-MSCI EM 4-FACTOR SELECT LONG ONLY INDEX
-MSCI EM 4-FACTOR SELECT LONG/SHORT INDEX (GROSS) (VARIANT 1)
- MSCI EM 4-FACTOR SELECT LONG/SHORT INDEX (NET) (VARIANT 1)
-MSCI EM 4-FACTOR SELECT LONG/SHORT INDEX (GROSS)
-MSCI EM 4-FACTOR SELECT LONG/SHORT INDEX (NET)

January 2026

Contents

1. Introduction

The MSCI EM 4-Factor Select Long Only Index (herein, the "Index")[1] is designed to represent the performance of a strategy that seeks higher active exposure to four style factors - Earnings and Sentiment, Valuation, Momentum and Quality[2] subject to a cap on ex-ante tracking error. The Index uses an optimization process that aim to maximize the combined exposure to the target factors while controlling for active risk, active specific risk, and net ex-ante beta relative to the 'Parent Index'[3]. Please refer to section 2 for more details.

The MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1) represent leveraged long/short strategies that take long exposure to the MSCI EM 4-Factor Select Long Only Index and short exposure to the MSCI Emerging Markets Index, with variant treatment differing between the Gross and the Net versions in accordance with their respective methodologies. Please refer to section 3.1 for more details.

The MSCI EM 4-Factor Select Long/Short Index (Gross) and The MSCI EM 4-Factor Select Long/Short Index (Net) are constructed by applying the decrement methodology on the MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1) respectively to account for an annual index fee[4]. Please refer to section 3.2 for more details.

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[1] The Index is governed by a set of methodology and policy documents ("Methodology Set"), including the present index methodology document. Please refer to Appendix VII for more details.

[2] Please refer to section 2.2, Appendix I and Appendix II for the detailed calculation of the Earnings and Sentiment, Valuation, Momentum and Quality factor scores.

[3] The Parent Index is defined in section 2.1. Please refer it for more details.

[4] Index fee is applied in accordance with the MSCI Decrement Indexes methodology. Refer to section 3.2 for more details. For more information on the MSCI Decrement Indexes Methodology, please refer to https://www.msci.com/index-methodology and Appendix VI.

2. Constructing the MSCI EM 4-factor Select Long Only Index

Constructing the Index involves the following steps:

- Defining the Parent Index
- Defining the Alpha Score
- Defining the Eligible Universe
- Defining the Optimization Setup
- Determining the Optimized Index

The steps mentioned above are defined in detail in the subsequent sections.

2.1 Defining the Parent Index

Index construction begins by identifying the Parent Index, which for this index is the MSCI Emerging Markets Index ("MSCI EM Index"). The MSCI EM Index is a free-float adjusted, market-capitalization-weighted index constructed and maintained in accordance with the MSCI Global Investable Markets Index (GIMI) methodology[5].

2.2 Defining the Alpha Score

The Alpha score is determined by calculating the winsorized (at +/-3) z-score for a weighted combination of the target factor scores. Below are the detailed calculations for the Alpha score.

Calculation of the Alpha Score:

$$\propto_i = 0.25 * F_{1,i} + 0.25 * F_{2,i} + 0.25 * F_{3,i} + 0.25 * F_{4,i}$$

$F_{j,i}$ = Factor score of each security, i for each of the target factors, j.

The factor scores for the target factors are defined as follows:

- Momentum ($F_{1,i}$) – The Momentum factor score is a winsorized (at +/-3) Country relative z-score of the equal weighted combination of the Barra Momentum factor exposure and the Short term Reversal factor exposure from the relevant Barra Equity Model. If either underlying factor exposures is missing, the Momentum factor score is based solely on the available factor exposure. The Barra Momentum factor score definition is given in Appendix I.

- Valuation ($F_{2,i}$) – The Valuation factor score is a winsorized (at +/-3) Country relative z-score of the equal weighted combination of the Earnings Yield factor exposure and the Growth factor exposure from the relevant Barra Equity Model. If either underlying factor exposures is missing, the Valuation factor score is based solely on the available factor exposure. The Barra Valuation factor score definition is given in Appendix I.

- Quality ($F_{3,i}$) – The Quality factor score is a winsorized (at +/-3) Country relative z-score of the equal weighted combination of the Earnings Variability factor exposure and the

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[5] For details about the methodology, please refer to: https://www.msci.com/index/methodology/latest/GIMI.

Profitability factor exposure from the relevant Barra Equity Model. If either underlying factor exposures is missing, the Quality factor score is based solely on the available factor exposure. The Barra Quality factor score definition is given in Appendix I.

- Earnings and Sentiment ($F_{4,i}$) – The Earnings and Sentiment factor score is calculated as the equal-weighted combination of the underlying factor scores, as defined in Appendix II. The combined score is then standardized at the country level using a winsorized (±3) z-score.

If any of the factor score ($F_{j,i}$) is missing for a security (i), a value of zero is assigned for that factor score ($F_{j,i}$). A minimum of one factor score is required to calculate the Alpha score.

2.3 Defining the Eligible Universe

The Eligible Universe is constructed by excluding securities without an Alpha score (as defined in Section 2.2) from all the constituents of the Parent Index.

2.4 Defining the Optimization Setup

The optimization objective is to maximize the Alpha score (representative of the exposures to the set of target factors) less a penalty for active risk relative to the Parent Index at the time of rebalancing. The optimization is performed from a base currency[6] perspective and does not allow short selling of securities.

2.5 Optimization Constraints

At each Index Review, the following optimization constraints are employed, which aim to meet the objectives of the Index while ensuring replicability and investability:

- The maximum weight of an index constituent that belongs to the Large Cap size segment will be restricted to the lower of (the weight of the security in the Parent Index + 2%) or 10 times the weight of the security in the Parent Index. The minimum weight of an index constituent will be restricted to the higher of the (weight of the security in the Parent Index - 2%) or 0. The maximum weight of an index constituent that belongs to the Mid Cap size segment will be restricted to the lower of (the weight of the security in the Parent Index + 1%) or 5 times the weight of the security in the Parent Index. The minimum weight of an index constituent will be restricted to the higher of the (weight of the security in the Parent Index - 1%) or 0.

- Active exposure of the Index to the target Barra style factors, namely, Growth, Earnings Yield, Short-term Reversal, Analyst Sentiment, Profitability and Momentum will be constrained to be greater than 0.1 and less than 0.6 standard deviations relative to the Parent Index and the target Barra style factors, namely, Earnings Variability and Leverage will be constrained to be greater than -0.6 and less than -0.1 standard deviations relative to the Parent Index.

- Exposure of the Index to non-target Barra style factors, namely, Beta, Residual Volatility, Liquidity, Size, Carbon Efficiency, ESG, Short Interest, Stock Crowding, Value, Earnings Quality, Investment Quality and ML Factor will be restricted to +/-0.1 standard deviations

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[6] Any currency within the relevant Barra Equity Model can be used as an optimization currency. The default currency is the US Dollar.

relative to the Parent Index and the non-target Barra style factors, namely, Dividend Yield and Long Term Reversal will remain unconstrained.

- The Common Factor Risk Aversion and Specific Risk Aversion parameters in the optimization is set to 0.0075 and 0.075, respectively.

- The ex-ante tracking error of the Index, relative to the Parent Index will be capped at 2%.

- The ex-ante active specific risk of the Index, relative to the Parent Index will be capped at 1%.

- The ex-ante beta of the Index will be constrained between 0.95 and 1.05 with respect to the Parent Index.

- The GICS®[7] sector weights of the Index will not deviate more than +/-5% from the GICS® sector weights of the Parent Index.

- For countries with weight greater than 2.5% in the Parent Index, the weight in the Index will not deviate more than +/-5% from the country weight in the Parent Index.

- For countries with weight less than or equal to 2.5% in the Parent Index, the weight in the Index will be capped at 3 times their weight in the Parent Index.

- For India, an additional absolute upper bound of 18%[8] is applied at the time of rebalancing.

- The one-way turnover of the Index is constrained to a maximum of 7.5% at the time of rebalancing.

2.6 Determining the Optimized Index

The Index is constructed using the Barra Open Optimizer in combination with the relevant Barra Equity Model[9]. The optimization uses the Eligible Universe as the universe of eligible securities and the specified optimization objective and constraints to determine the Index. Infeasible optimizations are handled as explained in Appendix III.

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[7] GICS is the Global Industry Classification Standard jointly developed by MSCI and S&P Dow Jones Indices.

[8] In cases where the lower country bound of −5% from the Parent Index conflicts with the absolute country bound of 18% for India, the absolute bound will take precedence.

[9] Please refer to Appendix IV for the detailed information on model usage.

3. Constructing the MSCI EM 4-Factor Select Long/Short Index (Gross) and MSCI EM 4-Factor Select Long/Short Index (Net)

The MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and the MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1) (the "Indexes") are constructed by applying the methodology below to the MSCI EM 4-Factor Select Long Only Index and the MSCI Emerging Markets Index. The corresponding MSCI EM 4-Factor Select Long/Short Index (Gross) and MSCI EM 4-Factor Select Long/Short Index (Net) are then derived by applying a 0.6% decrement to these Long/Short Indexes.

3.1 Applying the Index Methodology

The Indexes are constructed as leveraged[10] long/short overlays on the MSCI EM 4-Factor Select Long Only Index and the MSCI Emerging Markets Index. Variant selection differs between the Gross and the Net versions as described below. At each monthly review, three trading[11] days prior to monthly review, the following target weights are used to calculate the pro forma Units[12] for the Component Indexes in order to construct the Indexes[13]:

MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1)

Component	Component Index Name	Variant	Weight
1	MSCI EM 4-Factor Select Long Only Index	GDTR	200%
2	MSCI Emerging Markets Index	GDTR	-200%

MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1)

Component	Component Index Name	Variant	Weight
1	MSCI EM 4-Factor Select Long Only Index	NDTR	200%
2	MSCI Emerging Markets Index	GDTR	-200%

On the rebalancing day, the Long/Short index levels are calculated using the drifted component weights derived from the pro forma units. The drifted component weights for each Component Index and the resulting index level are calculated in accordance with the following formulas:

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[10] The Indexes do not account for cash holdings or the funding costs associated with leverage.

[11] Trading day refers to a day on which the relevant underlying exchanges are open for trading as determined in accordance with the index maintenance rules in section 4.1.

[12] Please refer to Appendix V for more information on Unit calculation

[13] Since the index fixes units based on prices 3 trading days ahead of rebalance, the index may not be fully self-financing if there is a price movement in these 3 days

$$Component\ Index\ Drifted\ W_{i,t}$$
$$= \frac{Component\ Index\ Level_{i,t-1} \times Unit\ of\ Component\ Index_{i,T}}{Index\ Level_{t-1}}$$

Where:

$Component\ Index\ Level_{i,t}$ is the index level of Component Index i as of t, where 't' denotes any business day on which the Index is calculated.

$Unit\ of\ Component\ Index_{i,T}$ is the pro forma Unit calculated as of three trading days prior to effective date T as calculated in Appendix V

$$Index\ Level_t = Index\ Level_{t-1}$$
$$\times \left(1 + \sum_{i=1}^{n}(Component\ Index\ Daily\ Ret_{i,t} \times Component\ Index\ Drifted\ W_{i,t})\right)$$

Where:

$Index\ Level_t$ is the Index level as of t.

n is the total number of Component Indices; in our case, n = 2.

$$Component\ Index\ Daily\ Ret_{i,t} = \frac{Component\ Index\ Level_{i,t}}{Component\ Index\ Level_{i,t-1}} - 1$$

Between index reviews, component weights for each of the Component Indexes will fluctuate according to market movements.

3.2 Applying Decrement on the MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1)

An Index Fee of 0.6% per annum is applied using the MSCI Decrement Indexes methodology[14] on the MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1) to construct the MSCI EM 4-Factor Select Long/Short Index (Gross) and MSCI EM 4-Factor Select Long/Short Index (Net). The parameters for the decrement application are noted in Appendix VI.

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[14] Please refer to the MSCI Decrement Indexes Methodology at http://www.msci.com/index-methodology.

4. Maintaining the Indexes

4.1 Index Reviews

The MSCI EM 4-Factor Select Long Only Index is reviewed on a Monthly basis, usually as of the close of the last business day of each month (January through December), Barra Equity Model, Earnings and Sentiment Score descriptors data as of the day before the rebalancing day is used. This approach aims to capture timely updates to the risk characteristics of the companies. The pro forma Indexes are in general announced nine business days before the effective date.

The MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and the MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1) are reviewed monthly, as described in section 3.1, and are effective at the open of the first trading day of the month when all the following exchanges are open: Korea Exchange, Taiwan Stock Exchange, Shenzhen Stock Exchange, Shanghai Stock Exchange, Mumbai Stock Exchange, and the National Stock Exchange of India.

4.2 Daily Decrement Calculation

The performance of the MSCI EM 4-Factor Select Long/Short Index (Gross) and MSCI EM 4-Factor Select Long/Short Index (Net) is computed by reducing the performance of MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1) respectively by a fixed percentage, on a daily basis using parameters detailed in Appendix VI.

4.3 Ongoing Event Related Changes

The general treatment of corporate events in the 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.

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

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

EVENT TYPE	EVENT DETAILS
New additions to the Parent Index	A new security added to the Parent Index (such as IPO and other early inclusion) 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 not be added to the Index at the time of event implementation.

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: EFMGEMTR Target Factor Definition Summary

The EFMGEMTR style factors targeted in the Index are the three style factor groups and their combinations: Momentum, Valuation and Quality. Following are the definitions of factor groups currently used in the Index.

Momentum:

The Momentum score for each security is currently captured by the following two factors, Barra Momentum factor and Short Term Reversal, from the relevant Barra Equity Model (currently EFMGEMTR). A country-relative score is derived from the combined score by standardizing (z-score) the latter within each country and winsorizing at +/- 3.

$$Momentum_i = (0.50) * Momentum_i + (0.50) * ShortTermReversal_i$$

Valuation:

The Valuation score for each security is currently captured by the following two factors Growth and Earnings Yield, from the relevant Barra Equity Model (currently EFMGEMTR). A country-relative score is derived from the combined score by standardizing (z-score) the latter within each country and winsorizing at +/- 3.

$$Valuation_i = (0.50) * Growth_i + (0.50) * EarningsYield_i$$

Quality:

The Quality score for each security is currently captured by the following two factors, Profitability and Earnings Variability, from the relevant Barra Equity Model (currently EFMGEMTR). A country-relative score is derived from the combined score by standardizing (z-score) the latter within each country and winsorizing at +/- 3.

$$Quality_i = (0.50) * Profitability_i + (-1) * (0.50) * Earnings\ Variability_i$$

Appendix II: Earnings and Sentiment Score Definition

The Earnings and Sentiment descriptor targeted in the Index are the three custom descriptor groups. Namely, Combined Estimates Revision (CER), Earnings per share (EPS), Analyst Recommendation (REC).These custom descriptor groups are described using individual descriptors defined below:

- The **revision ratio** quantifies the number of analysts that are revising upward relative to downward.

- The **change in analyst-predicted estimate** captures the percentage change of the analyst estimate over the past four quarters.

- The **change in analyst-predicted estimate-to-market ratio** captures changes to the ratio of analyst predicted estimate of the indicator to the market-based indicator (price for EPS and CPS; and market capitalization for SALES).

The custom descriptor groups are constructed as follows:

Custom Descriptor Groups	Descriptors
CER	Change in Analyst-Predicted Sales (SALF_C)
	Change in Analyst-Predicted Cash Flow per Share (CPSF_C)
	Change in Analyst-Predicted Earnings per Share (EPSF_C)
EPS	Ratings Revision Ratio (RR)
	Change in Analyst-Predicted Earnings per Share (EPSF_C)
	Change in Analyst-Predicted Earnings-to-Price (ETOPF_C)
REC	Analyst Recommendation Revisions Ratio (REC_RR_SLOW)
	Change in Analyst Recommendation (RECF_C)

<u>Definition of the Earnings and Sentiment Score Descriptor Score:</u>

The Earnings and Sentiment Score descriptors are sourced from MSCI FactorLab[15] and are defined as follows:

1. Revisions Ratio:

    Ratings Revision Ratio (RR): Computed as the weighted sum of the ratio of the number of earnings per share up-revisions minus the number of earnings per share down revisions to the total number of earnings per share forecast:

$$EPS_{RR(t)} = \sum_{l=0,1,2} w_{t,-l} \frac{N_{t-l*21}^{up} - N_{t-l*21}^{down}}{N_{t-l*21}^{total}}$$

    Where, $w_{0,1,2} = \{3, 2, 1\}$

    If the analysis date falls in the middle of a data month, then the above formula will be adjusted to include the pro-rated revision ratio for the latest partial data month.

    Similarly, Analyst Recommendation Revisions Ratio (REC_RR_SLOW) is calculated by replacing earnings per share revisions and total number of earnings per share forecast in the above formula of RR by the respective revisions and total number of forecast for cash flow per share, sales, price target and number of recommendations.

2. Change in Analyst-Predicted Estimates:

    Change in Analyst-Predicted Earnings per Share (EPSF_C): Computed as the weighted sum of quarterly relative changes of analyst predicted earnings per share:

$$EPSF_{C(t)} = \sum_{l=0,1,2,3} w_l \frac{EPSF_{t-l\times63} - EPSF_{t-(l+1)\times63}}{(|EPSF_{t-l\times63}| + |EPSF_{t-(l+1)\times63}|)/2}$$

    Where, $w_{0,1,2,3} = \{9, 7, 5, 3\}$

    Similarly, Change in Analyst-Predicted Cash Flow per Share (CPSF_C), Change in Analyst-Predicted Sales (SALF_C) and Change in Analyst Recommendation (RECF_C) use analyst predicted cash flow per share, analyst predicted sales and analyst recommendations, respectively instead of analyst predicted earnings per share in the above formula of EPSF_C.

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[15] For more details on MSCI FactorLab, please refer to: https://www.msci.com/our-solutions/analytics/factor-lab.

3. Change in Analyst-Predicted Estimate-to-Market Ratio:

Change in Analyst-Predicted Earnings-to-Price (ETOPF_C): Computed as the weighted sum of quarterly relative changes of analyst predicted earnings per share to price ratio:

$$ETOPF_{C(t)} = \sum_{l=0,1,2,3} w_l \frac{ETOPF_{t-l\times63} - ETOPF_{t-(l+1)\times63}}{(|ETOPF_{t-l\times63}| + |ETOPF_{t-(l+1)\times63}|)/2}$$

Where, $w_{0,1,2,3} = \{9, 7, 5, 3\}$

Calculation of the Earnings and Sentiment Descriptor Group Score:

The individual Earnings and Sentiment descriptor group score is determined by calculating the winsorized (at +/-3) country relative z-score of the average Earnings and Sentiment descriptor scores within the respective group, as outlined in the table above. For example, Earnings and Sentiment ER descriptor group score is calculated as the winsorized (at +/-3) country relative z-score of the average of the Change in Analyst-Predicted Sales (SALF_C), Change in Analyst-Predicted Cash Flow per Share (CPSF_C) and Change in Analyst-Predicted Earnings per Share (EPSF_C).

If one or more of the Earnings and Sentiment descriptor scores within the Earnings and Sentiment descriptor group are unavailable for a security, the Earnings and Sentiment descriptor group score will be calculated as the average of the available Earnings and Sentiment descriptor scores. A minimum of one Earnings and Sentiment descriptor score is required to calculate the Earnings and Sentiment descriptor group score.

Calculation of the Earnings and Sentiment Score:

The Earnings and Sentiment score for each security is determined by calculating the winsorized (at +/-3) country relative z-score of the average of the three Earnings and Sentiment descriptor group scores defined above, namely Combined Estimates Revision (CER), Earnings per share (EPS), Analyst Recommendation (REC).

$$\propto_i = Average\ of\ (\text{ER}_i, \text{EPS}_i, \text{REC}_i)$$

Where, $\propto_i$ = Earnings and Sentiment average score for each security i.

If one or more of the Earnings and Sentiment descriptor group scores are unavailable for a security, the Earnings and Sentiment score will be calculated as the average of the available Earnings and Sentiment descriptor group scores. A minimum of one Earnings and Sentiment descriptor group score is required to calculate the Earnings and Sentiment score.

Appendix III: Handling Infeasible Optimizations

During Index Review, in the event that there is no optimal solution that satisfies all the optimization constraints defined in Section 2.5, the following constraints are relaxed, until an optimal solution is found:

- Relax the maximum weight multiple in steps of 2x for Large Cap size segment up to a maximum of 5 iterations (up to a maximum of 20 times the weight of the security in the Parent Index for Large Cap size segment) and relax the maximum weight multiple in steps of 1x for Mid Cap and Small Cap size segment up to maximum of 5 iterations (up to a maximum of 10 times the weight of the security in the Parent Index for Mid Cap and Small Cap size segment) based upon the following formula:

$$wm_{i+1} = 2 + wm_i \ for \ i = 0 - 4 \ \text{(Large Cap size segment)}$$

$$wm_{i+1} = 1 + wm_i \ for \ i = 0 - 4 \ \text{(Mid Cap and Small Cap size segment)}$$

$$\text{Where } wm_i = \text{Maximum Active weight multiple}$$

- Relax the turnover constraint in steps of 1.5%, up to a maximum of 15%

- Relax the tracking error constraint in steps of 0.2%, up to a maximum of 3%

- Relax the active specific risk constraint in steps of 0.1%, up to a maximum of 1.5%

The maximum active weight multiple, turnover constraint, tracking error constraint and active specific risk constraint are alternately relaxed until a feasible solution is achieved. For example, constraints relaxation is executed in the sequence as illustrated below:

Order of Relaxation	Maximum Asset Weight Multiple	Turnover Limit	Tracking Error Limit	Active specific risk limit
1	**12/6** (Large Cap/Mid Cap and Small Cap) times the weight of the security in the Parent Index	7.5%	2%	1%
2	**12/6** (Large Cap/Mid Cap and Small Cap) times the weight of the security in the Parent Index	**9%**	2%	1%
3	**12/6** (Large Cap/Mid Cap and Small Cap) times the weight of the security in the Parent Index	**9%**	**2.2%**	1%
4	**12/6** (Large Cap/Mid Cap and Small Cap) times the weight of the security in the Parent Index	**9%**	**2.2%**	**1.1%**

In the event that no optimal solution is found after all the above constraints have been relaxed over all the iterations, the Index will not be rebalanced for that Index Review.

Appendix IV: New Release of Barra® Equity Model or Barra® Optimizer

The methodology presently uses MSCI Barra Global Equity Factor Trading Model ("EFMGEMTR") for the optimization. A new release of the relevant Barra Equity Model or Barra Optimizer may replace the former version within a suitable timeframe.

Appendix V: Unit Calculation

The pro forma Unit is calculated using the following formula:

$$Unit\ of\ Component\ Index_{i,T} = \frac{Index\ Level_T \times W_i^*}{Component\ Index\ Level_{i,T}}$$

Where,
$Unit\ of\ Component\ Index_{i,T}$ is the fixed number of Units assigned to Component Index i for the effective date T. This quantity is determined on the "T-3" date – that is, three trading days before T and remains constant until next scheduled rebalance.

$Index\ Level_T$ is the Index level on the same "T-3" date.

W_i^* is the target weight of the Component Index i as specified in the table of Section 3.1.

$Component\ Index\ Level_{i,T}$ is the index level of the Component Index i on the same "T-3" date.

Appendix VI: Parameters Used for Applying MSCI Decrement Indexes Methodology on The MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1) and MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1)

	MSCI EM 4-Factor Select Long/Short Index (Gross)	Parameters
1	Currency of Calculation	USD
2	Return Variant of the MSCI EM 4-Factor Select Long/Short Index (Gross) (Variant 1)	Total Return
3	Decrement Type	Fixed Percentage
4	Decrement Application	Geometric
5	Decrement Value	0.6%
6	Day-count Convention	Actual / 360
7	Index Floor	0
8	Decrement Frequency	Daily

	MSCI EM 4-Factor Select Long/Short Index (Net)	Parameters
1	Currency of Calculation	USD
2	Return Variant of the MSCI EM 4-Factor Select Long/Short Index (Net) (Variant 1)	Total Return
3	Decrement Type	Fixed Percentage
4	Decrement Application	Geometric
5	Decrement Value	0.6%
6	Day-count Convention	Actual / 360
7	Index Floor	0
8	Decrement Frequency	Daily

Appendix VII: 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 Industry Classification Standard (GICS) Methodology –
  https://www.msci.com/index/methodology/latest/GICS

- MSCI Global Investable Market Indexes Methodology –
  https://www.msci.com/index/methodology/latest/GIMI

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'.

Appendix VIII: Changes to this Document

The following sections have been modified as of January 2026:

Section 1: Introduction
- Added description of the MSCI EM 4-Factor Select Long/Short Indexes (Gross and Net) and MSCI EM 4-Factor Select Long/Short (Gross and Net) 0.6% Decrement Indexes
- Added footnote referring to MSCI Decrement Indexes Methodology

Section 3: Constructing the MSCI EM 4-Factor Select Long/Short Indexes (Gross and Net)
- Added section 3 and section 3.2 to outline the construction of MSCI EM 4-Factor Select Long/Short Indexes (Gross and Net) and MSCI EM 4-Factor Select Long/Short (Gross and Net) 0.6% Decrement Indexes.

Section 4: Maintaining the Indexes
- Added details related to ongoing maintenance of the MSCI EM 4-Factor Select Long/Short Indexes (Gross and Net)

- Added Section 4.2 for details related to ongoing maintenance of the MSCI EM 4-Factor Select Long/Short (Gross and Net) 0.6% Decrement Indexes

Appendix V: Explaining the Unit Based Calculation

Appendix VI: Details of the MSCI Decrement Indexes Methodology

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