Contents

1 Introduction ........................................................................................................... 3
2 ESG Research Framework .................................................................................... 4
   2.1 MSCI ESG Ratings ........................................................................................... 4
   2.2 MSCI ESG Business Involvement Screening Research .................................. 4
   2.3 MSCI Climate Change Metrics ....................................................................... 5
3 Constructing the MSCI Mexico ESG Select Focus Index ...................................... 6
   3.1 Defining the Security Level Carbon Exposure ................................................ 6
      3.1.1 Greenhouse Gas Emissions ....................................................................... 6
      3.1.2 Potential Carbon Emissions from Fossil Fuels ....................................... 6
   3.2 Defining the Business exclusion criteria ......................................................... 7
   3.3 Defining the optimization constraints .............................................................. 8
      3.3.1 ESG Optimization .................................................................................... 8
      3.3.2 Capping Optimization .............................................................................. 8
   3.4 Determining the optimized portfolio ............................................................... 8
4 Maintaining the MSCI Mexico ESG Select Focus Index ....................................... 9
   4.1 Quarterly Index Reviews .................................................................................. 9
   4.2 Rebalancing due to Non-Compliance .............................................................. 9
   4.3 Ongoing Event-Related Maintenance ................................................................ 9
Appendix 1: Business Exclusion Criteria .............................................................. 12
Appendix 2: Optimization Constraints ................................................................. 13
Appendix 3: New Release of Barra® Equity Model or Barra® Optimizer ................... 15
1 Introduction

The MSCI Mexico ESG Select Focus Index (the ‘Index’) is designed to maximize its exposure to positive environmental, social and governance (ESG) factors while keeping the carbon-equivalent exposure to carbon dioxide (CO₂) and other greenhouse gases (GHG) as well as the exposure to potential emissions risk of fossil fuel reserves similar to that of the MSCI Mexico Index (the ‘Parent Index’). The Index also aims to maintain risk and return characteristics similar to those of the Parent Index.

The Index is constructed by selecting constituents of the MSCI Mexico Index through an optimization process that aims to maximize exposure to ESG factors for a target tracking error budget and maintaining a carbon-equivalent exposure to CO₂ and other GHG as well as the exposure to potential emissions risk of fossil fuel reserves comparable to that of the Parent Index under certain constraints.

The Index aims to be sector-diversified and targets companies with high ESG ratings in each sector. Considering the concentration limits defined by the National Commission for the Pension System (Comision Nacional del Sistema de Ahorro para el Retiro” or CONSAR) in Mexico, MSCI applies constraints on the weights of the index after the ESG optimization. These constraints are applied in line with the MSCI 35/65 Index Methodology.
2 ESG Research Framework

MSCI ESG Research LLC provides in-depth research, ratings and analysis of the environmental, social and governance-related business practices of thousands of companies worldwide. It consists of an integrated suite of tools and products to efficiently manage research, analysis and compliance tasks across the spectrum of ESG factors.

The MSCI Mexico ESG Select Focus Index uses research provided by MSCI ESG Research. In particular this index uses the following three MSCI ESG Research products: MSCI ESG Ratings, MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics data.

For details on MSCI ESG Research’s full suite of ESG products, please refer to: http://www.msci.com/products/esg/about_msci_esg_research.html

2.1 MSCI ESG RATINGS

MSCI ESG Ratings provides research, analysis and ratings of how well companies manage environmental, social and governance risks and opportunities.

MSCI ESG Ratings provides an overall company ESG rating - a seven-point scale from ‘AAA’ to ‘CCC’. In addition, the product provides scores and percentiles indicating how well a company manages each key issue relative to industry peers.

For more details on MSCI ESG Ratings, please refer to: https://www.msci.com/esg-ratings

2.2 MSCI ESG BUSINESS INVOLVEMENT SCREENING RESEARCH

MSCI ESG Business Involvement Screening Research (BISR) aims to enable institutional investors to manage environmental, social and governance (ESG) standards and restrictions reliably and efficiently.

For more details on MSCI ESG Business Involvement Screening Research, please refer to http://www.msci.com/resources/factsheets/MSCI_ESG_BISR.pdf
2.3 **MSCI CLIMATE CHANGE METRICS**

MSCI Climate Change Metrics is designed to support investors seeking to achieve a range of objectives, including measuring and reporting on climate risk exposure, implementing low carbon and fossil fuel-free strategies, and factoring climate change research into their risk management processes. It provides Carbon Emissions, Fossil Fuel exposure, environmental impact (i.e., clean technology) data and screens, as well as climate-related risk exposure and management assessment on companies.

For more details on MSCI Climate Change Metrics, please refer to [https://www.msci.com/climate-change-solutions](https://www.msci.com/climate-change-solutions)
3 Constructing the MSCI Mexico ESG Select Focus Index

Constructing the MSCI Mexico ESG Select Focus Index involves the following steps:

- Defining the Security Level Carbon Exposure
- Defining the Business Exclusion Criteria
- Defining the optimization constraints
- Determining the optimized portfolio
- The steps mentioned above are defined in detail in the subsequent sections.

MSCI Mexico ESG Select Focus Index is constructed using MSCI Mexico as the Parent Index.

3.1 DEFINING THE SECURITY LEVEL CARBON EXPOSURE

The carbon exposure of a security is measured in terms of its greenhouse gas emissions and its potential carbon emissions from fossil fuel reserves. The MSCI Mexico ESG Select Focus Index uses MSCI ESG Climate Change Metrics data from MSCI ESG Research.

3.1.1 GREENHOUSE GAS EMISSIONS

MSCI ESG Research collects company-specific direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions data from company public documents and/or the Carbon Disclosure Project. If a company does not report GHG emissions, then MSCI ESG Research uses its proprietary methodology to estimate Scope 1 and Scope 2 GHG emissions. The data is updated on an annual basis. Since the current carbon emissions of a company are directly influenced by its current business activity, MSCI normalizes for size by dividing the annual carbon emissions of the company by the annual sales of the company.

For newly added companies to the index which do not report emission data and where MSCI ESG Research has not estimated the greenhouse gas emissions yet, MSCI uses the average emissions per dollar of issuer market capitalization for the companies in the same industry group, multiplied by the market capitalization of the company as the estimated emission for the company.

3.1.2 POTENTIAL CARBON EMISSIONS FROM FOSSIL FUELS

MSCI ESG Research collects fossil fuel reserves data where relevant for companies which have reserves, typically in the Oil & Gas, Coal Mining and Electric Utilities
industries\(^1\). Fossil fuel reserves can be used for several applications including energy or industrial (e.g. coking coal used for steel production). For the development of the MSCI Mexico ESG Select Focus Index, only fossil fuel reserves used for energy are taken into account. The data is updated on an annual basis and based on information disclosed by companies. Sources include company publications, other public records and third-party data providers. For newly added companies to the index where data is not available yet, MSCI uses zero fossil fuel reserves. The size of reserves of a company typically influences its market valuation, and hence MSCI normalizes for size by dividing the potential carbon emissions of the company by its market capitalization.

To convert reserves data to potential carbon emissions, MSCI ESG Research applies a formula from the Potsdam Institute for Climate Impact Research\(^2\).

### 3.2 DEFINING THE BUSINESS EXCLUSION CRITERIA

Companies that are involved in specific businesses which have high potential for negative social and/or environmental impact are ineligible for inclusion in the index.

- Controversial Weapons
- Civilian Firearms
- Tobacco
- Thermal Coal
- Oil Sands

### OTHER EXCLUSION CRITERIA

- Missing ESG Rating or ESG Score – Companies which are not rated by MSCI ESG Research for an MSCI ESG Rating are excluded from the index.

---

\(^1\) For more information on MSCI ESG Climate Change Metrics, please refer to https://www.msci.com/index-carbon-footprint-metrics

3.3 DEFINING THE OPTIMIZATION CONSTRAINTS

3.3.1 ESG OPTIMIZATION

The Optimization process aims to maximize the Index’s exposure to ESG scores and simultaneously ensuring that the carbon emissions intensity, weighted carbon emission intensity, and potential emissions are comparable to that of the MSCI Mexico Index for a tracking error budget of 150 basis points (1.5%).

ESG scores are normalized and used in the optimization process. Normalization of the ESG scores is designed to allow the optimization process to assess each score in the context of the overall distribution of the ESG scores.

3.3.2 CAPPING OPTIMIZATION

The MSCI 35/65 Capped Indexes methodology as defined below is applied using a separate optimization process after the ESG Optimized Index construction step to obtain the Final Index.

- The weight of any single security will be constrained at 35%.
- The sum of the largest five securities will be constrained at 65%.
- A buffer of 5% of the value of each constraint is applied at each index review. As a result, at the point of constructing or rebalancing the MSCI 35/65 Capped Index, the weight of any single security cannot exceed 33.25% and the sum of the largest five securities cannot exceed 61.75%

In general, the 35/65 Capped Index follows the event maintenance of the MSCI 35/65 Capped Indexes Methodology. Please refer to section 4.6 of the MSCI Capped Indexes Methodology for additional details on the MSCI 35/65 Capped Indexes Methodology at https://www.msci.com/index-methodology

Please refer to Appendix 2 for the optimization constraints.

3.4 DETERMINING THE OPTIMIZED PORTFOLIO

The Index is constructed using MSCI’s Barra® Open Optimizer in combination with the relevant Barra Equity Model3. The optimization uses a universe of eligible securities and the specified optimization objective and constraints to determine the constituents of the MSCI Mexico ESG Select Focus Index.

3 Please refer to Appendix 3 for the detailed information on model usage
4 Maintaining the MSCI Mexico ESG Select Focus Index

4.1 QUARTERLY INDEX REVIEWS

The Index is rebalanced on a quarterly basis to coincide with the regular Index Reviews (Semi-Annual Index Reviews in May and November and Quarterly Index Reviews in February and August) of the MSCI Global Investable Market Indexes. Changes are implemented at the end of February, May, August and November. The pro forma indexes are in general announced nine business days before the effective date.

At each Index Review, the optimization process outlined in Section 3 is implemented. In general, MSCI uses MSCI ESG Research data (including MSCI ESG Ratings, MSCI Business Involvement Screening Research, and MSCI ESG Climate Change Metrics) as of the end of the month preceding the Index Reviews. For some securities, such data may not be published by MSCI ESG Research by the end of the month preceding the Index Review. For such securities, MSCI will use ESG data published after the end of month, when available.

4.2 REBALANCING DUE TO NON-COMPLIANCE

The 35/65 Index is also rebalanced on an “as needed” basis. This means that the 35/65 Index is rebalanced at the end of any day on which the constraints as specified in Section 3.3 (without the buffer) are breached. The breach of the constraints can be, for example, triggered by the market performance of one constituent.

The rebalancing will take place as of the close of the day when the index breaches the constraints, based on closing prices, such that the MSCI 35/65 Index will always be within the constraints before the opening of the following trading day.

Any rebalancing driven due to non-compliance, does not trigger the ESG Optimization (as described in section 3.3.1), and only triggers a capping optimization (as described in section 3.3.2).

4.3 ONGOING EVENT-RELATED MAINTENANCE

The general treatment of corporate events in the MSCI Mexico ESG Select Focus Index aims to minimize turnover outside of Index Reviews. The methodology aims to appropriately represent an investor’s participation in an event based on relevant deal terms and pre-event weighting of the index constituents that are involved. Further, changes in index market capitalization that occur as a result of corporate event implementation will be offset by a corresponding change in the Variable Weighting Factor (VWF) of the constituent.
Additionally, if the frequency of Index Reviews in the Parent Index is greater than the frequency of Index Reviews in the MSCI Mexico ESG Select Focus Index, the changes made to the Parent Index during intermediate Index Reviews will be neutralized in the MSCI Mexico ESG Select Focus Index.

The following section briefly describes the treatment of common corporate events for the MSCI Mexico ESG Select Focus Index.

No new securities will be added (except where noted below) to the Index between Index Reviews. Parent Index deletions will be reflected simultaneously.

<table>
<thead>
<tr>
<th>EVENT TYPE</th>
<th>EVENT DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>New additions to the Parent Index</td>
<td>A new security added to the parent index (such as IPO and other early inclusions) will not be added to the index.</td>
</tr>
<tr>
<td>Spin-Offs</td>
<td>All securities created as a result of the spin-off of an existing Index constituent will be added to the Index at the time of event implementation. Reevaluation for continued inclusion in the Index will occur at the subsequent Index Review.</td>
</tr>
<tr>
<td>Merger/Acquisition</td>
<td>For Mergers and Acquisitions, the acquirer’s post event weight will account for the proportionate amount of shares involved in deal consideration, while cash proceeds will be invested across the Index. If an existing Index constituent is acquired by a non-Index constituent, the existing constituent will be deleted from the Index and the acquiring non-constituent will not be added to the Index.</td>
</tr>
<tr>
<td>Changes in Security Characteristics</td>
<td>A security will continue to be an Index constituent if there are changes in characteristics (country, sector, size segment, etc.) Reevaluation for continued inclusion in the Index will occur at the subsequent Index Review.</td>
</tr>
</tbody>
</table>
Further detail and illustration regarding specific treatment of corporate events relevant to this Index can be found in the MSCI Corporate Events Methodology book under the sections detailing the treatment of events in Capped Weighted and Non-Market Capitalization Weighted indexes.

The MSCI Corporate Events methodology book is available at: https://www.msci.com/index-methodology
Appendix 1: Business Exclusion Criteria

- **Controversial Weapons**
  - All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, nondetectable fragments and incendiary weapons), as defined by the methodology of the MSCI Global Ex-Controversial Weapons Indexes available at https://www.msci.com/index-methodology.

- **Civilian Firearms**
  - All companies classified as “Producer” of firearms and small arms ammunitions for civilian markets. It does not include companies that cater to the military, government, and law enforcement markets.

- **Tobacco**
  - All companies classified as a “Producer”.

- **Thermal Coal**
  - All companies deriving 5% or more revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It excludes: revenue from metallurgical coal; coal mined for internal power generation (e.g. in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading.
  - All companies deriving 5% or more revenue (either reported or estimated) from the thermal coal-based power generation.

- **Oil Sands**
  - All companies deriving 5% or more revenue from oil sands extraction, which own oil sands reserves and disclose evidence of deriving revenue from oil sands extraction. Companies that derive revenue from non-extraction activities (e.g. exploration, surveying, processing, refining) or intra-company sales are not excluded. Additionally, companies that own oil sands reserves with no associated revenue are also not excluded.
Appendix 2: Optimization Constraints

ESG OPTIMIZATION CONSTRAINTS

At each Quarterly Index Review, the following optimization constraints with the ex-ante tracking error target of 150 basis points (1.5%) are used to ensure replicability and investability for the ESG Optimization.

Screened Parent

The Screened Parent is constructed by excluding securities from the Parent Index based on the exclusion criteria as defined in Section 3.2. The security weights are then normalized to 100%.

Optimization Constraints

<table>
<thead>
<tr>
<th>No.</th>
<th>Parameter</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Minimum Constituent Weight</td>
<td>Minimum constituent weight in the Screened Parent</td>
</tr>
<tr>
<td>2^</td>
<td>Asset Lower Bound</td>
<td>Maximum (Minimum constituent weight in the Screened Parent, 0.5 * Security Weight in the Screened Parent)</td>
</tr>
<tr>
<td>3^</td>
<td>Asset Upper Bound</td>
<td>Minimum (3 * Security Weight in the Screened Parent, Security Weight in the Screened Parent +2%)</td>
</tr>
<tr>
<td>4^</td>
<td>Active Sector Weights</td>
<td>+/-10%</td>
</tr>
<tr>
<td>5^</td>
<td>Carbon Emission Intensity relative to the Parent Index</td>
<td>Target Carbon Emission Intensity of the Parent Index or lower</td>
</tr>
<tr>
<td>6^</td>
<td>Potential Emissions per dollar of market capitalization relative to the Parent Index</td>
<td>Target Potential Emissions per dollar of market capitalization of the Parent Index or lower</td>
</tr>
<tr>
<td>7^</td>
<td>Weighted Average Carbon Emission Intensity relative to the Parent Index</td>
<td>Target Weighted Average Carbon Emission Intensity of the Parent Index or lower</td>
</tr>
<tr>
<td>8^</td>
<td>One Way Turnover during May and November Index Review</td>
<td>10%</td>
</tr>
<tr>
<td>9^</td>
<td>One Way Turnover during Feb and Aug Index Review</td>
<td>5%</td>
</tr>
<tr>
<td>10</td>
<td>Specific Risk Aversion</td>
<td>0.075</td>
</tr>
<tr>
<td>11</td>
<td>Common Factor Risk Aversion</td>
<td>0.0075</td>
</tr>
</tbody>
</table>

^ The Optimization Constraints are applied relative to the Parent Index.

Infeasible ESG Solution - During the Quarterly Index Reviews, in the event that there is no optimal solution that satisfies all the optimization constraints, first the turnover...
constraint will be relaxed up to a maximum turnover of 30% in steps of 1% until an optimal solution is found. If a feasible solution is not found at turnover of 30%, the ex-ante tracking error is relaxed up to a maximum of 5 times of the original ex-ante tracking error in steps on 0.1%. In the event that feasible solution is not found for maximum ex-ante tracking error, the Index will not be rebalanced for that index review.

The Carbon Emission Intensity and the Potential Emissions per dollar of market capitalization of the Index are calculated using the formulae defined in Appendix I of the MSCI Global Low Carbon Leaders Indexes Methodology (for details about the methodology, please refer to: https://www.msci.com/index-methodology).

The Weighted Average Carbon Emission Intensity of the index is achieved by calculating the Carbon Emission Intensity for each security in the index and calculating the weighted average by index weight.

At the security level, the Carbon Emission Intensity is defined as –

$$\text{Security Carbon Emission Intensity} = \frac{\text{Carbon Emissions}}{\text{Sales}}$$

Where $\text{Carbon Emissions}$ is calculated as defined in the Section 3.1.1

### 35/65 CAPPING OPTIMIZATION CONSTRAINTS

<table>
<thead>
<tr>
<th>No.</th>
<th>Parameter</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Buffer for Maximum Security Weight and Sum of Top 5 Securities Weight at Index Review</td>
<td>5%</td>
</tr>
<tr>
<td>3</td>
<td>Maximum Security Weight as a Multiple of its weight in the Parent Index</td>
<td>3</td>
</tr>
</tbody>
</table>

**Infeasible Capping Solution** - During the Quarterly Index Reviews, in the event that there is no optimal solution that satisfies all the optimization constraints, the following constraints will be relaxed one by one, until an optimal solution is found:

- Relax the maximum security weight multiple in steps of 1 up to a maximum value of 5.
- Reduce the Top 5 security weight constraint buffer in steps of 2.5% up to a buffer value of 0.
- Reduce the Top security weight constraint buffer in steps of 2.5% up to a buffer value of 0.

In the event that no optimal solution is found after the above constraints have been relaxed, after a total of 50 iterations, the Index will not be rebalanced for that index review.
Appendix 3: New Release of Barra® Equity Model or Barra® Optimizer

The methodology presently uses MSCI Barra Global Equity Model for Long-Term Investors ("GEMLTL") for the optimization. A new release of the relevant Barra Equity Model or Barra Optimizer may replace the former version within a suitable timeframe.
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

ABOUT MSCI

MSCI is a leader 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.
Notice and disclaimer

This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the "Information") is the property of MSCI Inc. or its subsidiaries (collectively, "MSCI"), or MSCI's licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the "Information Providers") and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or redisseminated in whole or in part without prior written permission from MSCI.

The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.

Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.

The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.

It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on such index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, "Index Linked Investments"). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments. Index returns do not represent the results of actual trading of investable assets/securities. MSCI maintains and calculates Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.

The information may contain back tested data. Back-tested performance is not actual performance but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.

Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.

Data and information produced by various affiliates of MSCI, including MSCI ESG Research LLC and Barra LLC, may be used in calculating certain MSCI indexes. More information can be found in the relevant index methodologies on www.msci.com.

MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.’s revenue includes fees based on assets in Index Linked Investments. Information can be found in MSCI Inc.’s company filings on the Investor Relations section of www.msci.com.

MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Except with respect to any applicable products or services from MSCI ESG Research, neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and MSCI’s products or services are not intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Issuers mentioned or included in any MSCI ESG Research materials may include MSCI Inc., clients of MSCI or suppliers to MSCI, and may also purchase research or other products or services from MSCI ESG Research. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, or received approval from, the United States Securities and Exchange Commission or any other regulatory body. Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor’s. “Global Industry Classification Standard (GICS)” is a service mark of MSCI and Standard & Poor’s.

The MIFID2/MIFIR notice: MSCI ESG Research LLC does not distribute or act as an intermediary for financial instruments or structured deposits, nor does it deal on its own account, provide execution services for others or manage client accounts. No MSCI ESG Research product or service supports, promotes or is intended to support or promote any such activity. MSCI ESG Research is an independent provider of ESG data, reports and ratings based on published methodologies and available to clients on a subscription basis. We do not provide custom or one-off ratings or recommendations of securities or other financial instruments upon request.

Privacy notice: For information about how MSCI ESG Research LLC collects and uses personal data concerning officers and directors, please refer to our Privacy Notice at https://www.msci.com/privacy-pledge.