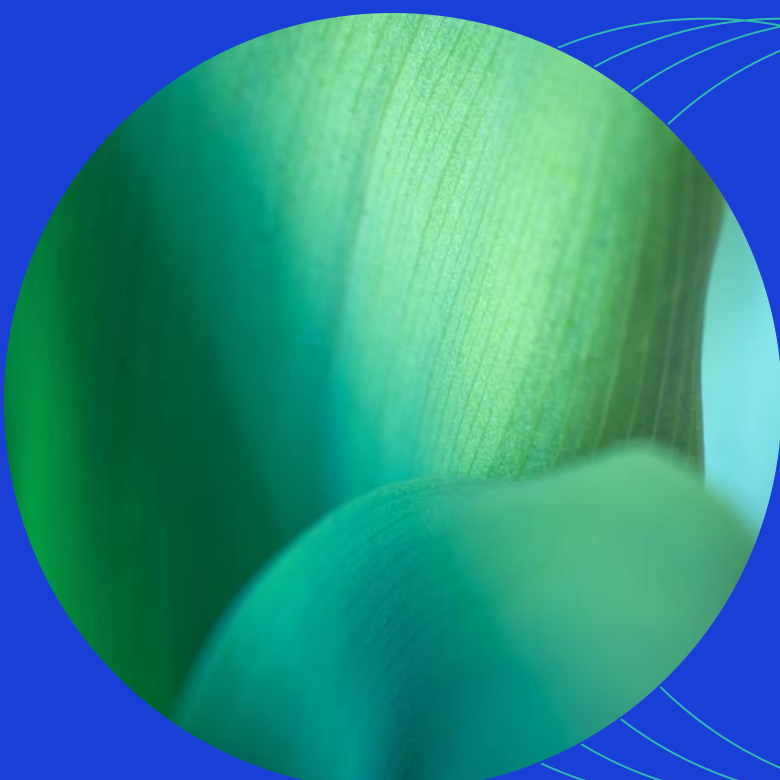
Index Methodology

July 2026

MSCI AI Value Chain Indexes



Contents

1 Introduction

Artificial Intelligence (AI) is an economy-wide structural trend. The AI value chain spans economically distinct layers with different return drivers and risk characteristics. Investors seeking AI exposure benefit from understanding their relative positioning across the value chain.

The MSCI AI Value Chain Indexes[1] (each an 'Index', and together the 'Indexes') aim to represent the performance of companies associated with the AI value chain. The Indexes are anchored in a taxonomy spanning three layers (each a ‘Layer’ and together the ‘Layers’), resolved into ten investable components (each a ‘Component’ and together the ‘Components’) that capture distinct business activities across the value chain. The Components can serve as modular building blocks for index construction and portfolio attribution.

The methodology defines fourteen Indexes in total:

- ten **Component Indexes**, each tracking a single Component of the AI value chain;
- three **Layer Indexes**, namely Physical AI Infrastructure, Digital AI Infrastructure and AI Applications, each aggregating a set of Components within a Layer; and
- one **AI Value Chain Index**, aggregating all ten Components across the three Layers.

[1] The Indexes are governed by a set of methodology and policy documents (the "Methodology Set"), including the present index methodology document. Please refer to Appendix I for more details.

2 Constructing the Indexes

The Indexes are constructed by selecting securities from the MSCI ACWI IMI Index[2] (the 'Parent Index') based on the rules explained in the following sections.

2.1 Defining the Components

The AI Value Chain is represented by ten Components, each capturing a distinct set of business activities within the value chain. The Components are the building blocks of the Indexes and are defined as follows[3]:

Component	Definition	Layer
Hardware for AI	Hardware purpose-built for AI workloads, including AI accelerators and high-bandwidth memory, and the chip design tools and semiconductor equipment used to develop and manufacture AI hardware.	Physical AI Infrastructure
Energy Providers for AI	Power systems and grid infrastructure engineered specifically for AI compute, and clean energy and storage solutions with dedicated AI data center off-take agreements.	Physical AI Infrastructure
AI Data Center Infrastructure	Physical data center infrastructure for AI workloads, including servers, networking, storage, cooling and power equipment, and AI-optimized colocation facilities.	Physical AI Infrastructure
AI Cloud Compute	Hyperscale and GPU cloud platforms delivering on-demand AI compute and machine-learning services.	Digital AI Infrastructure
AI Data Infrastructure	Platforms for acquiring, generating, labelling, cleaning, structuring and storing data for AI workflows.	Digital AI Infrastructure
AI Model Development	Companies that develop and release large-scale, general-purpose AI models, including large language models and multimodal foundation models.	Digital AI Infrastructure
AI Model Training	Platforms and tools for the pre-deployment training, fine-tuning and experimentation of AI models.	Digital AI Infrastructure
AI Deployment and Operations	Tools for post-deployment AI operationalization, including inference serving, monitoring, governance and safety.	Digital AI Infrastructure

[2] The MSCI ACWI IMI Index is based on the MSCI Global Investable Market Indexes (GIMI) Methodology. For details about the methodology, please refer to: https://www.msci.com/index/methodology/latest/GIMI.

[3] For details on how each Component is calculated, please refer to the MSCI Component Exposure Methodology. The methodology book is available at: https://www.msci.com/index-methodology

Component	Definition	Layer
AI Software Applications	Software and analytics products where AI is explicitly core to product functionality.	AI Applications
AI Physical Applications	Physical products and devices where AI is explicitly integrated and essential to core functionality, enabling autonomous perception, decision-making or action.	AI Applications

2.2 Determining the Eligible Universe

The Eligible Universe for each Index comprises the securities selected on the basis of their Component Exposure[4] as follows:

Component Indexes: Securities from the Parent Index that have a Component Exposure of 10 or more for the relevant Component are included in the Eligible Universe of the respective Component Index.

Layer Indexes: Securities from the Parent Index that have a Component Exposure of 10 or more for any of the Components within a Layer, as set out in the Layer column of the Component table in Section 2.1, are included in the Eligible Universe of the respective Layer Index.

AI Value Chain Index: Securities from the Parent Index that have a Component Exposure of 10 or more for any of the ten Components, across the three Layers, are included in the Eligible Universe of the AI Value Chain Index.

[4] For details on the calculation of Component Exposure, please refer to the MSCI Component Exposure Methodology. The methodology book is available at: https://www.msci.com/index-methodology

2.3 Weighting Scheme

Component Indexes: Securities included in the respective Eligible Universe are weighted in proportion to their Component Exposure for the relevant Component. The weights are then normalized to 100%.

Layer Indexes and AI Value Chain Index: Securities included in the respective Eligible Universe are weighted in proportion to their market capitalization in the Parent Index. The weights are then normalized to 100%. Additionally, constituent weights are capped at an issuer level at 10%, with the excess weight proportionally redistributed across the Index.

3 Maintaining the Indexes

3.1 Index Review

The Indexes are reviewed on a quarterly basis, usually as of the close of the last business day of February, May, August and November, coinciding with the Quarterly Index Reviews of the Parent Index. In general, the pro forma Indexes are announced nine business days before the effective date.

In general, MSCI uses the Component Exposure data as of the end of the month preceding the Index Review, for the rebalancing of the Indexes.

3.2 Ongoing Event Related Changes

The general treatment of corporate events in the Indexes aims to minimize turnover outside of Index Reviews. The methodology aims to appropriately represent an investor's participation in an event based on relevant deal terms and pre-event weighting of the index constituents that are involved. Further, changes in index market capitalization that occur as a result of corporate event implementation will be offset by a corresponding change in the Variable Weighting Factor (VWF) of the constituent.

The following section briefly describes the treatment of common corporate events within the Indexes.

No new securities will be added (except where noted below) to the Indexes between Index Reviews. Parent Index deletions will be reflected simultaneously.

EVENT TYPE	EVENT DETAILS
New additions to the Parent Index	A new security added to the Parent Index (such as IPO and other early inclusions) will not be added to the Indexes.
Spin-Offs	All securities created as a result of the spin-off of an existing Index constituent will be added to the relevant Index at the time of event implementation if the spin-off security is also added to the Parent Index. Reevaluation for continued inclusion in such Index will occur at the subsequent Index Review.
Merger/Acquisition	For Mergers and Acquisitions, the acquirer's post event weight will account for the proportionate amount of shares involved in deal consideration, while cash proceeds will be invested across the relevant Index.

	If an existing Index constituent is acquired by a non-Index constituent, the existing constituent will be deleted from the relevant Index and the acquiring non-constituent will not be added to such Index.
Changes in Security Characteristics	A security will continue to be an Index constituent if there are changes in characteristics (country, sector, size segment, etc.) Reevaluation for continued inclusion in the relevant Index will occur at the subsequent Index Review.

Further detail and illustration regarding specific treatment of corporate events relevant to the Indexes can be found in the MSCI Corporate Events Methodology.

The MSCI Corporate Events methodology book is available at: https://www.msci.com/index-methodology.

Appendix I: Methodology Set

The Indexes are governed by a set of methodology and policy documents ("Methodology Set"), including the present index methodology document as mentioned below:

- Description of methodology set – https://www.msci.com/index/methodology/latest/ReadMe
- MSCI Corporate Events Methodology – https://www.msci.com/index/methodology/latest/CE
- MSCI Fundamental Data Methodology – https://www.msci.com/index/methodology/latest/FundData
- MSCI Index Calculation Methodology – https://www.msci.com/index/methodology/latest/IndexCalc
- MSCI Index Glossary of Terms – https://www.msci.com/index/methodology/latest/IndexGlossary
- MSCI Index Policies – https://www.msci.com/index/methodology/latest/IndexPolicy
- MSCI Global Investable Market Indexes Methodology – https://www.msci.com/index/methodology/latest/GIMI
- MSCI Component Exposure Methodology - https://www.msci.com/index/methodology/latest/CompExposure

The Methodology Set for the Indexes can also be accessed from MSCI's webpage https://www.msci.com/index-methodology in the section 'Search by Name or Code'.

Contact us

About MSCI Inc.

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.

To learn more, please visit www.msci.com
msci.com/contact-us

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.

AMERICA

United States	+ 1 888 588 4567 *
Canada	+ 1 416 687 6270
Brazil	+ 55 11 4040 7830
Mexico	+ 52 81 1253 4020

EUROPE, MIDDLE EAST & AFRICA

South Africa	+ 27 21 673 0103
Germany	+ 49 69 133 859 00
Switzerland	+ 41 22 817 9777
United Kingdom	+ 44 20 7618 2222
Italy	+ 39 02 5849 0415
France	+ 33 17 6769 810

ASIA PACIFIC

China	+ 86 21 61326611
Hong Kong	+ 852 2844 9333
India	+ 91 22 6784 9160
Malaysia	1800818185 *
South Korea	+ 82 70 4769 4231
Singapore	+ 65 67011177
Australia	+ 612 9033 9333
Taiwan	008 0112 7513 *
Thailand	0018 0015 6207 7181 *
Japan	+ 81 3 4579 0333

* toll-free

Notice and disclaimer

The data, data feeds, databases, reports, text, graphs, charts, images, videos, recordings, models, metrics, analytics, indexes, ratings, scores, cases, estimates, assessments, software, websites, products, services and other information and materials contained herein or delivered in connection with this notice (collectively, the “Information”) are copyrighted, trade secrets (when not publicly available), trademarks and proprietary property of MSCI Inc. or its subsidiaries (collectively, “MSCI”), MSCI’s licensors, direct or indirect suppliers and authorized sources, and/or any third party contributing to the Information (collectively, with MSCI, the “Information Providers”). All rights in the Information are reserved by MSCI and its Information Providers and user(s) shall not, nor assist others to, challenge or assert any rights in the Information.

Unless you contact MSCI and receive its prior written permission, you must NOT use the Information, directly or indirectly, in whole or in part (i) for commercial purposes, (ii) in a manner that competes with MSCI or impacts its ability to commercialize the Information or its services, (iii) to provide a service to a third party, (iv) to permit a third party to directly or indirectly access, use or resell the Information, (v) to redistribute or resell the Information in any form, (vi) to include the Information in any materials for public dissemination such as fund factsheets, market presentations, prospectuses, and investor information documents (e.g. KIIDs or KIDs), (vii) to create or as a component of any financial products, whether listed or traded over the counter or on a private placement basis or otherwise, (viii) to create any indexes, ratings or other data products, including in derivative works combined with other indexes or data or as a policy, product or performance benchmarks for active, passive or other financial products, (ix) to populate a database, or (x) to train, use as an input to, or otherwise in connection with any artificial intelligence, machine learning, large language models or similar technologies except as licensed and expressly authorized under MSCI’s AI Contracting Supplement at https://www.msci.com/legal/supplemental-terms-for-client-use-of-artificial-intelligence.

The intellectual property rights of MSCI and its Information Providers may not be misappropriated or used in a competitive manner through the use of third-party data or financial products linked to the Information, including by using an MSCI index-linked future or option in a competing third-party index to provide an exposure to the underlying MSCI index or by using an MSCI index-linked ETF to create a financial product that provides an exposure to the underlying MSCI index without obtaining a license from MSCI.

The user or recipient of the Information assumes the entire risk of any use it may make, permit or cause to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, SUITABILITY, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION. Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall MSCI or any other Information Provider have any liability arising out of or relating to any of the Information, including for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages, even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

The Information, including index construction, ratings, historical data, or analysis, is not a prediction or guarantee of future performance, and must not be relied upon as such. Past performance is not indicative of future results. The Information may contain back tested data. Back-tested performance based on back-tested data is not actual performance but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy. The Information may include “Signals,” defined as quantitative attributes or the product of methods or formulas that describe or are derived from calculations using historical data. Signals are inherently backward-looking because of their use of historical data, and they are inherently inaccurate, not intended to predict the future and must not be relied upon as such. The relevance, correlations and accuracy of Signals frequently change materially over time.

The Information may include data relating to indicative prices, evaluated pricing or other information based on estimates or evaluations (collectively, “Evaluations”) that are not current and do not reflect real-time traded prices. No evaluation method, including those used by the Information Providers, may consistently generate evaluations or estimates that correspond to actual “traded” prices of any relevant securities or other assets. Evaluations are subject to change at any time without notice and without any duty to update or inform you, may not reflect prices at which actual transactions or collateral calls may occur or have occurred. The market price of securities, financial instruments, and other assets can be determined only if and when executed in the market. There may be no, or may not have been any, secondary trading market for the relevant securities, financial instruments or other assets. Private capital, equity, credit and other assets and their prices may be assessed infrequently, may not be priced on a secondary market, and shall not be relied upon as an explicit or implicit valuation of a particular instrument. Any reliance on fair value estimates and non-market inputs introduces potential biases and subjectivity. Internal Rate of Return metrics are not fully representative without full disclosure of fund cash flows, assumptions, and time horizons.

The Information does not constitute, and must not be relied upon as, investment advice, credit ratings, or proxy advisory or voting services. None of the Information Providers, their products or services, are fiduciaries or make any recommendation, endorsement, or approval of any investment decision or asset allocation. Likewise, the Information does not represent an offer to sell, a solicitation to buy, or an endorsement of any security, financial product, instrument, investment vehicle, or trading strategy, whether or not linked to or in any way based on any MSCI index, rating, subcomponent, or other Information (collectively, “Linked Investments”).The Information should not be relied on and is not a substitute for the skill, judgment and experience of any user when making investment and other business decisions. MSCI is not responsible for any user’s compliance with applicable laws and regulations. All Information is impersonal, not tailored to the needs of any person, entity or group of persons, not objectively verifiable in every respect, and may not be based on information that is important to any user.

It is not possible to invest in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI makes no assurance that any Linked Investments will accurately track index performance or provide positive investment returns. Index returns do not represent results of actual trading of investible assets/securities. MSCI maintains and calculates indexes but does not manage assets. The calculation of indexes and index returns may deviate from the stated methodology. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase securities underlying the index or Linked Investments. The imposition of these fees and charges would cause the performance of a Linked Investment to be different than the MSCI index performance.

Information provided by MSCI Solutions LLC and certain related entities (“MSCI Solutions”), including materials utilized in MSCI sustainability and climate products, have not been submitted to, nor received approval from any regulatory body. MSCI sustainability and climate offerings, research and data are produced by, and ratings are solely the opinion of MSCI Solutions. Other MSCI products and services may utilize information from MSCI Solutions, Barra LLC or other affiliates. More information can be found in the relevant methodologies on www.msci.com. MSCI Indexes are administered by MSCI Limited (UK) and MSCI Deutschland GmbH. No regulated use of any MSCI private real assets indexes in any jurisdiction is permitted without MSCI’s express written authorization. The process for applying for MSCI’s express written authorization can be found at: https://www.msci.com/index-regulation.

MSCI receives compensation in connection with licensing its indexes and other Information to third parties. MSCI Inc.’s revenue includes fees based on assets in Linked Investments. Information can be found in MSCI Inc.’s company filings on the Investor Relations section of msci.com. Issuers mentioned in MSCI Solutions materials or their affiliates may purchase research or other products or services from one or more MSCI affiliates, manage financial products