	0.02
Average	0.80	0.23
Median	0.39	0.11

TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
ROCHE HOLDING GENUSS	CH	5.16	2.24	Health Care
NESTLE	CH	5.01	3.60	Cons Staples
NOVO NORDISK B	DK	4.73	1.00	Health Care
LVMH MOET HENNESSY	FR	4.31	1.34	Cons Discr
SAP	DE	4.22	1.53	Info Tech
ASTRAZENECA	GB	4.15	1.18	Health Care
DIAGEO	GB	4.14	1.18	Cons Staples
UNILEVER NV (NL) CERT	NL	3.53	1.01	Cons Staples
ASML HLDG	NL	3.38	1.01	Info Tech
UNILEVER PLC (GB)	GB	2.77	0.78	Cons Staples
Total		41.39	14.87	

FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN MSCI FACTOR BOX



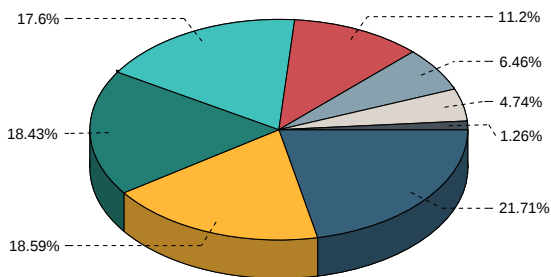
MSCI FaCS

- 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.

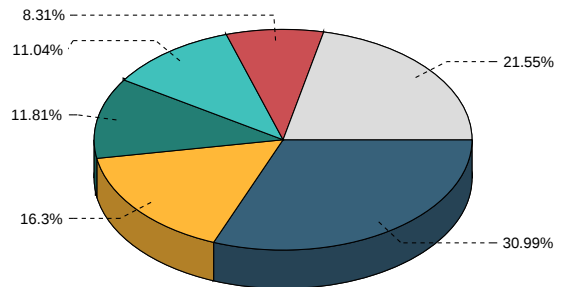
Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

SECTOR WEIGHTS



- Consumer Staples 21.71%
- Industrials 18.59%
- Consumer Discretionary 18.43%
- Health Care 17.6%
- Information Technology 11.2%
- Materials 6.46%
- Financials 4.74%
- Communication Services 1.26%

COUNTRY WEIGHTS



- United Kingdom 30.99%
- Switzerland 16.3%
- France 11.81%
- Germany 11.04%
- Denmark 8.31%
- Other 21.55%

INDEX METHODOLOGY

The MSCI Quality Indexes aim to capture the quality factor with a simple and transparent methodology that ensures reasonably high trading liquidity and investment capacity of constituent companies, as well as moderate index turnover. A quality score for each security is calculated by combining Z scores of three winsorized fundamental variables—Return on Equity, Debt to Equity and Earnings Variability. MSCI then averages the Z scores of each of the three fundamental variables to calculate a composite quality Z score for each security, and then ranks all constituents of the parent index based on their quality scores.

The MSCI Quality Indexes are constructed with a fixed number of securities approach. A fixed number of securities with the highest positive quality scores is determined for each MSCI Quality Index with the goal of achieving high exposure to the quality factor while maintaining sufficient index market capitalization and number of securities coverage. All securities eligible for inclusion in the MSCI Quality Indexes are weighted by the product of their market cap weight in the parent index and their quality score. Issuer weights are capped at 5%.

The Quality indexes are rebalanced semi-annually, as of the close of the last business day of November and May.

FACTOR BOX AND FaCS METHODOLOGY

MSCI FaCS is a standard method ([MSCI FaCS Methodology](#)) 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

MSCI is a leading 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.

The information contained herein (the "Information") may not be reproduced or disseminated in whole or in part without prior written permission from MSCI. The Information may not be used to verify or correct other data, to create indexes, risk models, or analytics, or in connection with issuing, offering, sponsoring, managing or marketing any securities, portfolios, financial products or other investment vehicles. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information or MSCI index or other product or service constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy. Further, none of the Information or any MSCI index is 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. The Information is provided "as is" and 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 MSCI INC. OR ANY OF ITS SUBSIDIARIES OR ITS OR THEIR DIRECT OR INDIRECT SUPPLIERS OR ANY THIRD PARTY INVOLVED IN THE MAKING OR COMPILING OF THE INFORMATION (EACH, AN "MSCI PARTY") MAKES ANY WARRANTIES OR REPRESENTATIONS AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH MSCI PARTY HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING ANY OF THE FOREGOING AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL ANY OF THE MSCI PARTIES 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.

© 2019 MSCI Inc. All rights reserved.