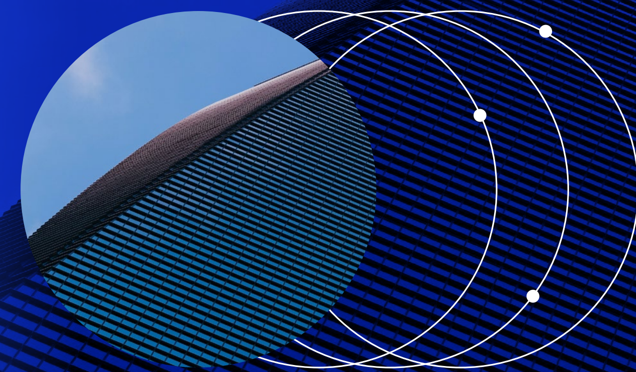
Insights from MSCI August 2026 Index Review



On August 12, 2026, we communicated that 184 securities will be added and 279 securities will be removed from the MSCI ACWI IMI™, MSCI's flagship global equity index. The MSCI ACWI IMI is designed to represent the performance of the investment universe of large/mid and small cap companies across developed and emerging markets. It covers approximately 99% of the global equity investment opportunity by free float-adjusted market capitalization.

Further granularity

Our methodology applies a building block approach across geographies and company sizes. This enables investors to assess how the global investable opportunity has changed at a more granular level. Same as the last review, the majority of IMI™ additions were Small Cap securities, while most Standard Index changes were size-segment migrations.

In the Americas, changes are concentrated in the USA and Canada, with limited changes in EM Latin America; Colombia remain close to entering Index Continuity while Peru has entered Index Continuity at the August 2026 Index Review.

In EMEA, the majority of IMI™ changes are driven by deletions among Developed Markets constituents, and the region will see a net decrease in the number of constituents driven by size-segment migrations and companies failing to meet the final free float-adjusted market capitalization requirement.

In Asia Pacific, IMI™ additions and deletions are driven primarily by Emerging Markets, led by China; Asia Pacific Emerging Markets will see a net decrease in the number of constituents, driven by size-segment migrations.

- MSCI ACWI IMI™: 184 Additions, 279 Deletions
  - MSCI World IMI™: 82 Additions, 95 Deletions
    - MSCI World: 8 Additions, 37 Deletions
    - MSCI World Small Cap: 114 Additions, 98 Deletions
  - MSCI EM IMI™: 102 Additions, 184 Deletions
    - MSCI EM: 47 Additions, 55 Deletions
    - MSCI EM Small Cap: 89 Additions, 163 Deletions

Impact on the indexes

To assess the impact of these changes, we calculate one-way index turnover to measure the percentage change in the composition of the index. This index turnover corresponds to the proportion of assets that should be purchased in a portfolio replicating the index. As a portfolio has a fixed dollar amount, the amount of assets that should be purchased exactly corresponds to the amount of assets that should be sold:

MSCI ACWI IMI™ turnover:

0.5%

MSCI World IMI™ turnover:

0.4%

MSCI EM IMI™ turnover:

1.1%

Index turnover is influenced by the number and size of securities added or deleted as well as other changes impacting security index market capitalization, such as free float updates. Index turnover for the MSCI ACWI® and ACWI® Small Cap Indexes at the Standard/Small Cap level will be 0.7% and 4.7%, respectively — both lower than in recent reviews.

Additional Highlights

- Effective this review, securities flagged by the Extreme Price Increase screen are exempt from that screen if their Foreign Inclusion Factor is 0.75 or higher, provided they meet all other Standard Index inclusion requirements. SanDisk represents the most notable methodology-driven constituent change.

- For the August 2026 Index Review, MSCI continues to incorporate the 1% disclosure threshold to estimate free float and delete securities flagged for high shareholding concentration in the Indonesia market. The following treatments will also continue to be applied: (1) do not implement increases to Foreign Inclusion Factors (FIF) and Number of Shares (NOS), and (2) freeze any IMI™ additions or upward size-segment migrations of Indonesian securities.

What happens next?

September 1, 2026 — the effective date for the index changes.

While the index changes were announced on August 12, 2026 (price cutoff date July 20, 2026), they will be implemented for the market cap indexes as of the close of August 31, 2026. MSCI's standard practice is to announce the results of the review and provide sufficient lead time before implementation, allowing the market and market participants to adjust to the information.

Open Consultations – September 30, 2026

Consultation on Eligibility of Non-Operating Companies for the MSCI GIMI™ Methodology.

Determine whether investment-oriented/non-operating companies (e.g., Digital Asset Treasury Companies) should remain eligible for GIMI™ indexes.

Consultation on Enhancements to Select MSCI Capped Methodologies

Improve capped index methodologies by reducing turnover, increasing stability, and refining rebalancing procedures.

About MSCI

MSCI (NYSE: MSCI Inc.) strengthens global markets by connecting participants across the financial ecosystem with a common language. Our research-based data, analytics and indexes, supported by advanced technology, set standards for global investors and help our clients understand risks and opportunities so they can make better decisions and unlock innovation. We serve asset managers and owners, private-market sponsors and investors, hedge funds, wealth managers, banks, insurers and corporates.

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