

OFI REVENUE WEIGHTED GLOBAL ESG INDEX METHODOLOGY

May 2019

CONTENTS

- 1 Introduction 3
- 2 Index Construction Methodology 4
 - 2.1 Defining the Eligible Universe 4
 - 2.2 Security Selection 4
 - 2.3 Security Weighting Scheme 4
- 3 Maintaining the Index 5
 - 3.1 Quarterly Index Reviews 5
 - 3.1.1 Security Selection Buffer 5
 - 3.2 Ongoing Event Related Changes 5
- Appendix I: Definition of Security Trailing 12-Month Sales 8

1 INTRODUCTION

MSCI Indexes are constructed and maintained in accordance with the MSCI Global Investable Market Indexes (GIMI) Methodology and calculated as per the MSCI Index Calculation Methodology. This methodology book provides a description of the rules and guidelines followed by MSCI for the construction and maintenance of the OFI Revenue Weighted Global ESG Index, which aims to reflect the performance of an OppenheimerFunds' strategy.

The OFI Revenue Weighted Global ESG Index (herein, the "Index") is designed to represent the performance of companies that have historically demonstrated relatively higher Industry Adjusted ESG Scores within the MSCI ACWI universe.

2 INDEX CONSTRUCTION METHODOLOGY

2.1 DEFINING THE ELIGIBLE UNIVERSE

The applicable universe includes all the existing constituents of MSCI ACWI Index (herein, the “Parent Index”). This approach aims to provide an opportunity set with sufficient liquidity and capacity.

Companies whose trailing 12-month sales are either missing or zero are excluded from the Index. Please refer to Appendix I for the definition of security trailing 12-month sales.

2.2 SECURITY SELECTION

Securities in the eligible universe are ranked in descending order by Industry Adjusted ESG Score and the top 50% of securities (by number) within the eligible universe are included. If there are multiple securities with the same Industry Adjusted ESG Score, the security with the higher trailing 12-month sales is ranked higher.

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

2.3 SECURITY WEIGHTING SCHEME

The securities included during the previous step (2.2) are assigned weights in proportion to trailing 12-month sales (in USD). For any security included in the parent index with a partial inclusion factor, its corresponding revenue is also adjusted by applying the same inclusion factor to its aggregate revenue.

Additionally, issuer weights are capped at 5%. At construction and at each rebalancing, if the weight of any issuer in the Index is greater than 5%, its weight will be capped at 5%. For the capped issuers, securities are weighted in proportion to their trailing 12-month sales. The weight of the remaining securities will be increased in proportion to their weight prior to such capping. For more details on MSCI Capped Index Methodology, please refer to <https://www.msci.com/index-methodology>

3 MAINTAINING THE INDEX

3.1 QUARTERLY INDEX REVIEWS

The Index is rebalanced on a quarterly basis, usually as of the close of the last business day of February, May, August and November to coincide with the Quarterly Index Reviews of the Parent Index. The pro forma Index is generally announced nine business days before the Index Review effective date.

In general, MSCI uses MSCI ESG Research data 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.

3.1.1 SECURITY SELECTION BUFFER

To reduce index turnover and enhance index stability, buffer rules are applied as follows:

A buffer of 20% is applied during the on-going index reviews. This is applied on the basis of the number of securities in the pro forma Parent Index.

For example, if the OFI Revenue Weighted Global ESG Index includes 500 securities at an Index Review, buffers are applied between ranks 401 and 600. The securities in the Parent Index with an Industry Adjusted ESG Score rank at or below 400 will be added to the Index on a priority basis. The existing constituents that have an Industry Adjusted ESG Score rank between 401 and 600 are then successively added until the number of securities in the Index reaches 500. If the number of securities is below 500 after this step, the remaining securities eligible for selection with the highest Industry Adjusted ESG Score are added until the number of securities in the Index reaches 500.

3.2 ONGOING EVENT RELATED CHANGES

The general treatment of corporate events in the OFI Revenue Weighted Global ESG 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 OFI Revenue Weighted Global ESG Index, the changes made to the Parent Index during intermediate Index Reviews will be neutralized in the OFI Revenue Weighted Global ESG Index.

The following section briefly describes the treatment of common corporate events within the OFI Revenue Weighted Global ESG Index.

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: DEFINITION OF SECURITY TRAILING 12-MONTH SALES

For more details on the MSCI definition of issuer sales, please refer to the MSCI Fundamental Data Methodology at <https://www.msci.com/index-methodology>

For companies from the Financials sector, where MSCI does not calculate sales as per MSCI Fundamental Data Methodology, the total operating revenue of the company will be used as a proxy for issuer sales. Total operating revenue largely includes interest and fees on loans, interest on bank deposits, income from trading accounts, foreign exchange income, investment securities gains/losses and commissions & fees.

Issuer sales per share is calculated from issuer sales using issuer number of shares taking into consideration all equity share classes from the issuer. Security sales are then computed using security number of shares and issuer sales per share. MSCI uses security sales as of the end of the month preceding the Index Reviews for the rebalancing of the OFI Revenue Weighted Global ESG Index.

$$Security\ Sales = Security\ Number\ of\ Shares \times \frac{Issuer\ Sales}{Issuer\ Number\ of\ Shares}$$

The following sections have been modified since Sep 2016:

Section 2.1: Defining the Eligible Universe

- Securities with undefined Sharpe Ratio would be excluded from the Eligible Universe

Section 2.3: Security Weighting Scheme

- Clarification about the security weight capping process

APPENDIX I: Definition of Security Trailing 12-Month Sales

- Appendix added to explain the Security Trailing 12-month Sales and fallback for sales of securities belonging to Financials sector

APPENDIX II: Calculation of Sharpe Ratio

- Updated definition of Sharpe Ratio to use security total returns

The following sections have been modified since May 2017:

Section 2: Index Construction Methodology

- Sharpe Ratio based screening was removed

Section 3: Maintaining the Index

- Section 3.1 was expanded to include information about ESG Data
- Appendix III in the previous version of the methodology book describing the Corporate Events treatment has been deleted. The details on the Corporate Events treatment are now included in Section 3.2.

Appendix I: Definition of Security Trailing 12-month Sales

- Appendix I is updated to clarify the reference date for security sales

APPENDIX II: Calculation of Sharpe Ratio

- Appendix on Sharpe Ratio deleted with the removal of Sharpe Ratio screening

The following sections have been modified since August 2017:

Section 2.3: Security Weighting Scheme

- Clarification about the treatment of China A securities in Index.

The following sections have been modified since May 2018:

Section 2.3: Security Weighting Scheme

- Clarification about the treatment of all securities in the index included with a partial inclusion factor.

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
Sao 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 *
Tokyo	+ 81 3 5290 1555

* = toll free

ABOUT MSCI

For more than 40 years, MSCI's research-based indexes and analytics have helped the world's leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research.

Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research.

MSCI serves 98 of the top 100 largest money managers, according to the most recent P&I ranking.

For more information, visit us at 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 disseminated 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 be 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 that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, 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 investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. 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 Inc., 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, nor 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.

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>.