

MSCI WOMEN'S LEADERSHIP INDEX METHODOLOGY

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1 INTRODUCTION

The MSCI Women's Leadership Index (the "Index") aims to represent the performance of those companies that exhibit a commitment towards gender diversity among their board of directors ("Board") and among the leadership positions. The index aims to include companies which lead in their respective countries in terms of female representation in Board and in leadership positions. The Index is constructed as a sector neutral index so that each GICS® Sector weight in the Index is equal to its weight in the underlying MSCI Index (the "Parent Index"). Within each sector group, constituents of the Index are equally weighted.

Please refer to Appendix I for currently available MSCI's indexes based on Women's Leadership Index methodology.

2 INDEX CONSTRUCTION

2.1 SECURITY SELECTION

The Index includes all companies from the Parent Index which satisfy following three conditions

1. Number of Women in Leadership Position

- At least 3 female directors OR
- At least one woman in a current leadership role AND at least one other female director. Leadership positions are defined as
 - Chairman
 - Co-Chairman
 - Executive Chairman
 - Lead director
 - CEO
 - Co-CEO
 - CFO

2. Percent of Women on Board

The percentage of female directors on the company's Board is greater than the average percentage of female directors on the Board of all companies within the same MSCI country of classification.

Companies for which MSCI does not publish gender data of board members are not included in the calculation of average of the percent of women directors on Board.

3. Discrimination And Workforce Diversity Controversy

Companies must not have faced very severe or severe structural controversies, or severe on going diversity-related controversies (Labor Rights – Discrimination and Workforce Diversity Controversy score is greater than 2¹).

¹ The Labor Rights – Discrimination and Workforce Diversity Controversy is assessed as part of the MSCI ESG Controversies research. For more details on MSCI ESG Controversies, please refer to <https://www.msci.com/documents/10199/acbe7c8a-a4e4-49de-9cf8-5e957245b86b>

2.2 SECURITY WEIGHTING

Securities are weighted in two steps -

1. Sector weights in the Index are set equal to the sector weight in the Parent Index.
2. Constituents within each sector are equal weighted so that the aggregate sector weight is equal to the sector weight set in step 1.

3 MAINTENANCE OF THE INDEX

3.1 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. The 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.

Gender data of directors on the Board and leaders for the Quarterly Index Reviews will be taken as of the end of the month preceding the Index Review, i.e., January, April, July and October.

3.2 ONGOING EVENT-RELATED CHANGES

The general treatment of corporate events in the MSCI Women's Leadership Indexes 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 Women's Leadership Index, the changes made to the Parent Index during intermediate Index Reviews will be neutralized in the MSCI Women's Leadership Index.

The following section briefly describes the treatment of common corporate events within the MSCI Women's Leadership Indexes.

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

EVENT TYPE

EVENT DETAILS

New additions to the Parent Index

A new security added to the parent index (such as IPO and other early inclusions) will not be added to the index.

Spin-Offs

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.

Merger/Acquisition

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.

Changes in Security Characteristics

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.

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 I: MSCI INDEXES AVAILABLE ON WOMEN'S LEADERSHIP METHODOLOGY

No.	Index	Parent Index
1	MSCI World Women's Leadership	MSCI World
2	MSCI USA Women's Leadership	MSCI USA
3	MSCI USA IMI Women's Leadership	MSCI USA IMI
4	MSCI Europe Women's Leadership	MSCI Europe

The following sections have been modified since June 2016:

- The details on the Corporate Events treatment are now included in Section 3.2.

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