

Real estate index announcement

June 2022

MSCI Brazil Annual Property Index (Unfrozen) Published Quarterly

CHANGE IN INDEX COMPOSITION AND RESTATEMENT OF THE INDEX

June 2022: MSCI announces changes in the composition of MSCI Brazil Annual Property Index (Unfrozen) Published Quarterly for March 2022. The index now includes four new contributing funds.

Overall, the above change combined with exclusion(s), if any, as part of MSCI's data validation and verification process result in an increase of 68.8% in the Capital Value of the index. The impact on the index can be seen in the table below, which shows the sector weight variations for December 2021. Industrial and Retail were the most impacted sectors with a weight increase of 2,490 basis points and a decrease of 1,480 basis points, respectively.

IMPACT ANALYSIS OF INDEX SECTOR WEIGHTS

Sector	Index sector Weight (%) by Capital Value – December 2021 (BEFORE CHANGE)	Index sector Weight (%) by Capital Value – December 2021 (AFTER CHANGE)	Difference (%)
Retail	36.4	21.5	-14.8
Office	20.7	12.2	-8.4
Industrial	39.7	63.8	24.9
Residential	-	-	-
Hotel	-	-	-
Other	-	-	-

Note: Numbers at sector level may be impacted due to rounding or suppression of data due to confidentiality and dominance rules.

Additionally, MSCI announces the restatement of the results of MSCI Brazil Annual Property Index (Unfrozen) Published Quarterly for the periods ending from March 2021 to December 2021. This restatement is due to the correction to data provision by particular index participant(s) which impacts the office sector results since the period ending March 2021.

Retrospectively, these changes have impacted the Index results and corresponding market information products, given the unfrozen nature of the index. The updated historical results are available along with the release of period ending March 2022 results of MSCI Brazil Annual Property Index (Unfrozen) Published Quarterly.

As per the [MSCI Real Estate – Index Policies](#), MSCI will not restate the 2021 results of MSCI Global Annual Property Index (Unfrozen; Reweighting: Market Size) as there is no material impact of this change to the Global index results.

The table below shows the annual index returns of MSCI Brazil Annual Property Index (Unfrozen) Published Quarterly before and after the restatement including the differences in index returns. The analysis excludes the historical impact of new joiners during Q1 2022.

SUMMARY OF IMPACT ON MSCI BRAZIL ANNUAL PROPERTY INDEX (UNFROZEN) PUBLISHED QUARTERLY

Annual Returns (%)	FORMER			RESTATED			DIFFERENCE		
	Total Return	Capital Growth	Income Return	Total Return	Capital Growth	Income Return	Total Return	Capital Growth	Income Return
Mar-2021	7.6	4.0	3.5	7.6	3.9	3.5	0.0	-0.1	0.0
Jun-2021	9.8	5.7	3.9	9.8	5.6	3.9	0.0	-0.1	0.0
Sep-2021	10.2	5.6	4.4	10.2	5.6	4.4	0.0	0.0	0.0
Dec-2021	10.9	6.2	4.5	11.8	7.0	4.5	0.9	0.8	0.0

Note: The returns are at 'All Asset' level and includes impact of exclusion(s), if any, as a part of MSCI's data validation and verification process

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The process for submitting a formal index complaint can be found on the index regulation page of MSCI's website at: <https://www.msci.com/index-regulation>.

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