

MSCI ACWI IMI Sector Indexes

► Measuring the performance and evolution of sectors in a systematic manner

The MSCI ACWI IMI sector indexes are derived from the broad MSCI ACWI Investable Market Index (IMI) which includes over 9,123 large, mid and small-cap stocks across developed and emerging markets countries¹. To categorize companies into sectors, MSCI applies the Global Industry Classification Standard (GICS®)².

GICS® is a classification framework that groups companies that engage in similar business activities into sectors based on the products or services they provide. Created in 1999 by MSCI and S&P Dow Jones Indices, it seeks to capture the breadth, depth, and evolution of industry sectors. The hierarchical industry classification system uses revenues as a key factor in determining a firm's principal business activity.

Each security is classified into one of 11 sectors, as well as in one of the 25 industry groups, 74 industries and 163 sub-industries.



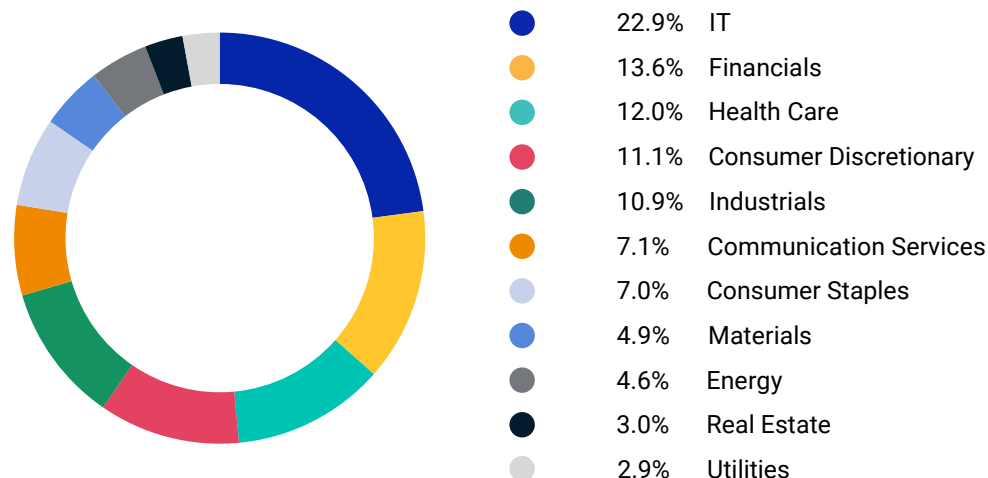
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To create the MSCI ACWI IMI sector indexes, we start from MSCI ACWI IMI universe of companies and assign every company to a sector (industry group, industry, and sub-industry). We can then look at each group of companies assigned to a sector and use those groups to create the 11 MSCI ACWI IMI sector indexes.

The distribution of companies by sectors is not uniform. Some sectors have more companies than others and some sectors may have companies that are larger in size. The chart to the right illustrates this point as it shows the breakdown by sector of MSCI ACWI IMI. There are some larger sectors like IT and Financials, and some smaller sectors like Energy.

The weight and composition of sectors changes over time. This means that the composition of the sectors indexes that are derived from MSCI ACWI IMI will also change over time.

Sector Weights of the MSCI ACWI IMI



1 - As of May 31, 2023

2 - Global Industry Classification System, GICS®, is a four-tiered global industry classification standard jointly developed by MSCI and S&P Global Market Intelligence.

MSCI ACWI IMI Sector Indexes: Performance and Characteristics

	Communication Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities
Total Return* (%)	3.2	7.6	4.6	4.4	6.1	8.5	7.8	18.9	7.5	0.4	5.8
Total Risk (%)	16.9	19.2	12.3	27.2	19.3	14.2	18.4	20.1	19.3	16.6	13.8
Number of Constituents**	340	1224	581	352	1180	887	1486	1050	807	700	298
Price to Book**	2.5	3.1	3.8	1.3	1.2	4.0	2.7	4.8	1.8	1.5	1.7
Price to Earnings**	21.3	22.6	21.7	21.1	12.3	27.8	21.1	26.1	15.7	20.8	18.5
Dividend Yield** (%)	2.4	1.5	2.6	4.2	3.2	1.7	2.0	1.2	2.8	3.6	3.6

Period: Aug. 31, 2016 to May 31, 2023. Past performance is no indication or guarantee of future performance.

* Net returns annualized in USD

** Monthly averages

The Real Estate sector was created as a standalone sector in August 2016. Prior to that date, Real Estate companies were included in the Financials sector.

MSCI ACWI IMI Sector Indexes: Correlations

	Communication Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities
Communication Services	1.00										
Consumer Discretionary	0.87	1.00									
Consumer Staples	0.69	0.69	1.00								
Energy	0.54	0.60	0.52	1.00							
Financials	0.72	0.78	0.63	0.81	1.00						
Health Care	0.68	0.73	0.77	0.52	0.63	1.00					
Industrials	0.79	0.89	0.76	0.73	0.90	0.79	1.00				
Information Technology	0.81	0.90	0.65	0.50	0.67	0.73	0.84	1.00			
Materials	0.77	0.85	0.74	0.70	0.84	0.74	0.90	0.77	1.00		
Real Estate	0.79	0.82	0.79	0.63	0.79	0.73	0.84	0.73	0.81	1.00	
Utilities	0.64	0.59	0.80	0.45	0.57	0.63	0.67	0.58	0.67	0.78	1.00

Monthly returns from Aug. 31, 2016 to May 31, 2023.

MSCI ACWI IMI Sector Indexes: ESG and Climate Characteristics

	Communication Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities
ESG											
ESG Score	4.9	6.4	7.2	6.3	6.4	6.9	6.8	7.3	6.4	6.1	7.1
ESG Leaders (AAA-AA) (%)	14.7	28.2	49.2	30.6	39.6	44.4	42.3	53.0	30.3	38.1	55.8
ESG Laggards (B-CCC) (%)	14.4	4.1	2.4	2.4	3.0	1.9	3.0	1.9	7.5	6.7	2.6
Environmental Pillar Score	8.4	6.1	5.3	4.9	6.5	6.9	5.7	5.8	4.8	5.7	6.8
Social Pillar Score	4.7	4.5	4.8	6.2	4.6	5.1	5.0	5.8	4.5	5.2	6.1
Governance Pillar Score	4.3	5.5	5.9	6.0	5.7	6.0	6.1	5.6	6.0	6.3	6.3
Climate											
Carbon Emissions to Sales - Scope 1 + 2*	17	57	57	489	18	20	115	30	746	79	1824

Period: Aug. 31, 2016 to May 31, 2023

* Wtd Avg t CO2e/\$M Sales

Monthly net returns in USD

Sector Definitions

Energy: companies engaged in exploration & production, refining & marketing, and storage & transportation of oil & gas and coal & consumable fuels. It also includes companies that offer oil & gas equipment and services.

Materials: companies that manufacture chemicals, construction materials, forest products, glass, paper and related packaging products, and metals, minerals and mining companies, including producers of steel.

Industrials: manufacturers and distributors of capital goods such as aerospace & defense, building products, electrical equipment and machinery and companies that offer construction & engineering services. It also includes providers of commercial & professional services including printing, environmental and facilities services, office services & supplies, security & alarm services, human resource & employment services, research & consulting services. It also includes companies that provide transportation services.

Consumer Discretionary: businesses that tend to be the most sensitive to economic cycles. Its manufacturing segment includes automobiles & components, household durable goods, leisure products and textiles & apparel. The services segment includes hotels, restaurants, and other leisure facilities. It also includes distributors and retailers of consumer discretionary products.

Consumer Staples: companies whose businesses are less sensitive to economic cycles. It includes manufacturers and distributors of food, beverages and tobacco and producers of non-durable household goods and personal products. It also includes distributors and retailers of consumer staples products including food & drug retailing companies.

Health Care: health care providers & services, companies that manufacture and distribute health care equipment & supplies, and health care technology companies. It also includes companies involved in the research, development, production and marketing of pharmaceuticals and biotechnology products.

Financial: companies engaged in banking, financial services, consumer finance, capital markets and insurance activities. It also includes Financial Exchanges & Data and Mortgage REITs.

Information Technology: companies that offer software and information technology services, manufacturers and distributors of technology hardware & equipment such as communications equipment, cellular phones, computers & peripherals, electronic equipment and related instruments, and semiconductors and related equipment & materials.

Communication Services: companies that facilitate communication and offer related content and information through various mediums. It includes telecom and media & entertainment companies including producers of interactive gaming products and companies engaged in content and information creation or distribution through proprietary platforms.

Real Estate: contains companies engaged in real estate development and operation. It also includes companies offering real estate related services and Equity Real Estate Investment Trusts (REITs).

Utilities: utility companies such as electric, gas and water utilities. It also includes independent power producers & energy traders and companies that engage in generation and distribution of electricity using renewable sources.

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