

METHODOLOGY BOOK FOR:

- MSCI WORLD SRI SUSTAINABLE SELECT INDEX**
- MSCI EURO SRI SUSTAINABLE SELECT INDEX**
- MSCI WORLD SRI SUSTAINABLE SELECT 3.5% DECREMENT (EUR) INDEX**
- MSCI WORLD SRI SUSTAINABLE SELECT 3.5% DECREMENT (USD) INDEX**
- MSCI EURO SRI SUSTAINABLE SELECT 3.5% DECREMENT INDEX**

January 2023

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1 Introduction

The MSCI World SRI Sustainable Select Index aims to represent the performance of a set of securities from the MSCI World Universe with improved ESG characteristics. Overall, the Index targets a coverage of 25% of the underlying MSCI World Index ("Parent Index").

The MSCI Euro SRI Sustainable Select Index aims to represent the performance of a set of securities from the MSCI World SRI Sustainable Select Index that are also a part of MSCI Euro Index

The MSCI World SRI Sustainable Select 3.5% Decrement (EUR) Index and MSCI World SRI Sustainable Select 3.5% Decrement (USD) Indexes aim to represent the net performance of the MSCI World SRI Sustainable Select Index, while applying a constant markdown ('synthetic dividend') of 3.5% on an annual basis, expressed as a percentage of performance.

The MSCI Euro SRI Sustainable Select 3.5% Decrement Index aims to represent the net performance of the MSCI Euro SRI Sustainable Select Index, while applying a constant markdown ('synthetic dividend') of 3.5% on an annual basis, expressed as a percentage of performance.

2 ESG Research Framework

The MSCI World SRI Sustainable Select Index and MSCI Euro SRI Sustainable Select Index uses company ratings and research provided by MSCI ESG Research. The index uses the following MSCI ESG Research products: MSCI ESG Ratings, MSCI ESG Controversies, MSCI Climate Change Metrics, MSCI ESG Business Involvement Screening Research.

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 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, please refer to: <https://www.msci.com/documents/10199/acbe7c8a-a4e4-49de-9cf8-5e957245b86b>

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 such as Low Carbon Transition scores and categories.

For more details on MSCI Climate Change Metrics, please refer to:

<https://www.msci.com/climate-change-solutions>

2.4 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

3 Constructing the MSCI World SRI Sustainable Select Index

3.1 INITIAL ELIGIBLE UNIVERSE

The selection universe for the MSCI World SRI Sustainable Select Index is defined by the constituents of the MSCI World Index.

The following regional underlying sub-indexes are aggregated to construct the Initial Eligible Universe of MSCI World SRI Sustainable Select Index.

Regional Underlying Sub-Index	Region	Parent Index
Pacific Underlying Sub-Index	Developed Asia Pacific	MSCI Pacific Index
Europe & Middle East Underlying Sub-Index	Developed Europe & Middle East	MSCI Europe & Middle East Index
Canada Underlying Sub-Index	Canada	MSCI Canada Index
USA Underlying Sub-Index	USA	MSCI USA Index

3.2 ELIGIBILITY CRITERIA

Each of the Regional Underlying Sub-Indexes use company ratings and research provided by MSCI ESG Research to determine eligibility for index inclusion. The methodology for eligibility is in line with the eligibility criteria for MSCI World SRI Index, except for the screening for Conventional Weapons:

Screen	MSCI World SRI Index	MSCI World SRI Sustainable Select Index
Conventional Weapons	All companies deriving 15% or more aggregate revenue from weapons systems, components, and support systems and services	All companies deriving 5% or more aggregate revenue from weapons systems, components, and support systems and services

3.2.1 CONTROVERSIAL BUSINESS INVOLVEMENT CRITERIA

The Regional Underlying Sub-Indexes use MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics to identify companies that are involved in the following business activities. Companies that meet the business involvement criteria below are excluded from each Regional Underlying Sub-Index of the MSCI World SRI Sustainable Select Index. Please refer to Appendix 1 for details on these criteria.

- Controversial Weapons
- Civilian Firearms
- Nuclear Weapons
- Tobacco
- Adult Entertainment
- Alcohol
- Conventional Weapons
- Gambling
- Genetically Modified Organisms
- Nuclear Power
- Fossil Fuel Reserves Ownership
- Fossil Fuel Extraction
- Thermal Coal Power

3.2.2 ESG RATINGS ELIGIBILITY

The Regional Underlying Sub-Indexes uses MSCI ESG Ratings to identify companies that have demonstrated an ability to manage their ESG risks and opportunities. Companies are required to have an MSCI ESG Rating of 'A' or above to be eligible for inclusion in each Regional Underlying Sub-Index of the MSCI World SRI Sustainable Select Index.

3.2.3 ESG CONTROVERSIES SCORE ELIGIBILITY

The Regional Underlying Sub-Indexes use 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 4 or

above to be eligible for inclusion in the Regional Underlying Sub-Indexes of the MSCI World SRI Sustainable Select Index.

3.3 INDEX CONSTRUCTION

The Regional Underlying Sub-Indexes are aggregated to create the MSCI World SRI Sustainable Select Index. Each Regional Underlying Sub-Index targets 25% of the free float-adjusted market capitalization within each Global Industry Classification Standard (GICS®) sector of its Parent Index.

3.3.1 LIQUIDITY SCREEN

The securities from the initial eligible universe are screened for 12-month ADTV to be greater than USD 10 Million to be eligible for inclusion in the Regional Underlying Sub-Indices.

ADTV is defined as Average Daily Traded Volume and is calculated as:

$$ADTV_{12M} = \frac{ATV_{12M}^1}{252}$$

The remaining securities from above are subsequently filtered to include a single security per issuer. For issuers having multiple securities which are part of the eligible universe, the security with the highest 12-month ADTV is selected.

3.4 WEIGHTING SCHEME

At each rebalancing, the securities selected for inclusion in the Index are assigned weights in proportion to their free-float adjusted market capitalization. The security weights are capped at 5% at each Quarterly Index Review.

3.5 APPLYING THE MSCI DECREMENT INDEXES METHODOLOGY

The MSCI Decrement Indexes Methodology² is applied on the MSCI World SRI Sustainable Select Index to construct the MSCI World SRI Sustainable Select 3.5% Decrement Index. The parameters for the application of the decrement methodology in the above index is noted in Appendix 3.

¹ MSCI Index Calculation Methodology and MSCI Global Investable Market Indexes Methodology at <https://www.msci.com/index-methodology>

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

4 Constructing the MSCI Euro SRI Sustainable Select Index

4.1 INITIAL ELIGIBLE UNIVERSE

The constituents of MSCI Europe & Middle East Index are used to construct the Initial Eligible Universe of MSCI Euro SRI Sustainable Select Index.

4.1.1 ELIGIBILITY CRITERIA

The index uses company ratings and research provided by MSCI ESG Research to determine eligibility for index inclusion. The methodology for eligibility is in line with the eligibility criteria for MSCI Europe & Middle East SRI Index, except for the screening for Conventional Weapons:

Screen	MSCI Europe & Middle East SRI Index	MSCI Euro SRI Sustainable Select Index
Conventional Weapons	All companies deriving 15% or more aggregate revenue from weapons systems, components, and support systems and services	All companies deriving 5% or more aggregate revenue from weapons systems, components, and support systems and services

4.1.2 CONTROVERSIAL BUSINESS INVOLVEMENT CRITERIA

The Index uses MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics to identify companies that are involved in the following business activities. Companies that meet the business involvement criteria below are excluded from the MSCI Euro SRI Sustainable Select Index. Please refer to Appendix 1 for details on these criteria.

- Controversial Weapons
- Civilian Firearms
- Nuclear Weapons
- Tobacco
- Adult Entertainment

- Alcohol
- Conventional Weapons
- Gambling
- Genetically Modified Organisms
- Nuclear Power
- Fossil Fuel Reserves Ownership
- Fossil Fuel Extraction
- Thermal Coal Power

4.1.3 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 an MSCI ESG Rating of 'A' or above to be eligible for inclusion in the MSCI Euro SRI Sustainable Select Index.

4.1.4 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 4 or above to be eligible for inclusion in the MSCI Euro SRI Sustainable Select Index.

4.1.5 FINAL ELIGIBLE UNIVERSE

The index targets selecting 25% of the free float-adjusted market capitalization within each Global Industry Classification Standard (GICS®) sector of the parent index.

4.2 INDEX CONSTRUCTION

4.2.1 EURO SCREEN

Only the securities from final eligible universe from 4.1.5, that belong to MSCI Euro Index are selected.

4.2.2 COUNTRY SCREEN

The remaining securities from above are subsequently filtered to ensure only the securities that are listed on the exchange which is in the same country as the country of primary exchange³ of listing are selected.

4.2.3 LIQUIDITY SCREEN

The securities from the final eligible universe are screened for 12-month ADTV to be greater than USD 10 Million to be eligible for inclusion in the Index.

ADTV is defined as Average Daily Traded Volume and is calculated as:

$$ADTV_{12M} = \frac{ATV_{12M}^4}{252}$$

The remaining securities from above are subsequently filtered to include a single security per issuer. For issuers having multiple securities which are part of the eligible universe, the security with the highest 12-month ADTV is selected.

4.3 WEIGHTING SCHEME

At each rebalancing, the securities selected for inclusion in the Index are assigned weights in proportion to their free-float adjusted market capitalization. The security weights are capped at 10% at each Quarterly Index Review.

4.4 APPLYING THE MSCI DECREMENT INDEXES METHODOLOGY

The MSCI Decrement Indexes Methodology⁵ is applied on the MSCI Euro SRI Sustainable Select Index to construct the MSCI Euro SRI Sustainable Select 3.5% Decrement Index. The parameters for the application of the decrement methodology in the above index is noted in Appendix 5.

³ Please refer to Appendix III of MSCI Global Investable Market Indexes Methodology at

<https://www.msci.com/index-methodology>

⁴ MSCI Index Calculation Methodology at

<https://www.msci.com/index-methodology>

MSCI Global Investable Market Indexes Methodology at

<https://www.msci.com/index-methodology>

⁵Please refer to the MSCI Decrement Indexes methodology at www.msci.com/index-methodology

5 Maintaining the MSCI World SRI Sustainable Select Index

5.1 ANNUAL INDEX REVIEW

The MSCI World SRI Sustainable Select Index is reviewed on an annual basis in May to coincide with the May Semi-Annual Index Review of the Parent Index, and the changes are implemented at the end of May. In general, the pro forma indexes are announced nine business days before the effective date.

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

At each Annual Index Review, the eligible universe is updated and the composition of the index is reassessed in order to target 25% free float-adjusted cumulative market capitalization of each sector of the Parent Index.

5.1.1 UPDATING THE ELIGIBLE UNIVERSE

The eligible universe is updated during each Annual Index Review.

Companies that are currently not constituents of the MSCI World SRI Sustainable Select Index are evaluated using the same eligibility criteria described in Section 3.2.

Existing constituents of the MSCI World SRI Sustainable Select Index are maintained in the eligible universe if they meet all the following conditions:

- MSCI ESG Rating of 'BB' or above
- MSCI ESG Controversies Score of 1 or above
- Not screened by the business involvement criteria described in Section 3.2.1

5.1.2 RANKING OF ELIGIBLE SECURITIES

For each sector, eligible securities of the Regional Underlying Sub-Index Parent Index are ranked based on the following criteria:

- ESG Rating
- ESG Trend⁶ (positive ESG Trend preferred to neutral ESG Trend and neutral ESG Trend preferred to negative ESG Trend)
- Current index membership (existing constituents above non-constituents)
- Industry adjusted ESG scores
- Decreasing free float-adjusted market capitalization.

5.1.3 SELECTION OF ELIGIBLE SECURITIES

For each sector, eligible securities of the Regional Underlying Sub-Index Parent Index are then selected from the ranked universe in the following order until the target 25% coverage by cumulative free float-adjusted market capitalization is reached:

- Securities in the top 17.5% cumulative free float-adjusted market capitalization coverage of the ranked universe, including the first security that increases the cumulative coverage above 17.5%
- 'AAA' and 'AA' rated securities in the top 25% cumulative free float-adjusted market capitalization coverage of the ranked universe, including the first security that increases the cumulative coverage above 25%
- Current index constituents in the top 32.5% cumulative free float-adjusted market capitalization coverage of the ranked universe, including the first security that increases the cumulative coverage above 32.5% if that security is a current index constituent
- Remaining eligible securities in the ranked universe

Please see Appendix 2 for additional details on the ranking and selection rules.

6 Maintaining the MSCI Euro SRI Sustainable Select Index

6.1 ANNUAL INDEX REVIEW

The MSCI Euro SRI Sustainable Select Index is reviewed on an annual basis in May to coincide with the May Semi-Annual Index Review of the Parent Index, and the

⁶ ESG Trend is defined as the latest change in ESG Rating over the previous 12 months. A security without any change in ESG Rating over the previous 12 months will have a neutral ESG Trend. Also, companies that receive a re-initiated ESG Rating due to a change in the ESG Ratings Industry are considered to have a neutral ESG Trend.

changes are implemented at the end of May. In general, the pro forma indexes are announced nine business days before the effective date.

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

At each Annual Index Review, the eligible universe is updated and the composition of the index is reassessed in order to target 25% free float-adjusted cumulative market capitalization of each sector of the Parent Index.

6.1.1 UPDATING THE ELIGIBLE UNIVERSE

The eligible universe is updated during each Annual Index Review.

Companies that are currently not constituents of the MSCI Euro SRI Sustainable Select Index are evaluated using the same eligibility criteria described in Section 3.2.

Existing constituents of the MSCI Euro SRI Sustainable Select Index are maintained in the eligible universe if they meet all the following conditions:

- MSCI ESG Rating of 'BB' or above
- MSCI ESG Controversies Score of 1 or above
- Not screened by the business involvement criteria described in Section 3.2.1

6.1.2 RANKING OF ELIGIBLE SECURITIES

For each sector, eligible securities of the Parent Index are ranked based on the following criteria:

- ESG Rating
- ESG Trend⁷ (positive ESG Trend preferred to neutral ESG Trend and neutral ESG Trend preferred to negative ESG Trend)
- Current index membership (existing constituents above non-constituents)
- Industry adjusted ESG scores

⁷ ESG Trend is defined as the latest change in ESG Rating over the previous 12 months. A security without any change in ESG Rating over the previous 12 months will have a neutral ESG Trend. Also, companies that receive a re-initiated ESG Rating due to a change in the ESG Ratings Industry are considered to have a neutral ESG Trend.

- Decreasing free float-adjusted market capitalization.

6.1.3 SELECTION OF ELIGIBLE SECURITIES

For each sector, eligible securities of the Parent Index are then selected from the ranked universe in the following order until the target 25% coverage by cumulative free float-adjusted market capitalization is reached:

- Securities in the top 17.5% cumulative free float-adjusted market capitalization coverage of the ranked universe, including the first security that increases the cumulative coverage above 17.5%
- 'AAA' and 'AA' rated securities in the top 25% cumulative free float-adjusted market capitalization coverage of the ranked universe, including the first security that increases the cumulative coverage above 25%
- Current index constituents in the top 32.5% cumulative free float-adjusted market capitalization coverage of the ranked universe, including the first security that increases the cumulative coverage above 32.5% if that security is a current index constituent
- Remaining eligible securities in the ranked universe

Please see Appendix 2 for additional details on the ranking and selection rules.

6.2 QUARTERLY INDEX REVIEWS

The MSCI World SRI Sustainable Select Index and MSCI Euro SRI Sustainable Select Index are also reviewed on a quarterly basis to coincide with the regular Index Reviews of the Parent Indexes. The changes are implemented at the end of February, August and November. The pro forma indexes are in general announced nine business days before the effective date.

For the Quarterly Index Reviews, MSCI ESG Ratings, MSCI ESG Controversies Score assessments and MSCI BISR data are taken as of the end of the month preceding the Index Reviews, i.e., January, July and October. For some securities, this 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 MSCI SRI Indexes.

At the Quarterly Index Reviews, existing constituents are deleted from MSCI World SRI Sustainable Select Index and MSCI Euro SRI Sustainable Select Index if they do not meet the eligibility criteria described in Section 4.1.1. Existing constituents that meet the eligibility criteria are retained in the index.

Additions, from the eligible securities as per Section 3.2, are made only to those sectors where the current market capitalization coverage is less than 22.5%, until the 25% target is reached.

Market price movements may cause small deviations in the sector coverage between two Index Reviews. Therefore, in order to minimize turnover, a buffer of 10% is used on the target coverage of 25% to define under-representation.

6.3 DAILY DECREMENT CALCULATION

The performance of the MSCI World SRI Sustainable Select 3.5% Decrement Index is computed by reducing the net performance of the MSCI World SRI Sustainable Select Index, by a fixed percentage, on a daily basis using parameters detailed in Appendix 3 and 4.

The performance of the MSCI Euro SRI Sustainable Select 3.5% Decrement Index is computed by reducing the net performance of the MSCI Euro SRI Sustainable Select Index, by a fixed percentage, on a daily basis using parameters detailed in Appendix 5.

6.4 ONGOING EVENT-RELATED CHANGES

The following section briefly describes the treatment of common corporate events within the MSCI World SRI Sustainable Select Index and MSCI Euro SRI Sustainable Select Index.

No new securities will be added (except where noted below) to the Index 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

New securities added to the Parent Index (such as IPOs, other early inclusions and migrations from a different size-segment) will be added to the indexes on the date of security inclusion only if they meet the eligibility criteria described in Section 3.2 and the market capitalization

coverage of the sector to which the security belongs is less than 22.5%.

Spin-Offs

All 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. Reevaluation for addition in the Indexes will occur at the subsequent Index Review.

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 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: Controversial Business Involvement Criteria

MSCI ESG Research has developed a framework designed to define significant involvement in controversial activities. According to this framework, there are four levels of restrictiveness: Most Restrictive, Highly Restrictive, Moderately Restrictive, Least Restrictive.

Each controversial activity screened by the MSCI SRI Indexes (except Fossil Fuel Reserves Ownership, Fossil Fuel Extraction and Thermal Coal Power) is assigned to one of these restrictiveness levels.

"Most Restrictive" screen applied

- **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>

"Highly Restrictive" screen applied

- **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
 - All companies deriving 5% or more aggregate revenue from the production and distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use
- **Nuclear Weapons**
 - All companies that manufacture nuclear warheads and/or whole nuclear missiles
 - All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles)
 - All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons

- All companies that provide auxiliary services related to nuclear weapons
- All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles) but can be used in nuclear weapons
- All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons
- All companies that manufacture components for nuclear-exclusive delivery platforms
- **Tobacco**
 - All companies classified as a “Producer”
 - All companies deriving 5% or more aggregate revenue from the production, distribution, retail, supply and licensing of tobacco-related products

“Moderately Restrictive” screen applied

- **Adult Entertainment**
 - All companies deriving 5% or more revenue from the production of adult entertainment materials
 - All companies deriving 15% or more aggregate revenue from the production, distribution and retail of adult entertainment materials
- **Alcohol**
 - All companies deriving 5% or more revenue from the production of alcohol-related products
 - All companies deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products
- **Conventional Weapons**
 - All companies deriving 5% or more revenue from the production of conventional weapons and components
 - All companies deriving 5% or more aggregate revenue from weapons systems, components, and support systems and services
- **Gambling**

- All companies deriving 5% or more revenue from ownership of operation of gambling-related business activities
- All companies deriving 15% or more aggregate revenue from gambling-related business activities
- **Genetically Modified Organisms (GMO)**
 - All companies deriving 5% or more revenue from activities like genetically modifying plants, such as seeds and crops, and other organisms intended for agricultural use or human consumption
- **Nuclear Power**
 - All companies generating 5% or more of their total electricity from nuclear power in a given year
 - All companies that have 5% or more of installed capacity attributed to nuclear sources in a given fiscal year
 - All companies deriving 15% or more aggregate revenue from nuclear power activities

No specific restrictiveness level applied

- **Fossil Fuel Reserves Ownership**
 - All companies with evidence of owning proven & probable coal reserves and/or proven oil and natural gas reserves used for energy purposes, as defined by the methodology of the MSCI Global Ex Fossil Fuels Indexes available at <https://www.msci.com/index-methodology>
- **Fossil Fuel Extraction**
 - All companies deriving any revenue (either reported or estimated) from thermal coal mining or unconventional oil and gas extraction.
 - *Thermal Coal Mining:* Revenue from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It does not cover 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
 - *Unconventional Oil & Gas Extraction:* Revenue from oil sands, oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane. It does not cover all types of conventional oil and gas production

including Arctic onshore/offshore, deep water, shallow water and other onshore/offshore.

- **Thermal Coal Power**
 - All companies deriving 5% or more revenue (either reported or estimated) from thermal coal-based power generation.

Appendix 2: Guidelines on Achieving the Target Sector Coverage of 25%

The MSCI SRI Indexes target 25% coverage of the free float-adjusted market capitalization of each Global Industry Classification Standard (GICS®) sector of the regional Parent Index (“cumulative sector coverage”). The underlying principle in the construction of the indexes is to achieve cumulative sector coverage closest to 25%, while aiming to maintain index stability.

The following guidelines are used in achieving the target cumulative sector coverage of 25%:

- For each sector, the eligible companies of the regional Parent Index are first ranked based on the company level ESG Rating.
- If two companies have the same ESG Rating, the company with better ESG Trend is given priority (positive ESG Trend preferred to neutral ESG Trend and neutral ESG Trend preferred to negative ESG Trend).
- In case of two companies with the same ESG Rating and the same ESG Trend, an existing SRI index constituent is given priority to maintain index stability. Between two existing constituents with the same ESG Rating and the same ESG Trend, the company with the higher industry adjusted ESG Score is given priority. For two existing SRI index constituents with the same industry adjusted ESG score, the security with the largest free float-adjusted market capitalization is given priority.
- The cumulative sector coverage at each rank is calculated.
- In each sector, companies are selected as per the rules mentioned in Sections 5.1.3 and 6.1.3 until the cumulative sector coverage crosses 25% or there are no eligible securities left to be selected.
- MSCI defines the company that increases the cumulative sector coverage above 25% as the “marginal company”.
 - If the marginal company is a current SRI index constituent, then it is always selected.
 - If the marginal company is not a current SRI index constituent, then it is selected only if the cumulative sector coverage with the marginal company is closer to 25% compared to the cumulative sector coverage without the marginal company.
- The minimum cumulative sector coverage is set to 22.5%.
 - The marginal company is always selected if this is required to achieve cumulative sector coverage of 22.5%.



- Securities which are ineligible as per Sections 5.1.1 and 6.1.1 will not be selected even if the cumulative sector coverage after selection of all eligible securities is below 25%.

Appendix 3: Parameters used for the MSCI World SRI Sustainable Select 3.5% Decrement (EUR) Index

The following parameters are used for the calculation of MSCI World SRI Sustainable Select 3.5% Decrement (EUR) Index

	MSCI Decrement Indexes Methodology Parameters	Parameters
1	Currency of Calculation	EUR
2	Return Variant of the Parent Index	Daily Net Total Return
3	Decrement Type	Fixed Percentage
4	Decrement Application	Geometric
5	Decrement Value	3.5%
6	Day-count Convention	Actual / 360
7	Index Floor	0
8	Decrement Frequency	Daily

Appendix 4: Parameters used for the MSCI World SRI Sustainable Select 3.5% Decrement (USD) Index

The following parameters are used for the calculation of MSCI World SRI Sustainable Select 3.5% Decrement (USD) Index

	MSCI Decrement Indexes Methodology Parameters	Parameters
1	Currency of Calculation	USD
2	Return Variant of the Parent Index	Daily Net Total Return
3	Decrement Type	Fixed Percentage
4	Decrement Application	Geometric
5	Decrement Value	3.5%
6	Day-count Convention	Actual / 360
7	Index Floor	0
8	Decrement Frequency	Daily

Appendix 5: Parameters used for the MSCI Euro SRI Sustainable Select 3.5% Decrement Index

The following parameters are used for the calculation of MSCI Euro SRI Sustainable Select 3.5% Decrement Index

	MSCI Decrement Indexes Methodology Parameters	Parameters
1	Currency of Calculation	EUR
2	Return Variant of the MSCI Euro SRI Sustainable Select Index	Daily Net Total Return
3	Decrement Type	Fixed Percentage
4	Decrement Application	Geometric
5	Decrement Value	3.5%
6	Day-count Convention	Actual / 360
7	Index Floor	0
8	Decrement Frequency	Daily
9	Exchange Holiday	Full XETRA Exchange Holidays

The following sections have been modified since August 2021:

Update to include the index construction and maintenance parameters for:

- MSCI Euro SRI Sustainable Select Index and MSCI Euro SRI Sustainable Select 3.5% Decrement Index

The following sections have been modified since December 2021:

- Update to include the holiday calendar in decrement calculation for MSCI Euro SRI Sustainable Select 3.5% Decrement Index

The following sections have been modified since January 2023:

- Update to Exchange Holiday in Appendix 5, to specify the usage of XETRA exchange's full holiday calendar

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