

# **MSCI World ESG Leaders 3% Decrement (EUR) Index**

Parameter Sheet for Customization/Calculation Methodology

**September 2021**

## 1 Introduction

The MSCI World ESG Leaders 3% Decrement (EUR) Index is constructed by applying the MSCI ESG Leaders Indexes Methodology<sup>1</sup> and MSCI Decrement Indexes methodology<sup>2</sup>. A constant markdown ('synthetic dividend'), expressed as a percentage of performance, is applied on the MSCI World ESG Leaders Index Levels on a daily basis to construct the MSCI World ESG Leaders 3% Decrement (EUR) Index.

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<sup>1</sup> Please refer to the MSCI ESG Leaders Indexes Methodology at [www.msci.com/index-methodology](http://www.msci.com/index-methodology)

<sup>2</sup> Please refer to the MSCI Decrement Indexes Methodology at [www.msci.com/index-methodology](http://www.msci.com/index-methodology)

## 2 Constructing the MSCI World ESG Leaders 3% Decrement (EUR) Index

### 2.1 ELIGIBLE UNIVERSE

The eligible universe for MSCI World ESG Leaders 3% Decrement (EUR) Index includes all the constituents of their respective Parent Index as shown in the table below.

Index Name	Parent Index
MSCI World ESG Leaders 3% Decrement (EUR) Index	MSCI World Index

### 2.2 APPLYING THE MSCI ESG LEADERS INDEXES METHODOLOGY

The constituents of the MSCI World ESG Leaders 3% Decrement (EUR) Index are selected and weighted by applying the MSCI ESG Leaders Indexes methodology to the Parent Index.

### 2.3 APPLYING THE MSCI DECREMENT INDEXES METHODOLOGY

A constant markdown ('synthetic dividend') is applied on the MSCI World ESG Leaders Index levels, expressed as a percentage of performance, to construct the MSCI World ESG Leaders 3% Decrement (EUR) Index.

MSCI Decrement Index Methodology Parameters	Parameter Value
Return Variant of the Parent Index	Daily Net Total Return
Base Currency of MSCI Parent Index	EUR
Decrement Type	Fixed Percentage
Decrement Frequency	Daily
Decrement Application	Geometric
Decrement Value	3%
Day Count Convention	Actual/365
Index Floor	0

### **3 Maintaining the MSCI World ESG Leaders 3% Decrement (EUR) Index**

#### **3.1 ANNUAL INDEX REVIEWS**

The Index is reviewed on an Annual basis, in accordance with Section 4.1 of the MSCI ESG Leaders Indexes methodology.

#### **3.2 QUARTERLY INDEX REVIEWS**

The Index is reviewed on a Quarterly basis, in accordance with Section 4.2 of the MSCI ESG Leaders Indexes methodology.

#### **3.3 ONGOING EVENT RELATED CHANGES**

Corporate Events are reflected in the MSCI World ESG Leaders 3% Decrement (EUR) Index in accordance with Section 4.3 of the MSCI ESG Leaders Indexes methodology.

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