

MSCI CLIMATE PARIS ALIGNED 4% DECREMENT INDEXES

Parameter Sheet for Customization/Calculation Methodology

March 2021

1 Introduction

The MSCI EMU Climate Paris Aligned 4% Decrement Index, MSCI USA Climate Paris Aligned 4% Decrement Index, MSCI Emerging Markets Climate Paris Aligned 4% Decrement Index, MSCI ACWI Climate Paris Aligned 4% Decrement Index, MSCI World Climate Paris Aligned 4% Decrement Index, (herein, “MSCI Climate Paris Aligned 4% Decrement Indexes”) are based on the MSCI Climate Paris Aligned Indexes Methodology¹. A constant markdown (‘synthetic dividend’) is applied on the Climate Paris Aligned Index Levels on a daily basis, expressed as a percentage of performance.

¹ Please refer to the MSCI Climate Paris Aligned Indexes methodology at www.msci.com/index-methodology

2 Constructing the MSCI Climate Paris Aligned 4% Decrement Indexes

2.1 ELIGIBLE UNIVERSE

The eligible universe for MSCI Climate Paris Aligned 4% Decrement Indexes includes all the constituents of their respective MSCI parent index (the “Parent Index”), as shown in the table below.

Index Name	Parent Index	Currency
MSCI World Climate Paris Aligned 4% Decrement Index	MSCI World Climate Paris Aligned Index	USD
MSCI ACWI Climate Paris Aligned 4% Decrement Index	MSCI ACWI Climate Paris Aligned Index	USD
MSCI Emerging Markets Climate Paris Aligned 4% Decrement Index	MSCI Emerging Markets Climate Paris Aligned Index	USD
MSCI USA Climate Paris Aligned 4% Decrement Index	MSCI USA Climate Paris Aligned Index	USD
MSCI EMU Climate Paris Aligned 4% Decrement Index	MSCI EMU Climate Paris Aligned Index	EUR

2.2 APPLYING THE MSCI CLIMATE PARIS ALIGNED INDEXES METHODOLOGY

The constituents of the MSCI Climate Paris Aligned 4% Decrement Indexes are selected and weighted by applying the MSCI Climate Paris Aligned Indexes methodology to the respective Parent Index.

2.3 APPLYING THE MSCI DECREMENT INDEXES METHODOLOGY

A constant markdown (‘synthetic dividend’) is applied on the Climate Paris Aligned Index levels on a daily basis, expressed as a percentage of performance, to construct MSCI Climate Paris Aligned 4% Decrement Indexes.

Decrement Details	MSCI World World Climate Paris Aligned 4% Decrement Index	MSCI ACWI World Climate Paris Aligned 4% Decrement Index	MSCI EM World Climate Paris Aligned 4% Decrement Index	MSCI USA World Climate Paris Aligned 4% Decrement Index	MSCI EMU World Climate Paris Aligned 4% Decrement Index
Return Variant of the Parent Index	Net Total Return	Net Total Return	Net Total Return	Net Total Return	Net Total Return

Base Currency of MSCI Parent Index	USD	USD	USD	USD	EUR
Decrement Type	Fixed Percentage Decrement	Fixed Percentage Decrement	Fixed Percentage Decrement	Fixed Percentage Decrement	Fixed Percentage Decrement
Decrement Frequency	Daily	Daily	Daily	Daily	Daily
Decrement Application	Geometric Application	Geometric Application	Geometric Application	Geometric Application	Geometric Application
Decrement Value	4%	4%	4%	4%	4%
Day Count Convention	ACT/365	ACT/365	ACT/365	ACT/365	ACT/365
Index Floor	0	0	0	0	0

3 Maintaining the MSCI Climate Paris Aligned Indexes

3.1 SEMI-ANNUAL INDEX REVIEWS

The Indexes are rebalanced on a semi-annual basis, in accordance with Section 4.1 of the MSCI Climate Paris Aligned Indexes methodology.

3.2 ONGOING EVENT RELATED CHANGES

Corporate Events are reflected in the MSCI Climate Paris Aligned 4% Decrement Indexes in accordance with the MSCI Climate Paris Aligned Indexes methodology.

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* = toll free

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