MSCI USA Enhanced Value Index (USD)

The MSCI USA Enhanced Value Index captures large and mid-cap representation across the US equity markets exhibiting overall value style characteristics. The index is designed to represent the performance of securities that exhibit higher value characteristics relative to their peers within the corresponding GICS® sector. The value investment style characteristics for index construction are defined using three variables: Price-to-Book Value, Price-to-Forward Earnings and Enterprise Value-to-Cash flow from Operations.

CUMULATIVE INDEX PERFORMANCE — GROSS RETURNS (USD) (SEP 2007 – SEP 2022)

ANNUAL PERFORMANCE (%) (SEP 30, 2022)

INDEX PERFORMANCE — GROSS RETURNS (%) (SEP 30, 2022)

INDEX RISK AND RETURN CHARACTERISTICS (NOV 28, 1997 – SEP 30, 2022)

INDEX RISK AND RETURN CHARACTERISTICS (NOV 28, 1997 – SEP 30, 2022)

The MSCI USA Enhanced Value Index was launched on Dec 12, 2014. Data prior to the launch date is back-tested test (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance – whether actual or back-tested – is no indication or guarantee of future performance.
**INDEX CHARACTERISTICS**

<table>
<thead>
<tr>
<th>MSCI USA Enhanced Value</th>
<th>MSCI USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Constituents</td>
<td>150</td>
</tr>
<tr>
<td>Weight (%)</td>
<td>626</td>
</tr>
</tbody>
</table>

Largest Weight: 4.86%
Smallest Weight: 0.03%
Average Weight: 0.67%
Median Weight: 0.40%

**TOP 10 CONSTITUENTS**

<table>
<thead>
<tr>
<th>Index Name</th>
<th>Index Wt. (%)</th>
<th>Parent Index Wt. (%)</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;T</td>
<td>4.86</td>
<td>0.34</td>
<td>Comm Srvcs</td>
</tr>
<tr>
<td>INTEL CORP</td>
<td>3.93</td>
<td>0.33</td>
<td>Info Tech</td>
</tr>
<tr>
<td>CISCO SYSTEMS</td>
<td>3.27</td>
<td>0.52</td>
<td>Info Tech</td>
</tr>
<tr>
<td>PFIZER</td>
<td>3.26</td>
<td>0.77</td>
<td>Health Care</td>
</tr>
<tr>
<td>GENERAL MOTORS</td>
<td>2.89</td>
<td>0.14</td>
<td>Cons Discr</td>
</tr>
<tr>
<td>IBM CORP</td>
<td>2.71</td>
<td>0.33</td>
<td>Info Tech</td>
</tr>
<tr>
<td>MICRON TECHNOLOGY</td>
<td>2.70</td>
<td>0.18</td>
<td>Info Tech</td>
</tr>
<tr>
<td>FORD MOTOR CO</td>
<td>2.65</td>
<td>0.14</td>
<td>Cons Discr</td>
</tr>
<tr>
<td>ABBVIE</td>
<td>2.25</td>
<td>0.74</td>
<td>Health Care</td>
</tr>
<tr>
<td>BRISTOL-MYERS SQUIBB CO</td>
<td>2.08</td>
<td>0.47</td>
<td>Health Care</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>30.61</td>
<td>3.97</td>
<td></td>
</tr>
</tbody>
</table>

**FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN**

**MSCI FACTOR BOX**

- **VALUE**: Relatively Inexpensive Stocks
- **LOW SIZE**: Smaller Companies
- **MOMENTUM**: Rising Stocks
- **QUALITY**: Sound Balance Sheet Stocks
- **YIELD**: Cash Flow Paid Out
- **LOW VOLATILITY**: Lower Risk Stocks

MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

**SECTOR WEIGHTS**

- Information Technology: 25.13%
- Health Care: 16.03%
- Financials: 11.29%
- Consumer Discretionary: 11.2%
- Industrials: 8.28%
- Communication Services: 7.67%
- Consumer Staples: 6.45%
- Energy: 4.84%
- Utilities: 3.61%
- Real Estate: 2.95%
- Materials: 2.54%
INDEX FRAMEWORK

The MSCI Enhanced Value Indexes are designed to represent the performance of securities that exhibit relatively higher value characteristics within the parent universe of securities. The value z-score for each security is calculated by combining the z-scores of three valuation descriptors, namely Price-to-Book Value, Price-to-Forward Earnings and Enterprise Value-to-Cash flow from Operations. The indexes are constructed with a fixed number of securities approach choosing constituents from their Parent index based on their Final Value Scores. Coinciding with the semi-annual index reviews of the Parent Index, the MSCI Enhanced Value Indexes are rebalanced on the last business day of May and November.

This summary is provided for illustrative purposes only and does not include all material elements of the index or its methodology. For a complete description of the index methodology, please see [Index methodology - MSCI](#).

MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))

MSCI FaCS is a standard method for evaluating and reporting the Factor characteristics of equity portfolios. MSCI FaCS consists of Factor Groups (e.g. Value, Size, Momentum, Quality, Yield, and Volatility) that have been extensively documented in academic literature and validated by MSCI Research as key drivers of risk and return in equity portfolios. These Factor Groups are constructed by aggregating 16 factors (e.g. Book-to-Price, Earnings/Dividend Yields, LT Reversal, Leverage, Earnings Variability/Quality, Beta) from the latest Barra global equity factor risk model, GEMLT, designed to make fund comparisons transparent and intuitive for use. The MSCI Factor Box, which is powered by MSCI FaCS, provides a visualization designed to easily compare absolute exposures of funds/indexes and their benchmarks along 6 Factor Groups that have historically demonstrated excess market returns over the long run.

ABOUT MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit [www.msci.com](http://www.msci.com).

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