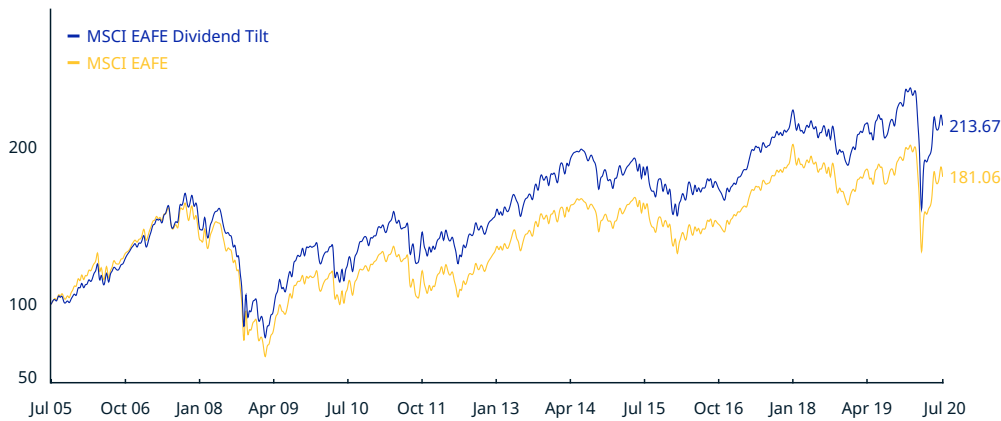


# MSCI EAFE Dividend Tilt Index (USD)

The MSCI EAFE Dividend Tilt Index is based on the MSCI EAFE Index, its parent index, and includes large and mid cap securities across 21 Developed Markets (DM) countries\* around the world, excluding the US and Canada. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with high investment capacity. The index is created by including all the dividend-paying constituents in the Parent Index and tilting the market capitalization weights of these securities based on their Dividend Yield Score.

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (JUL 2005 – JUL 2020)



## ANNUAL PERFORMANCE (%)

Year	MSCI EAFE Dividend Tilt	MSCI EAFE
2019	25.25	22.01
2018	-11.11	-13.79
2017	22.79	25.03
2016	0.57	1.00
2015	-3.02	-0.81
2014	-4.15	-4.90
2013	21.16	22.78
2012	12.73	17.32
2011	-4.87	-12.14
2010	4.23	7.75
2009	34.25	31.78
2008	-38.14	-43.38
2007	18.87	11.17
2006	31.00	26.34

## INDEX PERFORMANCE – NET RETURNS (%) (JUL 31, 2020)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Nov 30, 1998
					3 Yr	5 Yr	10 Yr		
MSCI EAFE Dividend Tilt	1.21	8.09	-0.16	-9.65	2.05	2.83	5.48	5.16	
MSCI EAFE	2.33	10.42	-1.67	-9.28	0.63	2.10	5.02	3.91	

## FUNDAMENTALS (JUL 31, 2020)

Div Yld (%)	P/E	P/E Fwd	P/BV
4.09	13.36	14.57	1.62
2.79	15.54	16.90	1.50

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 1998 – JUL 31, 2020)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Nov 30, 1998	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI EAFE Dividend Tilt	0.93	3.03	32.07	14.16	13.58	14.07	0.09	0.18	0.40	0.27	54.80	2007-10-31–2009-03-09
MSCI EAFE	1.00	0.00	2.77	15.14	14.42	14.80	0.00	0.13	0.35	0.19	60.41	2007-10-31–2009-03-09

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly net returns data

<sup>3</sup> Based on ICE LIBOR 1M

\* DM countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

The MSCI EAFE Dividend Tilt Index was launched on Jun 30, 2016. 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**

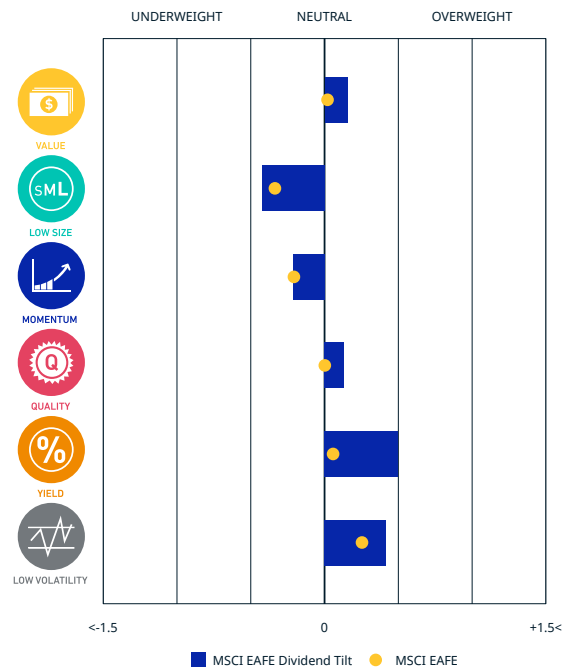
	MSCI EAFE Dividend Tilt	MSCI EAFE
<b>Number of Constituents</b>	450	900
	Weight (%)	
<b>Largest</b>	3.74	2.64
<b>Smallest</b>	0.01	0.01
<b>Average</b>	0.22	0.11
<b>Median</b>	0.09	0.05

**TOP 10 CONSTITUENTS**

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
TOTAL	FR	3.74	0.68	Energy
NESTLE	CH	3.39	2.64	Cons Staples
NOVARTIS	CH	2.65	1.33	Health Care
ALLIANZ	DE	2.55	0.65	Financials
BRITISH AMERICAN TOBACCO	GB	2.50	0.57	Cons Staples
ROCHE HOLDING GENUSS	CH	2.37	1.82	Health Care
RIO TINTO PLC (GB)	GB	2.36	0.51	Materials
GLAXOSMITHKLINE	GB	2.22	0.75	Health Care
ENEL	IT	1.90	0.56	Utilities
ZURICH INSURANCE GROUP	CH	1.88	0.41	Financials
Total		25.55	9.92	

**FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN**

**MSCI FACTOR BOX**



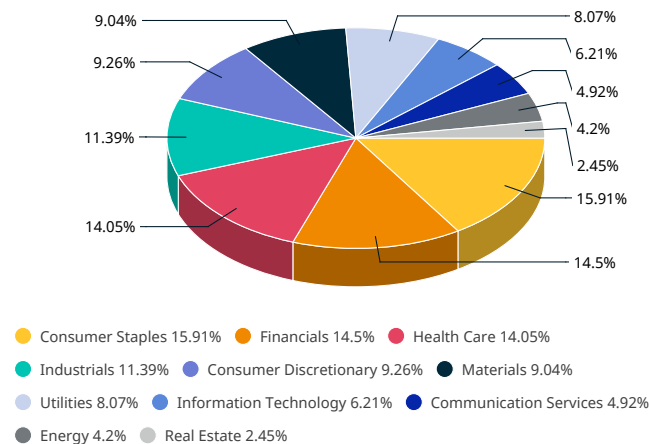
**MSCI FaCS**

- 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

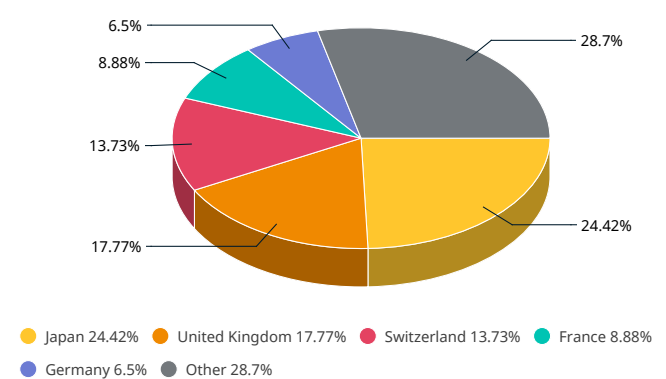
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

**SECTOR WEIGHTS**



**COUNTRY WEIGHTS**



## INDEX METHODOLOGY

The MSCI Dividend Tilt Indexes aim to reflect the performance of a high dividend yield strategy with high investment capacity. Each Index targets companies with high dividend income and quality characteristics and includes companies that have higher than average dividend yields that are both sustainable and persistent. Index construction starts with a dividend screening process: only securities with a track record of consistent dividend payments and with the capacity to sustain dividend payouts into the future are eligible index constituents. Securities are also screened based on certain “quality” factors such as return on equity (ROE), earnings variability, debt to equity (D/E), and on recent 12-month price performance. The goal is to exclude stocks with potentially deteriorating fundamentals that could be forced to cut or reduce dividends. The indexes are created by including all the dividend-paying constituents in the Parent Index as described above and tilting the market capitalization weights of these securities based on their Dividend Yield Score.

## 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

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