

MSCI ESG LEADERS 4% DECREMENT INDEXES

Parameter Sheet for Customization/Calculation Methodology

March 2021

1 Introduction

The MSCI EMU ESG Leaders 4% Decrement Index, MSCI USA ESG Leaders 4% Decrement Index, MSCI Emerging Markets ESG Leaders 4% Decrement Index, MSCI ACWI ESG Leaders 4% Decrement Index, MSCI World ESG Leaders 4% Decrement Index (herein, “MSCI ESG Leaders 4% Decrement Indexes”) are based on the MSCI ESG Leaders Indexes Methodology¹ and MSCI Decrement Indexes methodology². A constant markdown (‘synthetic dividend’) is applied on the ESG Leaders Index Levels on a daily basis, expressed as a percentage of performance, to construct MSCI ESG Leaders 4% Decrement Indexes.

¹ Please refer to the MSCI ESG Leaders Indexes methodology at www.msci.com/index-methodology

² Please refer to the MSCI Decrement Indexes methodology at www.msci.com/index-methodology

2 Constructing the MSCI ESG Leaders 4% Decrement Indexes

2.1 ELIGIBLE UNIVERSE

The eligible universe for MSCI ESG Leaders 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 ESG Leaders 4% Decrement Index	MSCI World ESG Leaders Index	USD
MSCI ACWI ESG Leaders 4% Decrement Index	MSCI ACWI ESG Leaders Index	USD
MSCI Emerging Markets ESG Leaders 4% Decrement Index	MSCI Emerging Markets ESG Leaders Index	USD
MSCI USA ESG Leaders 4% Decrement Index	MSCI USA ESG Leaders Index	USD
MSCI EMU ESG Leaders 4% Decrement Index	MSCI EMU ESG Leaders Index	EUR

2.2 APPLYING THE MSCI ESG LEADERS INDEXES METHODOLOGY

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

2.3 APPLYING THE MSCI DECREMENT INDEXES METHODOLOGY

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

Decrement Details	MSCI World ESG Leaders 4% Decrement Index	MSCI ACWI ESG Leaders 4% Decrement Index	MSCI EM ESG Leaders 4% Decrement Index	MSCI USA ESG Leaders 4% Decrement Index	MSCI EMU ESG Leaders 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 ESG Leaders 4% Decrement Indexes

3.1 ANNUAL INDEX REVIEWS

The Index is reviewed on an annual basis, in accordance with Section 4 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 ESG Leaders 4% Decrement Indexes in accordance with the MSCI ESG Leaders Indexes methodology.

Contact us

clientservice@msci.com

AMERICAS

Americas	1 888 588 4567 *
Atlanta	+ 1 404 551 3212
Boston	+ 1 617 532 0920
Chicago	+ 1 312 675 0545
Monterrey	+ 52 81 1253 4020
New York	+ 1 212 804 3901
San Francisco	+ 1 415 836 8800
São Paulo	+ 55 11 3706 1360
Toronto	+ 1 416 628 1007

EUROPE, MIDDLE EAST & AFRICA

Cape Town	+ 27 21 673 0100
Frankfurt	+ 49 69 133 859 00
Geneva	+ 41 22 817 9777
London	+ 44 20 7618 2222
Milan	+ 39 02 5849 0415
Paris	0800 91 59 17 *

ASIA PACIFIC

China North	10800 852 1032 *
China South	10800 152 1032 *
Hong Kong	+ 852 2844 9333
Mumbai	+ 91 22 6784 9160
Seoul	00798 8521 3392 *
Singapore	800 852 3749 *
Sydney	+ 61 2 9033 9333
Taipei	008 0112 7513 *
Thailand	0018 0015 6207 7181 *
Tokyo	+ 81 3 5290 1555

* = toll free

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