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# MSCI Europe Smart Security Defense Infrastructure Top 50 Select 10/40 4.5% Decrement Index



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## 1. Introduction

The MSCI Europe Smart Security Defense Infrastructure Top 50 Select 10/40 4.5% Decrement Index (the “Index”) is based on the MSCI Decrement Indexes Methodology<sup>1</sup>.

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<sup>1</sup> Please refer to the MSCI Decrement Indexes Methodology at [www.msci.com/index/methodology/latest/Decrement](https://www.msci.com/index/methodology/latest/Decrement)

## 2. Constructing the Index

### 2.1 Application of the MSCI Decrement Indexes Methodology

MSCI Europe Smart Security Defense Infrastructure Top 50 Select 10/40 4.5% Decrement Index is constructed by applying a daily constant markdown (or 'synthetic dividend') to the MSCI Europe Smart Security Defense Infrastructure Top 50 Select 10/40 Index (the 'Parent Index'). This markdown is expressed as a fixed percentage, using the following parameters:

|   | MSCI Decrement Indexes Methodology Parameters | Parameters                      |
|---|---|---------------------------------|
| 1 | Currency of Calculation                       | EURO                            |
| 2 | Return Variant of the Parent Index            | STANDARD NET DAILY TOTAL RETURN |
| 3 | Decrement Type                                | Fixed Percentage                |
| 4 | Decrement Application                         | Geometric                       |
| 5 | Decrement Value                               | 4.5%                            |
| 6 | Day-count Convention                          | Actual / 365                    |
| 7 | Index Floor                                   | 0                               |
| 8 | Decrement Frequency                           | Daily                           |

## Appendix 1: Methodology Set

The Indexes are governed by a set of methodology and policy documents ("Methodology Set"), including the present index methodology document as mentioned below:

- Description of methodology set – <https://www.msci.com/index/methodology/latest/ReadMe>
- MSCI Corporate Events Methodology – <https://www.msci.com/index/methodology/latest/CE>
- MSCI Fundamental Data Methodology – <https://www.msci.com/index/methodology/latest/FundData>
- MSCI Index Calculation Methodology – <https://www.msci.com/index/methodology/latest/IndexCalc>
- MSCI Index Glossary of Terms – <https://www.msci.com/index/methodology/latest/IndexGlossary>
- MSCI Index Policies – <https://www.msci.com/index/methodology/latest/IndexPolicy>
- MSCI Global Investable Market Indexes Methodology – <https://www.msci.com/index/methodology/latest/GIMI>
- MSCI Decrement Indexes Methodology – [www.msci.com/index/methodology/latest/Decrement](https://www.msci.com/index/methodology/latest/Decrement)

The Methodology Set for the Indexes can also be accessed from MSCI's webpage <https://www.msci.com/index-methodology> in the section 'Search Methodology by Index Name or Index Code'.

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