

MSCI WORLD SELECT CATHOLIC PRINCIPLES ESG UNIVERSAL AND ENVIRONMENT INDEX

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1 Introduction

The MSCI World Select Catholic Principles ESG Universal and Environment Index (the “Index”) is designed to represent the performance of a strategy that aims to select companies having lower carbon exposure and higher Environmental, Social and Governance (ESG) performance than that of the broad market, while excluding companies that are involved in controversial businesses like weapons, gambling, adult entertainment, etc. The Index also excludes companies that are involved in abortion and contraceptives, stem cell research, and animal testing.

2 MSCI ESG Research

The Index uses research provided by MSCI ESG Research LLC. In particular, the Index uses the following four MSCI ESG Research products: MSCI ESG Ratings, MSCI ESG Controversies, MSCI Business Involvement Screening Research and MSCI Climate Change Solutions.

For details on MSCI ESG Research's full suite of ESG products, please refer to:
<https://www.msci.com/esg-investing>

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 CONTROVERSIES

MSCI ESG Controversies (formerly known as MSCI Impact Monitor) provides assessments of controversies concerning the negative environmental, social, and/or governance impact of company operations, products and services. The evaluation framework used in MSCI ESG Controversies is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact. MSCI ESG Controversies Score falls on a 0-10 scale, with "0" being the most severe controversy.

For more details on MSCI ESG Controversies Score, please refer to:
<https://www.msci.com/documents/10199/acbe7c8a-a4e4-49de-9cf8-5e957245b86b>

2.3 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

2.4 MSCI CLIMATE CHANGE SOLUTIONS

MSCI Climate Change Solutions 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 Solutions, please refer to <https://www.msci.com/climate-change-solutions>

3 Index Construction Methodology

3.1 DEFINING THE PARENT INDEX

The MSCI World Select Catholic Principles ESG Universal and Environment Index is constructed from the MSCI World Index (the “Parent Index”).

3.2 DETERMINING THE ELIGIBLE UNIVERSE

The Index uses research provided by MSCI ESG Research LLC to determine eligibility for index inclusions.

3.2.1 ESG RATINGS ELIGIBILITY

The Index uses MSCI ESG Ratings to identify companies that have demonstrated an ability to manage their ESG risks and opportunities. Companies are required to have a minimum ESG Rating of ‘BB’ to be eligible for inclusion.

Securities of companies not assessed by MSCI ESG Research LLC for MSCI ESG Ratings are ineligible for inclusion.

3.2.2 ESG CONTROVERSIES SCORE ELIGIBILITY

The Index uses MSCI ESG Controversies Scores to identify those companies that are involved in very serious controversies involving the environmental, social, or governance impact of their operations and/or products and services. Companies are required to have an MSCI ESG Controversies Score of 3 or above to be eligible for inclusion in the Index.

Securities of companies not assessed by MSCI ESG Research LLC for MSCI ESG Controversies are ineligible for inclusion.

3.2.3 VALUES-BASED EXCLUSIONS

The Index uses MSCI ESG Business Involvement Screening Research to identify companies that are involved in the following business activities. Securities of the companies that meet the business involvement criteria are excluded from the Indexes. Please refer to the Appendix for details on these criteria.

- Controversial Weapons
- Stem Cells
- Nuclear Weapons
- Gambling

- Abortions and Contraceptives
- Adult Entertainment
- Animal Welfare

Please refer to the Appendix for details on these criteria.

MSCI may seek input from outside market experts on the ongoing evolution of the theme underlying the Index, with respect to applicable business involvement criteria. However, such input is advisory only in nature. Use of any such input is at MSCI's discretion and may or may not lead to a change to the Index or index methodology.

3.3 DEFINING THE RULES FOR SELECTION OF COMPANIES WITH THE LOWEST CARBON EXPOSURE

From the securities in the eligible universe, companies with low carbon exposure, identified as companies with low carbon emission intensity and low potential emissions per dollar of market capitalization, are selected for inclusion in the Index. The selection is performed in accordance with sections 3.3.1 and 3.3.2 of the MSCI Global Low Carbon Leaders Indexes methodology¹.

3.4 APPLYING THE MSCI ESG UNIVERSAL INDEXES METHODOLOGY

The resultant set of securities are then weighted in accordance with section 3.4 of the MSCI ESG Universal Indexes methodology² to obtain the MSCI World Select Catholic Principles ESG Universal and Environment Index.

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

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

4 Maintaining the MSCI World Select Catholic Principles ESG Universal and Environment Index

4.1 QUARTERLY INDEX REVIEWS

The Index is reviewed, and the exclusions are determined on a quarterly basis to coincide with the regular Semi-Annual and Quarterly Index Reviews of the MSCI Global Investable Market Indexes. The changes are implemented as of the close of the last business day of February, May, August and November.

In general, MSCI uses MSCI ESG Research data (including MSCI Business Involvement Screening Research) as of the end of the month preceding the Index Reviews for the rebalancing of the Index. 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, for the rebalancing of the Indexes.

The pro forma Index is in general announced nine business days before the effective date.

4.2 ONGOING EVENT-RELATED CHANGES

The general treatment of corporate events in the 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.

The following section briefly describes the treatment of common corporate events within the Index.

No new securities will be added (except where noted below) to the Indexes between Index Reviews. For cases where additions are noted below, securities will be added to the Index only if added to the Parent Index.

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

Securities created as a result of the spin-off of an existing index constituent will not be added to the Index at the time of event implementation.

Merger/Acquisition

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.

The MSCI Corporate Events methodology book is available at:
<https://www.msci.com/index-methodology>.

Appendix – ESG Screening Criteria

Companies, whose activities meet the following values-based criteria, as evaluated by MSCI ESG Research, are excluded from the Index:

- **Controversial Weapons**
 - All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable 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>.
- **Stem Cell**
 - Companies that conduct stem cell research with cells derived from human fetal tissue.
 - Companies that conduct stem cell research with cells derived from human embryos.
 - Companies that develop or produce products for scientific research specifically on embryonic or fetal stem cells, such as technology that isolates or regulates the growth and proliferation of stem cells.
 - Companies that use fetal cell lines in the development of vaccines and other biologics, such as therapeutic proteins and gene therapy products.
- **Nuclear Weapons**
 - Companies that manufacture key nuclear weapons components.
 - Companies that manufacture nuclear weapons, including nuclear warheads, intercontinental ballistic missiles, and ballistic missile submarines, which are capable of the delivery of nuclear warheads.
- **Gambling**
 - Companies that own or operate gambling facilities such as casinos, racetracks, bingo parlors, or other betting establishments, including: horse, dog, or other racing events that permit wagering; lottery operations; online gambling; pari-mutuel wagering facilities; bingo; pachislot and pachinko parlors; slot machines; Jai-alai; mobile gambling; and sporting events that permit wagering.
 - Companies that provide key products or services fundamental to gambling operations, including: slot machines, roulette wheels, or lottery terminals;

gambling technology and support such as IT maintenance, software design, security or surveillance systems, and lottery ticket printing; and, gambling-related services such as credit lines, and casino management and consultation that have earned more than 10% revenue from providing key products or services fundamental to gambling operations, including: slot machines, roulette wheels, or lottery terminals; gambling technology and support such as IT maintenance, software design, security or surveillance systems, and lottery ticket printing; and, gambling-related services such as credit lines, and casino management and consultation.

- Abortion and Contraceptives
 - Companies engaged in the development or manufacture of products that may be used as abortifacients.
 - Companies that own or operate a facility where an abortion has been performed within the last three fiscal years.
 - Companies that derive more than 10 % of revenue from the manufacturing or licensing of contraceptives.
- Adult Entertainment
 - Companies that produce, direct, or publish adult entertainment materials that fall into the following categories and have derived any revenue from adult entertainment: Producer of X-rated films, Producer of Pay-per-view programming or channels, Producer of sexually explicit video games, Producer of books or magazines with adult content, Live entertainment of an adult nature, Producer of adults-only material on the internet.
 - Companies that retail adult entertainment products through specialty stores or online sites.
 - Companies that have derived more than 10% revenue from adult entertainment and distribute sexually explicit products and services, including X-rated movies and videos, printed materials, television programs, and online products. This includes companies providing cable channels and television for adult viewing only. Companies in the hospitality industry are also included if they offer 'adults only' films for in-room viewing through pay-per-view services.
- Animal Welfare
 - Companies that conduct animal testing for non-pharmaceutical products such as cosmetic, personal care, and household cleaning products; and do

not disclose statements in support of researching or employing alternatives to animal testing (i.e. other methods of ensuring product safety that do not include the use of animals in experiments) or statements or policies addressing the welfare of animals used for laboratory testing.

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* = toll free

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