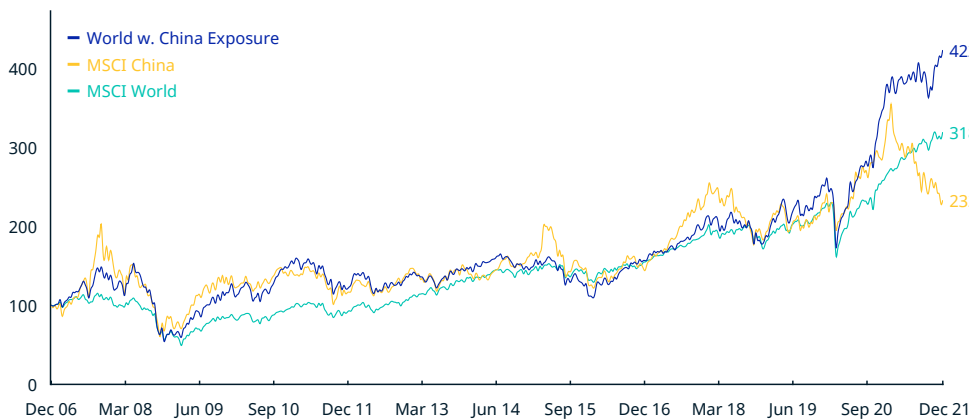


# MSCI World with China Exposure Index (USD)

The MSCI World with China Exposure Index is derived from the MSCI World Index, its parent index. Following a review of the geographic distribution of revenues for each company in the MSCI World Index, the constituents with the highest proportion of revenues derived from China are selected for the MSCI World with China Exposure Index. With a relatively stable 51 constituents, the index concentrates on companies with high revenue exposure to China. As a complement to the MSCI China Indexes, investors may consider this index a new benchmark for capturing the sizeable business activity in China that is conducted by developed markets\* companies.

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (USD) (DEC 2006 – DEC 2021)

## ANNUAL PERFORMANCE (%)



Year	World w. China Exposure	MSCI China	MSCI World
2021	20.51	-21.64	22.35
2020	39.17	29.67	16.50
2019	38.38	23.66	28.40
2018	-9.79	-18.75	-8.20
2017	29.66	54.33	23.07
2016	22.52	1.11	8.15
2015	-15.16	-7.62	-0.32
2014	0.43	8.26	5.50
2013	9.83	3.96	27.37
2012	13.38	23.10	16.54
2011	-19.94	-18.24	-5.02
2010	23.99	4.83	12.34
2009	82.01	62.63	30.79
2008	-51.80	-50.83	-40.33

## INDEX PERFORMANCE – GROSS RETURNS (%) (DEC 31, 2021)

## FUNDAMENTALS (DEC 31, 2021)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 2002	Div Yld (%)	P/E	P/E Fwd	P/BV
					3 Yr	5 Yr	10 Yr	10 Yr					
<b>World w. China Exposure</b>	6.08	14.99	20.51	20.51	32.40	22.11	13.44	9.20	3.75	16.95	14.94	3.87	
<b>MSCI China</b>	-3.15	-6.06	-21.64	-21.64	7.91	9.52	7.38	11.31	1.78	14.12	12.06	1.67	
<b>MSCI World</b>	4.30	7.86	22.35	22.35	22.32	15.64	13.32	8.97	1.66	22.74	19.46	3.39	

## INDEX RISK AND RETURN CHARACTERISTICS (DEC 31, 2021)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 2002	MAXIMUM DRAWDOWN	
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
<b>World w. China Exposure</b>	14.88	22.42	19.45	18.13	1.33	1.07	0.75	0.44	66.23	2008-05-19–2008-11-20
<b>MSCI China</b>	8.79	20.25	19.53	19.64	0.43	0.50	0.42	0.51	73.30	2007-10-30–2008-10-27
<b>MSCI World</b>	2.55	17.29	15.01	13.20	1.20	0.96	0.96	0.55	57.46	2007-10-31–2009-03-09

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly gross returns data

<sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

\* Developed Markets countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US.

The MSCI World with China Exposure Index was launched on Feb 12, 2013. Data prior to the launch date is back-tested data (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

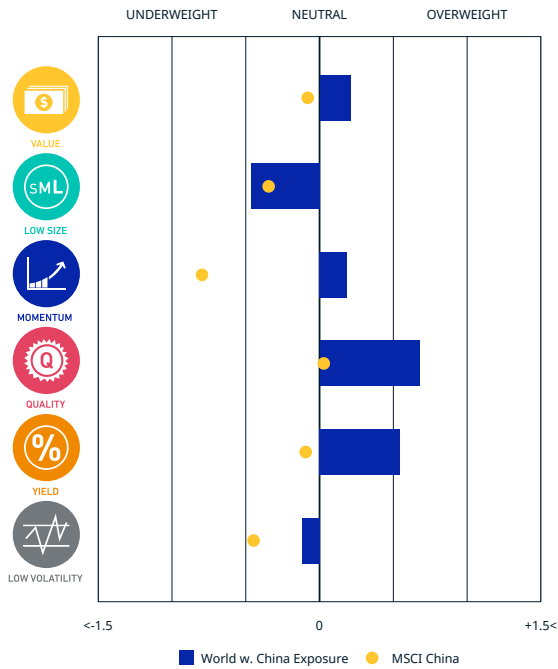
World w. China Exposure	
Number of Constituents	51
Mkt Cap (USD Millions)	
Index	1,972,215.21
Largest	267,323.72
Smallest	2,289.42
Average	38,670.89
Median	15,234.53

### TOP 10 CONSTITUENTS

	Country	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
QUALCOMM	US	267.32	13.55	Info Tech
TEXAS INSTRUMENTS	US	214.54	10.88	Info Tech
BROADCOM	US	194.35	9.85	Info Tech
BHP GROUP (AU)	AU	129.60	6.57	Materials
APPLIED MATERIALS	US	100.44	5.09	Info Tech
RIO TINTO PLC (GB)	GB	96.44	4.89	Materials
BHP GROUP (GB)	GB	91.61	4.64	Materials
LAM RESEARCH CORP	US	79.93	4.05	Info Tech
MARVELL TECHNOLOGY	US	71.86	3.64	Info Tech
MURATA MANUFACTURING CO	JP	59.41	3.01	Info Tech
Total		1,305.50	66.19	

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

#### MSCI FACTOR BOX



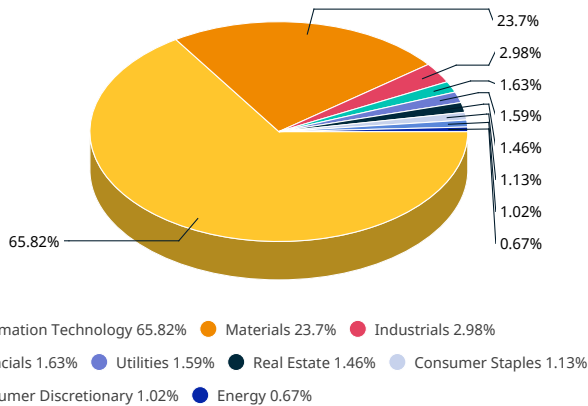
#### MSCI FaCS

- 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

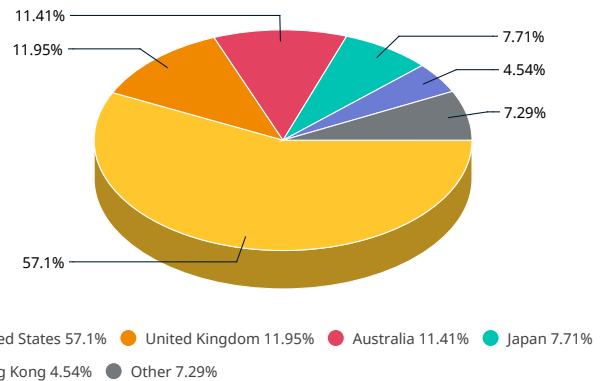
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

### SECTOR WEIGHTS



### COUNTRY WEIGHTS



## INDEX METHODOLOGY

The MSCI Economic Exposure Indexes include constituents with the highest proportion of revenues derived from a target country (or region). The indexes target a fixed number of companies, seeking to attain high exposure to the target country/region while maintaining reasonable market cap coverage. If multiple companies hold comparable rankings, the number of constituents may deviate from the fixed number established for the index.

The MSCI Economic Exposure Indexes apply a consistent and transparent methodology for estimating a firm's economic exposure using the geographic distribution of its revenues, despite the many disparities in the way companies report their sales across geographic segments. For each reported geographic revenue segment that includes the target country/region, MSCI applies the latest nominal GDP weights of that target relative to that of the reported geographic segment to determine a "target multiplier" for that revenue segment. For example, to determine an EM multiplier for a company's revenues from "Asia ex Japan", MSCI calculates the GDP weights of all EM countries relative to the combined GDP weight of Asia ex Japan. The exposure of a company to the target country (or region) is then calculated as the weighted average of the percentage of each geographic revenue segment and its target country/region multiplier.

The constituents of the MSCI Economic Exposure Indexes are weighted by the product of their market capitalization and their economic exposure to the target country/region. (The final security level inclusion factor is determined as the ratio of the security level weight and the security level pro forma market cap weight in the related MSCI parent index.) The MSCI Economic Exposure Indexes are rebalanced semi-annually in May and November. Buffer zones (at +/- 20% of the target number of companies) help maintain low index turnover and stability.

## FACTOR BOX AND FaCS METHODOLOGY

MSCI FaCS is a standard method ([MSCI FaCS Methodology](#)) 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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