# MSCI Japan ex Controversial Weapons Index (USD)

The **MSCI Japan ex Controversial Weapons Index** is based on MSCI Japan Index, its parent index, which captures large and mid cap segments of the Japanese market. The index excludes companies from the parent index that have involvement with the production of cluster bombs, landmines, chemical and biological weapons and depleted uranium weapons. Constituent selection is based on data from MSCI ESG Research.

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

## CUMULATIVE INDEX PERFORMANCE — GROSS RETURNS (USD) (MAR 2009 – MAR 2024)

## ANNUAL PERFORMANCE (%)

| Year | MSCI Japan ex Controversial Weapons | MSCI Japan |
|---|---|---|
| 2023 | 20.77 | 20.77 |
| 2022 | -16.31 | -16.31 |
| 2021 | 2.04 | 2.04 |
| 2020 | 14.91 | 14.91 |
| 2019 | 20.15 | 20.07 |
| 2018 | -12.58 | -12.58 |
| 2017 | 24.39 | 24.39 |
| 2016 | 2.74 | 2.73 |
| 2015 | 9.92 | 9.90 |
| 2014 | -3.72 | -3.72 |
| 2013 | 27.36 | 27.35 |
| 2012 | 8.38 | 8.36 |
| 2011 | -14.20 | -14.19 |
| 2010 | 15.53 | 15.59 |

## INDEX PERFORMANCE — GROSS RETURNS (%) (MAR 29, 2024)

| | | | | | ANNUALIZED | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 Mo | 3 Mo | 1 Yr | YTD | 3 Yr | 5 Yr | 10 Yr | Since May 31, 2006 |
| **MSCI Japan ex Controversial Weapons** | 3.16 | 11.16 | 26.20 | 11.16 | 4.08 | 8.16 | 7.07 | 3.69 |
| **MSCI Japan** | 3.16 | 11.16 | 26.20 | 11.16 | 4.08 | 8.16 | 7.06 | 3.69 |

## FUNDAMENTALS (MAR 29, 2024)

| | Div Yld (%) | P/E | P/E Fwd | P/BV |
|---|---|---|---|---|
| **MSCI Japan ex Controversial Weapons** | 1.92 | 16.87 | 15.94 | 1.63 |
| **MSCI Japan** | 1.92 | 16.87 | 15.94 | 1.63 |

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2006 – MAR 29, 2024)

| | | | | ANNUALIZED STD DEV (%) [2] | | | SHARPE RATIO [2,3] | | | | MAXIMUM DRAWDOWN | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Beta | Tracking Error (%) | Turnover (%) [1] | 3 Yr | 5 Yr | 10 Yr | 3 Yr | 5 Yr | 10 Yr | Since May 31, 2006 | (%) | Period YYYY-MM-DD |
| **MSCI Japan ex Controversial Weapons** | 1.00 | 0.03 | 3.46 | 15.68 | 15.68 | 14.00 | 0.17 | 0.45 | 0.46 | 0.22 | 52.90 | 2007-02-27—2009-03-10 |
| **MSCI Japan** | 1.00 | 0.00 | 3.45 | 15.68 | 15.68 | 13.99 | 0.17 | 0.45 | 0.46 | 0.22 | 52.94 | 2007-02-27—2009-03-10 |

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

The MSCI ESG Indexes use ratings and other data supplied by MSCI ESG Research Inc, a subsidiary of MSCI Inc.

The MSCI Japan ex Controversial Weapons Index was launched on Jun 28, 2011. 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

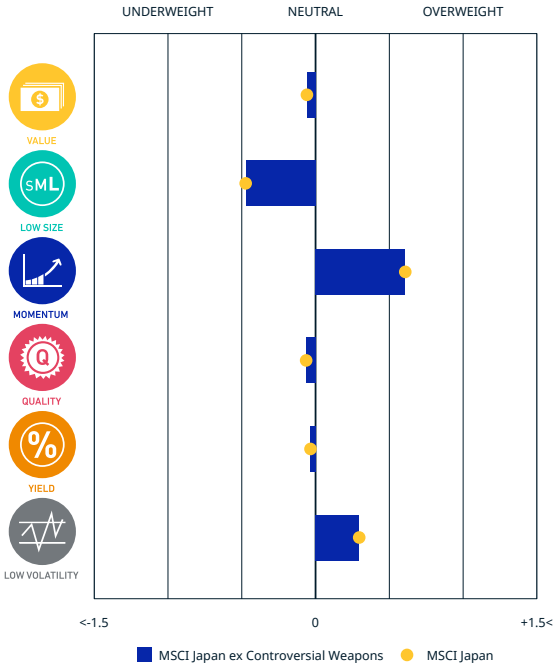
| | MSCI Japan ex Controversial Weapons | MSCI Japan |
|---|---|---|
| **Number of Constituents** | 218 | 218 |
| | **Weight (%)** | |
| **Largest** | 6.67 | 6.67 |
| **Smallest** | 0.04 | 0.04 |
| **Average** | 0.46 | 0.46 |
| **Median** | 0.23 | 0.23 |

## TOP 10 CONSTITUENTS

| | Index Wt. (%) | Parent Index Wt. (%) | Sector |
|---|---|---|---|
| TOYOTA MOTOR CORP | 6.67 | 6.67 | Cons Discr |
| TOKYO ELECTRON | 3.09 | 3.09 | Info Tech |
| MITSUBISHI UFJ FIN GRP | 2.87 | 2.87 | Financials |
| SONY GROUP CORP | 2.72 | 2.72 | Cons Discr |
| KEYENCE CORP | 2.24 | 2.24 | Info Tech |
| HITACHI | 2.14 | 2.14 | Industrials |
| MITSUBISHI CORP | 1.99 | 1.99 | Industrials |
| SHIN-ETSU CHEMICAL CO | 1.97 | 1.97 | Materials |
| SUMITOMO MITSUI FINL GRP | 1.88 | 1.88 | Financials |
| RECRUIT HOLDINGS CO | 1.60 | 1.60 | Industrials |
| Total | 27.17 | 27.17 | |

## 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**

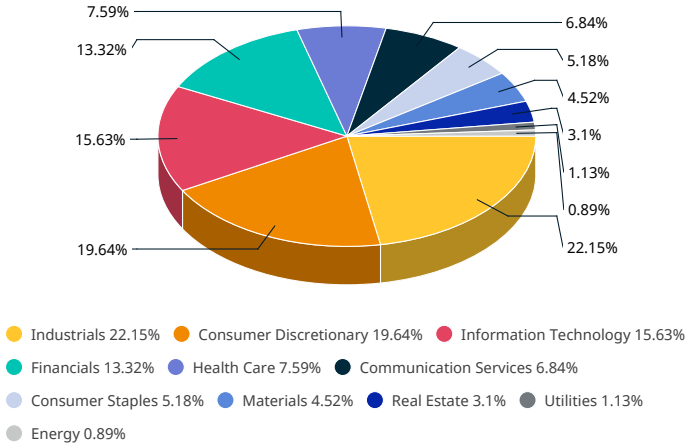
**YIELD**
**Cash Flow Paid Out**

**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

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.

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