

Welcome to your CDP Climate Change Questionnaire 2023

MSCI received an
A- GRADE
from CDP on our
2023 submission.

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

MSCI Inc. (hereinafter referred to as “MSCI” and “we” or “our”) is a leading provider of critical decision support tools and services for the global investment community. With over 50 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 also create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. Our environmental, social and governance (ESG) research and data products and services, including our climate change solutions, are offered by MSCI ESG Research LLC (“MSCI ESG Research”), our wholly owned subsidiary and a registered investment adviser under the Investment Advisers Act of 1940. MSCI ESG Research delivers in-depth research, ratings and analysis of the ESG-related business practices of over 16,000 issuers, including subsidiaries, more than 900,000 equity and fixed income securities worldwide and over 1,500 ESG equity and fixed-income Indexes provided by MSCI. MSCI ESG Indexes and Analytics are products of MSCI Inc. that use information from MSCI ESG Research. MSCI Indexes are administered by MSCI Limited (UK).

Climate change is an important element of our ESG strategy and a key issue for many investors. We deliver research and climate tools designed to help clients measure and report on climate risk exposure (including through climate stress testing), implement climate change risk mitigating strategies (including Paris-aligned, low carbon, fossil-fuel-free investment strategies), and integrate climate change criteria into their investment processes. These products and services include climate metrics, MSCI ESG Research’s Climate Value-at-Risk (VaR), Task Force on Climate-related Financial Disclosures (TCFD) reporting, carbon portfolio reporting, and low carbon and Climate Paris Aligned indexes as well as tools to identify clean-tech and environmentally oriented companies.

MSCI ESG Research acquired Zurich-based environmental fintech and data analytics firm Carbon Delta AG (“Carbon Delta”) in 2019. Carbon Delta expanded MSCI’s suite of climate risk capabilities supporting climate scenario analysis and forward-looking assessment of transition and physical risks and extensive company-level analysis of publicly traded companies. This includes MSCI Climate VaR, a climate risk metric that calculates the impact of climate change

on a company's market value to help investors understand and quantify these risks within their portfolio. In 2020 and 2022, we used MSCI Climate VaR to publish our own TCFD report. Carbon Delta acts as MSCI's Climate Risk Center, the focal point for the development of climate change risk analytics and tools. The aim of the center is to develop strong partnerships with leading academic and research institutions around the world to advance the use of climate science for financial risk analysis. In June of 2020 MSCI launched the MSCI Real Estate Climate VaR, a forward-looking and return-based valuation assessment for individual assets and portfolios.

MSCI ESG Research's ESG and Climate data available through MSCI Analytics applications facilitate measurement of financial emissions at the portfolio level, portfolio reporting and portfolio construction. They also are used to construct MSCI ESG and Climate equity and fixed income indexes.

The MSCI Net-Zero Tracker, first published in 2021, is a unique, periodic report offering investors, companies, financial intermediaries and policymakers an objective gauge of the contribution by the world's listed companies to total carbon emissions and their progress toward a net-zero economy. The report indicates the collective progress, or lack thereof, of the world's listed companies toward keeping global temperature rise this century within 1.5°C of preindustrial levels. The estimate reflects companies' Implied Temperature Rise, MSCI's forward-looking measure of climate impact that shows the warming potential of a company or portfolio based on its current and projected greenhouse gas (GHG) emissions.

The Net-Zero Tracker has become a global barometer of progress by companies to curb climate risk and a guide for investors to the energy transition.

For additional information on our forward-looking statements and other key topics, see section C-FI.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

No

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Brazil
Bulgaria
Canada
China
Finland
France
Germany
Hong Kong SAR, China
Hungary
India
Italy
Japan
Mexico
Netherlands
Philippines
Republic of Korea
Singapore
South Africa
Spain
Sweden
Switzerland
Taiwan, China
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization

Provide your unique identifier

Yes, a Ticker symbol

MSCI (NYSE)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	Our CEO serves as the Chairman of MSCI's Board of Directors (Board), the highest governance and oversight body at MSCI, which is composed of a substantial majority of independent, non-employee directors. In this position, he provides MSCI with unified leadership and direction and holds the highest position of accountability, responsibility and oversight over MSCI's operations, including associated climate-related risks and opportunities. For example, in 2022, the CEO, acting upon the recommendation of MSCI's Corporate Responsibility Policy Committee, approved the Company's enhanced science-based near-term, long-term and net-zero GHG emissions reduction targets. Our CEO advanced MSCI's thought leadership in climate through publication and speaking opportunities across multiple channels and high-profile events, such as the Conference of Parties (COP27) in Egypt. In 2022, our Corporate Responsibility Policy Committee, comprised of certain members of the Company's Executive Committee, reviewed strategically significant proposals regarding the Company's corporate responsibility policies, actions and disclosures, including the Company's enhanced science-based near- and long-term and net-zero GHG emissions reduction targets.
Board-level committee	Each year, the Board approves an annual operating plan. In addition, on a quarterly basis, the Board's Governance and Corporate Responsibility Committee (the "Governance Committee") reviews the Company's climate-related initiatives and progress against CO2e emissions targets and objectives. The Compensation, Talent and Culture Committee of the Board (the "Compensation Committee") reviews and approves goals and objectives relevant to the compensation of certain MSCI senior leaders, including its executive officers. In addition, the Compensation Committee oversees plans for talent management, including talent acquisition and development, as well as progression planning and career progression, to provide

	guidance to management with respect to the Company's policies relating to diversity, equity and inclusion ("DE&I") corporate culture, resource allocation, resiliency and employee engagement. The Compensation Committee also oversees talent acquisition and succession planning specifically related to leaders in MSCI's ESG and Climate business. Members of MSCI's Management Committee include climate-related product goals (relating to helping MSCI clients transition to a net-zero economy) and other climate-related actions (relating to advancing MSCI's climate targets), which are reviewed for compensation purposes. In 2022, these leaders were evaluated against such goals.
Board-level committee	On a quarterly basis, the Audit and Risk Committee (the "Audit Committee") receives an update on MSCI's enterprise risk management program by our Enterprise Risk Management Officer, which includes an overview of risks and trends also made available to the full Board. In 2022, the enterprise risk management overview included updates relating to the management of climate-related risks and opportunities. The Audit Committee also receives quarterly updates from our Chief Information Security Officer (CISO) on plans to ensure business continuity and the recovery of our IT infrastructure in the event it is disrupted by extreme weather events or other effects of climate change.
Board-level committee	The Strategy and Finance Committee (the "Strategy Committee") monitors and provides guidance on our strategic objectives. These may include sustainability-related partnership and acquisition opportunities, including those involving climate-related products and services. On a quarterly basis, MSCI's senior management and Strategy and Corporate Development Team discuss partnership and acquisition opportunities with the Strategy Committee. This discussion focuses on MSCI's strategic growth areas and regularly includes review of opportunities for climate-focused products, data and services. For example, as part of these efforts, in October 2022, MSCI announced its investment in Evora Global Limited, a professional real asset consultancy that helps real estate companies with their ESG strategies, sustainable finance and climate risk management and disclosure. With support from MSCI, Evora's services will aim to improve the flow of critical decision data and accelerate the adoption of climate standards and strengthen the global real asset investment process.
Board-level committee	Each year, the Compensation Committee reviews and approves corporate goals and objectives relevant to the compensation of certain of MSCI's senior leaders, including its executive officers. The Compensation Committee also oversees plans for talent management, including talent acquisition and progression planning (related to leaders in MSCI's Product function and other areas) and development, and oversees and guides management with respect to the Company's policies relating to DE&I, corporate culture, resource allocation, resiliency and employee

	engagement. The Compensation Committee oversees talent acquisition and succession planning.
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C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Overseeing and guiding employee incentives	The Compensation Committee is responsible for reviewing, approving and assessing the attainment of corporate goals and objectives to be used in determining the compensation for our Company's executives, which include our CEO, President, CFO, Chief Human Resources Officer (CHRO), General Counsel and other senior executives of the Company. The Compensation Committee follows procedures intended to ensure good compensation governance and that MSCI's executive compensation program links pay to performance, encourages prudent decision-making and risk management, and creates a balanced focus on short- and long-term performance that supports shareholder value creation. Under our executive compensation program, executives are eligible to receive cash bonuses under MSCI's Annual Incentive Plan (AIP) based on the achievement of certain financial performance metrics, individual key performance indicators (KPIs) and DE&I goals. MSCI's formula-based AIP is composed of three distinct components: • Annual financial criteria weighed at 70% of the executive's target annual bonus. • Individual KPIs tied to strategic goals, including climate commitments, leadership effectiveness and engagement scores, as applicable, weighed at 20% of the executive's target annual bonus. • Individual KPIs tied to progress against specific DE&I goals weighed at 10% of the executive's target annual bonus. The Compensation Committee is responsible for annually reviewing, approving and assessing the progress towards those goals, which includes reviewing

		financial performance metrics, KPIs and DE&I goals, for MSCI's executives. In 2022, the CEO included as a goal advancing MSCI's thought leadership and engagement in the area of climate, and other executive officers included goals relating to enhancing the Company's sustainability practices and advancing the Company's ESG and Climate products and services. The Compensation Committee reviews progress against individual performance goals for our executive officers.
Scheduled – some meetings	Reviewing and guiding the risk management process	The Audit Committee oversees MSCI's key business risks, including any potential material climate-related risks, or those that could result in a significant impact on MSCI's operations, such as an extreme weather event that impairs the IT infrastructure, impedes business continuity, or adversely affects financial results. The Audit Committee receives quarterly updates from our Enterprise Risk Management Officer on the work of the Enterprise Risk Oversight Committee (EROC). In 2022, the enterprise risk management program included updates relating to the management of climate-related risks and opportunities. The EROC oversees the Company's key risk management activities to ensure the Company is identifying, evaluating and managing risks that may have an impact on the Company's ability to achieve its operational and strategic objectives, a role which includes ongoing assessments of climate-related risks and opportunities. On a quarterly basis, the Audit Committee is updated on the Company's IT risk program by MSCI's CISO, covering an overview of risks and trends, including any risks that are material or likely to have a significant impact, for example, as result of climate change-related extreme weather events. In addition, the Audit Committee receives updates about the results of assessments conducted by outside advisors who provide independent assessments of our IT risk program and response preparedness. The Chair of the Audit Committee provides a quarterly report to the Board of any key updates, including those

		on any climate-related risks likely to have a significant impact on MSCI's operations or financial results.
Scheduled – some meetings	Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing and guiding strategy	The Strategy Committee ensures that management factors material climate-related risks and opportunities into the Company's strategy. The Strategy Committee also monitors and provides guidance on strategic objectives, including those on sustainability-related partnerships and acquisition opportunities for climate-related products and services. The Committee meets with MSCI's senior management and Strategy and Corporate Development Team on a quarterly basis to discuss partnership and acquisition opportunities. Through its strategy and budgeting approval process, the Board is presented with investment opportunities that include initiatives that allow MSCI to further establish itself as a leading provider of ESG products, including climate-related products and services. For example, as part of these efforts, in October 2022, MSCI announced its investment in Evora Global Limited, a professional real asset consultancy that helps real estate companies with their ESG strategies, sustainable finance and climate risk management and disclosure. With support from MSCI, Evora's services will aim to improve the flow of critical decision data and accelerate the adoption of climate standards and strengthen the global real asset investment process.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Our CEO, who serves as Chairman of the Board, has the necessary competence in climate-related issues to establish MSCI's corporate strategy, including prioritizing the development of climate tools and products to assist clients with their objectives relating to sustainable investing. He understands the importance of collective leadership in reducing the warming of our planet and the need to establish a net-zero pathway, not just for our company, but for the broader investment community. Our CEO demonstrated this competence in 2022 through,

		among other things, his influence on the broader investment ecosystem through publications and speaking engagements across multiple channels and high-profile events, such as the Conference of Parties (COP27) in Egypt.
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Operating Officer (COO)

Climate-related responsibilities of this position

Managing climate-related acquisitions, mergers, and divestitures
 Developing a climate transition plan
 Implementing a climate transition plan
 Integrating climate-related issues into the strategy
 Setting climate-related corporate targets
 Monitoring progress against climate-related corporate targets
 Managing public policy engagement that may impact the climate
 Assessing climate-related risks and opportunities
 Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The President, who also serves as the COO, reports to the CEO and to the Board on climate-related issues as important matters arise. The Chief Responsibility and Diversity Officer (CRDO) regularly briefs the President on important climate matters, especially with regards to our external commitments and progress toward them. The President is also a member of our Corporate Responsibility Policy Committee where all critical climate-related matters are discussed before approval and implementation.

Position or committee

Other C-Suite Officer, please specify
 Chief Responsibility and Diversity Officer (CRDO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
 Providing climate-related employee incentives
 Developing a climate transition plan
 Implementing a climate transition plan
 Integrating climate-related issues into the strategy
 Setting climate-related corporate targets
 Monitoring progress against climate-related corporate targets
 Managing public policy engagement that may impact the climate
 Assessing climate-related risks and opportunities
 Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Other, please specify
 The CRDO reports to the CHRO, who reports to the CEO

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

As outlined in the role responsibilities above, the CRDO engages daily on all critical sustainability issues. She has the ability to take a view across the organization and apply a unified approach to ensure the firm continues to proactively manage our climate strategy. Leveraging inputs from across the firm, she established our climate-related corporate targets and with it our climate transition plan to hit our targets. The CRDO is actively monitoring the firm's carbon emissions and the risks and opportunities associated with them. She is responsible for providing climate-related employee incentives as she supports the development and evaluation of the climate goals of our management committee. Our CRDO reports quarterly to the Governance Committee of the Board on climate-related issues.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	We incorporate the assessment of climate-related actual results versus goals as part of the 20% of target bonus KPI component of the annual incentive plan for members of our Management Committee.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Achievement of a climate-related target

Increased engagement with customers on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Under MSCI's pay-for-performance compensation program, the compensation paid to each Executive Committee member consists of a base salary, long-term equity awards and annual cash bonus. These three components are determined by MSCI's overall financial performance during the year and the executive's individual performance. Individual performance is linked to the goals these individuals set during our annual goal setting process. In addition, Management Committee members may also include climate-specific goals for individual evaluation set during our annual goal-setting process.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

In 2022, our CEO and Chairman's goals included growth of climate solutions across all product lines. He also advanced MSCI's thought leadership in climate through publication and speaking opportunities across multiple channels and high-profile events, such as the Conference of Parties (COP27) in Egypt. He also supported initiatives to establish MSCI as a leader in climate with clients and supported corporate actions that reinforced MSCI's commitment to climate action through the establishment of enhanced science-based near- and long-term, and net-zero targets that were verified by the Science Based Targets initiative. He also oversaw the identification and setting of 2025 milestones to demonstrate progress toward MSCI's 2040 net-zero target.

Entitled to incentive

President

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Achievement of a climate-related target

Increased engagement with customers on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

MSCI's President's compensation is linked to, among other areas, the management and development of ESG and Climate-related products and services. The President is incentivized based on the financial performance of MSCI, including the achievement of sales targets for products and services in the ESG and Climate, Index and Real Estate product lines, including ESG and Climate indexes.

Under MSCI's pay-for-performance compensation program, the compensation paid to each Executive Committee member consists of a base salary, long-term equity awards and an annual cash bonus. These three components are determined by MSCI's overall financial performance during the year and the executive's individual performance. Individual performance is linked to the goals these individuals set during our annual goal setting process. In addition, Executive Committee members may also include climate-specific goals for individual evaluation set during our annual goal-setting process.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

In 2022, our President accelerated integration of ESG and Climate solutions across MSCI products and solutions and effectively communicated our suite of ESG and Climate offerings to clients. He supported giving investors public access to key tools for measuring climate data such as Implied Temperature Rise metrics, providing greater transparency around climate pledges. He delivered on our climate commitments to achieve net-zero before 2040 by supporting the verification of MSCI's science-based near term, long-term and net-zero targets, and supporting the reduction of MSCI's carbon footprint in line with stated goals as well as the increase in MSCI's own disclosures and stakeholder reporting an engagement.

Entitled to incentive

Other C-Suite Officer

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
 Achievement of a climate-related target
 Implementation of an emissions reduction initiative
 Increased engagement with suppliers on climate-related issues
 Increased supplier compliance with a climate-related requirement
 Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

The CHRO, who is also a member of the Executive Committee, is incentivized through compensation around multiple climate-related actions. In 2022, he supported the development and validation of net-zero and near-term science-based targets including short-term milestones to ensure we remain on track to deliver these goals. He led the identification and execution of opportunities for office redesigns to help achieve our goals in addition to various projects to reduce energy consumption and increase usage of energy efficient design choices across offices.

Under MSCI's pay-for-performance compensation program, the compensation paid to each Executive Committee member consists of a base salary, long-term equity awards and an annual cash bonus. These three components are determined by MSCI's overall financial performance during the year and the executive's individual performance. Individual performance is linked to the goals these individuals set during our annual goal setting process. In addition, Executive Committee members may also include climate-specific goals for individual evaluation set during our annual goal-setting process.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Initiatives for 2022 relating to this goal included overseeing significant development of climate-related initiatives such as net-zero and science-based targets, acceleration of engagement with suppliers and initiatives with suppliers to advance sustainability objectives. Ensuring efficiencies, policies, and increased data and transparencies in the climate-related space.

Entitled to incentive

Other C-Suite Officer

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Energy efficiency improvement
Increased engagement with suppliers on climate-related issues
Increased supplier compliance with a climate-related requirement
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Under MSCI's pay-for-performance compensation program, the compensation paid to the CRDO consists of a base salary, long-term equity awards and an annual cash bonus. These three components are determined by MSCI's overall financial performance during the year and the executive's individual performance. Individual performance is linked to the goals these individuals set during our annual goal setting process. A part of MSCI's overall financial performance is determined by the extent to which MSCI is successful in launching ESG and Climate solutions and expanding existing ones.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The CRDO's goals are incentivized through our compensation structure related to championing a strong corporate responsibility platform. In 2022, the Chief Responsibility Officer role was assumed by and retitled to reflect the full scope of the successor's role, Chief Responsibility and Diversity Officer.

Entitled to incentive

Management group

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Implementation of an emissions reduction initiative
Energy efficiency improvement
Increased share of low-carbon energy in total energy consumption
Increased share of renewable energy in total energy consumption
Reduction in total energy consumption

Increased engagement with suppliers on climate-related issues
 Increased supplier compliance with a climate-related requirement
 Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

The Head of Corporate Services (HCS), who reports to the CHRO, is incentivized through compensation for implementing environmental and sustainability initiatives that help us minimize our environmental impact and progress on our carbon reduction efforts. In 2022, he delivered by incorporating operational efficiencies through office redesigns involving energy efficient designs. He led the engagement with suppliers to validate climate commitments and enhanced the supplier sustainability and diversity team to accelerate our engagement with suppliers to advance our sustainability objectives of working with suppliers that have adopted science-based targets that align with MSCI's. He updated the MSCI Supplier Code of Conduct to reflect these climate commitment expectations.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

When selecting new office space, the HCS and facility managers use a comprehensive multi-factor checklist including environmental and other criteria to evaluate a property's environmental sustainability. These criteria include the availability of renewable energy, accessibility to public transportation, use of energy efficient building systems, protection of biodiversity and the location's overall vulnerability to extreme weather events and natural disasters.

The HCS and members of the global strategic sourcing and procurement team are evaluated and incentivized for ensuring suppliers are made aware of MSCI's environmental, climate and carbon objectives, as outlined in MSCI's Supplier Code of Conduct (SCOC) as well as our Environmental Policy (EP). To ensure the appropriate level of engagement with the supply chain, the HCS has continued to develop the Supplier Sustainability and Diversity (SS&D) team within the global strategic sourcing and procurement team.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	3	
Long-term	3		3 and beyond is considered long-term.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

MSCI considers both quantitative and qualitative factors in determining substantive financial or strategic impacts from climate change. If a climate issue has potential to generate a greater than USD 75 million annual impact to MSCI's adjusted earnings before interest, depreciation and amortization (Adjusted EBITDA), as defined in the Company's financial statements, this would trigger a review of qualitative factors, including, but not limited to:

- 1) whether the impact requires a significant change in our operations and/or how we deliver our products to our clients;
- 2) whether it's necessary to make an extended or permanent change in location of a facility or implement our business continuity plans beyond current scenarios; and
- 3) whether the impact results in a significant change to our or our clients' business strategy.

We would deem climate change to have had a substantive financial or strategic impact if one or more of the qualitative factors met that threshold in addition to the quantitative factor. As of December 31, 2022, no climate-related event has met these criteria.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Our processes for identifying and assessing climate-related risks are multi-pronged and seek to continuously capture insights on those risks we may face in coming years.

We regularly engage with our stakeholders and conduct benchmarking analyses to identify the most relevant risks for our business and industry. This includes an annual series of meetings with our shareholders that focuses on corporate responsibility issues, which helps us to better understand their areas of interest, including climate-related risks.

Our insights on climate-related risks are also informed by both TCFD guidelines and the CDP climate questionnaire.

We also use our Climate VaR model, which aligns with the TCFD's risk categories, to conduct a scenario analysis and identify and assess MSCI's most probable climate-related facility-level physical and enterprise-level risks. The scenario analysis we conduct as part of the Climate VaR analysis allows us to assess the impact of climate risks, including physical and transition risks.

We have leveraged the TCFD framework to categorize our climate-related risks, including technology, market, reputation, acute physical and chronic physical risks, as well as policy and legal related risks. Consistent with how we evaluate other risks at MSCI, we determine each quarter an overall risk level for our climate-related risks (such as high, medium and low) by considering such risks in terms of potential likelihood and potential impact. In this way, climate-related risks can be viewed relative to other risks we manage and monitor across the company.

We also consider climate-related risks in terms of a potential impact across the short- (less than one year), medium- (one to three years) and long-term (more than three years) horizons. These horizons align with our business, strategy and financial planning.

We have developed different types of mitigation strategies to manage climate-related risks depending on the type of risks we face. Our business resiliency team, for example, assesses the potential likelihood and potential impact of extreme climate events in geographies where we operate, and it develops, implements and tests technology systems to support MSCI's business continuity plans. Managing climate-related commercial opportunities occurs at a product-line level. The heads of our product lines and key functional areas oversee efforts to conduct regular consultations with the global investment community and engage with clients through regular meetings and events, such as client advisory panels, to better understand the demand for climate-related

products.

Our processes for identifying, assessing and managing climate-related risks (including transition and physical risks) are integrated into our firmwide risk management framework, allowing climate-related risks to be considered with a high degree of transparency, visibility and accountability.

As part of our company-wide risk management framework, we prepare a risk dashboard each quarter, providing a summary of our significant enterprise-level risks. We also provide the EROC with risk-specific details, such as assessments of impact and likelihood, and key mitigating actions. In addition, we provide a set of metrics used to assess and measure our progress in managing climate-related risks, such as those related to our carbon footprint, our use of renewables, and the percentage of our suppliers with climate commitments.

Our Board is responsible for overseeing the management of company risks, including climate-related risks. The Audit Committee receives a quarterly update from the Enterprise Risk Management Officer on, among things, the work of the EROC. The Audit Committee also receives quarterly updates from our Chief Information Security Officer (CISO) on plans to ensure business continuity and the recovery of our IT infrastructure in the event of potential disruptions, including those that could be caused by extreme-weather events. In addition, the Governance Committee receives quarterly updates from the CRDO, which include reporting on progress on climate-related commitments.

Risk Management Case Study:

Situation: In 2022, as part of our integrated company-wide risk management framework, we strove to improve our insights and quantitatively analyze climate-related risks we may face in the short-, medium- and long-term.

Task: We sought to use MSCI's ESG Research products and tools, also available to clients, to (i) assess physical and transition risks, (ii) identify potential substantive climate change-related disruptions to our business (iii) identify means to progress our sustainability goals.

Action: We undertook the following steps:

- In using the MSCI ESG Research Climate Targets and Commitments Dataset, we were able to compare MSCI's science-based net-zero targets to those of our peers and gain a clearer picture of which of our suppliers are sustainable.
- We further analyzed our efforts with data from the MSCI Implied Temperature Rise tool, designed to indicate how well public companies align with global temperature goals.
- We also applied the MSCI Climate VaR model to help gauge our exposure to future climate-related transition and physical risks.

Result: The insights from these analyses were integrated into the firm's risk

management framework, thereby bolstering our assessment of climate-related risks.

Specific insights and related actions included the following:

i) Based on our MSCI ESG Research Climate Targets and Commitments Dataset analysis, we intensified efforts to reduce emissions within our supply chain — the source of 78% of our GHG emissions in 2021 — by developing a sustainable supplier management program to fully integrate climate considerations into our supplier selection process and prioritize our spend with suppliers aligned with our climate goals. We have increased direct engagement with our top suppliers to strongly encourage they take the following steps:

- a. Adopt science-based emissions-reduction targets aligned with a 1.5°C climate pathway.
- b. Publicly report progress toward achieving science-based emissions reduction targets.
- c. Use renewable energy for operations wherever feasible.
- d. Reduce total carbon footprint to net-zero before 2040.
- e. Focus on cutting emissions before considering the use of offsets for emissions that are impossible to eliminate.

ii) In addition, our Climate VaR model provided further insights on the adverse effects climate change may have on MSCI's business operations, most significantly concerning the potential impact of tropical cyclones as the main driver of physical climate risk for MSCI. The data directly informed our decision to open a new office in Pune, India, a city that sits at a higher elevation and less susceptible to weather related events, including flooding, than other alternatives in India.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	1. MSCI is currently not subject to extensive climate-related regulations covering its physical operations. We do, however, strive to comply with all relevant environmental regulations applicable to our operations. The MSCI Corporate Services department is responsible for ensuring compliance with applicable environmental laws and regulations. Given that MSCI leases all of its office space, the Corporate Services department manages relationships and contracts with local landlords to oversee compliance with relevant laws and regulations, and we endeavor to secure from our landlords their direct obligation to comply with those laws and regulations, including those related to climate and emissions. In our New York office, for example, we engaged in conversations with our landlord to understand what progress had been made toward complying with Local Law 97. Under this law, most

		buildings over 25,000 square feet are required to meet energy efficiency and GHG emissions limits by 2024, with stricter limits coming into effect in 2030. The goal of this law is to reduce the emissions produced by the city's largest buildings — 40% by 2030 and 80% by 2050. As a result of these conversations, MSCI understands and is able to support directly the steps the landlord is taking to comply with this regulation. We have established a process to monitor this progress. 2. MSCI product groups for ESG Research and Index also track and comply with current product-related regulations.
Emerging regulation	Relevant, always included	1. MSCI considers emerging regulation as part of our organization's climate-related risk assessments. We track proposed regulation that may have an impact on the Company or its disclosures, such as the SEC's proposed rule on the Enhancement and Standardization of Climate-Related Disclosures for Investors. 2. MSCI is currently not subject to extensive climate-related regulations covering its physical operations. We do, however, strive to comply with all relevant environmental applicable to our operations. The Corporate Services department is responsible for ensuring compliance with applicable environmental laws and regulations. Given that MSCI leases all of its office space, the Corporate Services department manages the relationships and contracts with local landlords to oversee compliance with laws and regulations. We strive to secure from our landlords their direct obligation to comply with laws and regulations, including those related to climate related and emissions. 3. MSCI product groups for ESG Research and Index also track and comply with product-related regulations.
Technology	Relevant, always included	1. MSCI's IT Disaster Recovery Planning aims to mitigate key risks to IT infrastructure resulting from cyber, climate and extreme weather events, among other types of events. Historically, MSCI has experienced the impact of extreme weather events in some of its office locations, including Mumbai, India (tropical cyclones and monsoons), Norman, Oklahoma (tornadoes) and New York, New York (winter storms). To date, the robust development, testing and refinement of our resiliency plans have helped mitigate the impact of these events. MSCI routinely conducts tabletop disaster simulation events, including extreme weather events, for every office. An illustrative example of our investment into and, the robustness of, our business resilience program was our ability to quickly virtually set up all our global staff to work from home without material disruption to our operations during the COVID-19 pandemic. We believe this flexibility could also potentially be used to mitigate the effects of a climate-related event that impacts our offices' ability to function.

		2. We identify multiple sources of critical services to reduce the potential impact of supply chain disruptions wherever possible. For example, MSCI operates in co-located data centers in both Europe and the United States to enhance our ability to maintain continuity in the event extreme weather, a cyber event or other events were to impact one of the locations. Notably, MSCI also partners with Microsoft Azure and Google as strategic cloud service providers. Azure and Google provide MSCI geographically diverse data center locations, which allow us to mitigate the potential impact of a climate event to any specific site.
Legal	Relevant, always included	Our Legal and Compliance departments evaluate risks resulting from litigation, including the risk of climate-related litigation. While we believe our exposure to climate-related litigation risk is limited because our direct operations are not a large contributor to GHG emissions, reputational or other loss in credibility could result from, among other things, (i) failure to meet publicly disclosed climate reduction targets or goals or (ii) our misalignment with evolving market standards or standards, metrics, methodologies or other elements of our climate-related solutions. Our Legal Department works with our Government and Regulatory Affairs Department and our Corporate Responsibility, Enterprise Risk Management and Finance functions to assess the risks and costs associated with expanding disclosure obligations under enacted and proposed regulations. Those include the SEC's proposed climate rules, The Enhancement and Standardization of Climate-Related Disclosures for Investors, the UK's Streamlined Energy and Carbon Reporting regulation, and other relevant regulatory developments. Additionally, our Government and Regulatory Affairs Department, which reports to our General Counsel, works with our product lines to advise on: (1) the impact of climate-related regulations on the solutions we offer to our clients and, at times, (2) proposed new products in response to current and emerging regulations. Many of our clients are in the financial services sector and leverage our solutions to help them comply with stakeholder mandates or regulations relating to the integration of climate considerations into their investment decisions. To support our clients, we work to ensure our tools and solutions are based on the best available data. Our Corporate Services function is also supported by our Legal Department, which reviews our Supplier Code of Conduct and advises on climate-related assurances in vendor contracts. We will continue to monitor and mitigate climate-related legal risks by, among other things, enhancing our controls, enhancing the quality of our data and analysis, and monitoring current and emerging regulation.

Market	Relevant, always included	To help our clients assess climate-related risks and opportunities in their investment processes, we monitor current and emerging market trends related to our tools and solutions. MSCI conducts consultations with the global investment community, and we engage with clients through regular meetings and events such as client advisory panels, so we can address client needs with our products, including those that provide insight into climate-related risks and opportunities. MSCI has a robust suite of climate solutions including data, indexes, scenario analytics and portfolio reporting, including TCFD reporting capability. We could lose market share, for example, on our ESG and climate index products if we failed to adapt our current service offerings to meet evolving client needs. To address this risk and support our clients, in 2022, we conducted a client consultation regarding enhancements to our Low Carbon Transition model which was initially introduced in late 2018 and is part of our suite of climate-related data and metrics.
Reputation	Relevant, always included	As a leading provider of critical decision support tools and solutions for the global investment community, we are subject to a variety of climate-related reputational risks concerning our product offerings and operations. Reputational risks are particularly relevant for MSCI in the event of a perceived misalignment between our operations and our solutions. Our failure to meet publicly disclosed ESG and climate-related targets or goals, or misalignment with evolving market standards or the methodologies and standards used in our own products and ESG ratings, could potentially damage our reputation and our ability to attract and retain clients, as well as sustain and grow our ESG and climate-related tools and solutions. Errors in, or criticisms of, our ESG and Climate offerings, including our ESG ratings, processes, decisions and methodologies, could also result in reputational risks or other loss in credibility and may insert MSCI into a public spotlight or a public debate regarding the environment, climate change, social concerns or corporate responsibility.
Acute physical	Relevant, always included	We believe the most significant potential impact from an acute physical risk event would be to MSCI's IT Infrastructure. MSCI's IT Disaster Recovery program and planning aims to mitigate key risks resulting from climate, cyber and extreme weather events, among other types of events. MSCI maintains business critical IT infrastructure operations across multiple primary third-party data centers, which source highly resilient power and telecommunications. For example, MSCI operates in co-located data centers in both Europe and the U.S. to enhance our ability to maintain continuity in the event extreme weather or other climate-related risks were to impact one of the locations. Notably, MSCI also partners with Microsoft Azure and Google as strategic cloud service providers. Azure and Google provide MSCI geographically diverse data-center locations, which allow us to mitigate the potential

		impact of a climate event to any specific site. Another potential impact from an acute physical risk event is disruption to the offices where MSCI employees work and support MSCI's clients and operations. Historically, MSCI has experienced the impact of extreme weather events in some of its office locations, including Mumbai, India (tropical cyclones and monsoons), Norman, Oklahoma (tornadoes) and New York, New York (winter storms). To date, the robust development, testing and refinements to our resiliency plans have helped mitigate the impact of these events. MSCI routinely conducts tabletop disaster simulation events, including those for extreme weather events, for every office. This flexibility of locations could also potentially be used to mitigate a climate-related issue. We also continue to reduce concentration risks at our key locations. Additionally, we identify multiple sources of critical services to reduce the potential impact of supply chain disruptions wherever possible. To further inform the assessment of our climate-related risks, MSCI has performed a climate-related scenario analysis using MSCI's own Climate VaR model. These risks include the physical risks of tropical cyclones, extreme heat and coastal flooding. The analysis has guided MSCI's ongoing efforts to enhance the processes and frameworks for managing climate-related risks and opportunities and improving communications around these efforts, including those related to lowering environmental impact and enhancing energy efficiency.
Chronic physical	Relevant, always included	We believe the most significant potential impact from chronic physical risks would be to MSCI's IT Infrastructure. MSCI's IT Disaster Recovery program and planning aims to mitigate key risks resulting from climate, cyber and extreme weather events, among other types of events. To further assess our climate-related risks, we performed a climate-related scenario analysis using MSCI's own Climate VaR model. These risks include the physical risks of tropical cyclones, extreme heat and coastal flooding. The analysis has guided MSCI's ongoing efforts to enhance the processes and frameworks for managing climate-related risks and opportunities and improving communication around these efforts, including those related to lowering environmental impact and enhancing energy efficiency. Risks are mitigated through a cycle of planning, testing and enhancement. We also consider climate-related impacts through our business resilience process and insurance coverage, including the cost of premiums.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Cyclone, hurricane, typhoon

Primary potential financial impact

Increased direct costs

Company-specific description

Climate change is expected to increase both the frequency and severity of extreme weather events in many of the regions in which we operate. Our ability to continue to operate depends, in part, on the health and availability of our personnel, our office facilities and the proper functioning of our electronic, telecommunication and other related systems and operations.

We have used our Climate VaR Model to conduct a climate-related scenario analysis. This analysis has enabled us to analyze climate-related risks and opportunities we may face in the coming years and decades.

Based on this most recent scenario analysis, the main potential contributor to future physical climate risk for MSCI is tropical cyclones, with an estimated aggregated potential impact of up to approximately USD 183 million between the years 2021 and 2100. This aggregated estimated amount does not reach the threshold for a significant financial or strategic risk, defined as greater than USD 75 million annual impact to our Adjusted EBITDA. This analysis is based on an assessment of both transition and physical risks and opportunities, including determining whether extreme weather could damage assets at a facility or new climate change policies could require technological change. Other physical risks assessed in the scenario analysis, including those associated with fluvial flooding, wildfire and extreme cold, were deemed low.

Tropical cyclones could adversely affect MSCI's business operations, including those in our Manila, Philippines facility, in a number of ways. These effects, which are embedded in the methodology used by MSCI ESG Research to estimate the impact of tropical cycles for MSCI, could potentially include business interruption and severe wind and flood damage.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1

Potential financial impact figure – maximum (currency)

183,000,000

Explanation of financial impact figure

We used our Climate VaR model to conduct a climate-related scenario analysis. This enabled us to quantitatively analyze climate-related risks and opportunities we may face in the coming years and decades. The approach is closely aligned with the recommendations of the TCFD in that it assesses both transition and physical risks and opportunities.

Our Climate VaR model computed the current level of climate-related physical risk from 10 distinct hazards on our facilities, such as extreme heat, extreme cold, fluvial flooding, coastal flooding and tropical cyclones, and how their level of risk may change under different physical risk scenarios. MSCI ESG Research also translated the physical risk from these hazards into costs and opportunities calculations for each of our facilities.

Our Climate VaR model computed two physical risk scenarios:

- 1) an average scenario corresponding to the expected monetary value of the aggregated impact between 2021 and 2100
- 2) an aggressive scenario reflecting the severe downside risk corresponding to the 95th percentile of the cost distribution

Through the lens of the average scenario, the main potential contributor to future physical climate risk for MSCI is tropical cyclones, with an estimated aggregated potential impact of up to approximately USD 183 million between 2021 and 2100, based on an assessment of both transition and physical risks and opportunities.

The methodology used to estimate this potential financial impact is as follows:

To quantify the estimated potential future impact of tropical cyclones, MSCI ESG Research employs the open-source NatCat model CLIMADA. CLIMADA uses a

stochastic hurricane generator based on an extensive set of historical hurricanes and a set of regionally calibrated damage functions. We employ climate-model based projections of the future frequency and intensity of tropical cyclones to accordingly modify the generated set of cyclone tracks.

Cost of response to risk

2,400,000

Description of response and explanation of cost calculation

We regularly assess and take steps to improve our response to climate-related risks. MSCI's Business Resilience Strategy considers the extent to which the physical risks of climate change may impact MSCI's operations, including whether these risks could potentially impact our IT and physical infrastructure and/or our ability to provide clients with products and services. We also regularly evaluate the potential for supply-chain disruption, including climate-related impacts over both short- and long-term horizons. Wherever possible, we identify multiple sources of critical services to reduce the potential impact of supply-chain disruptions. Our estimated annual cost for responding to climate-related risks, including those relating to tropical cyclones, is approximately USD 2.4 million. This is based on two key components:

1. MSCI annually assesses and obtains comprehensive third-party insurance to mitigate the impact of damage to physical facilities and business disruptions from all hazards, including climate-related causes. The estimated cost of the related insurance premium is approximately USD 250,000.
2. MSCI's Business Resiliency team maintains and tests our business resiliency plans, which helps reduce the impact of disruptions caused by all hazards, including climate-related events. The estimated annual expense associated with this team and its related expenses is approximately USD 2,100,000.

Case Study:

Situation: In 2022, MSCI evaluated several locations for a new "Data Operation Center".

Task: In connection with this selection process, MSCI considered the extent to which climate-related risks may impact MSCI's operations.

Action: We used our Climate VaR model to measure our exposure to climate-related risks for each location. Management then incorporated this information into its decision-making.

Result: MSCI identified Coimbatore, located in the state Tamil Nadu, as our new Data Operation Center location, which opened in September 2022. This resulted in:

- i. reduced concentration risk among our three offices in India (Mumbai, Pune and now Coimbatore) over the short- and long-term
- ii. enhanced business resiliency plans to reduce the impact of potential disruptions in Coimbatore, including those due to flooding
- iii. better availability of renewable electricity since Tamil Nadu offers a higher renewable energy profile than other locations considered. In 2022, 40% of electricity generated in Tamil Nadu came from renewable sources.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Investors and issuers use our climate data and tools to support their investment decision making. This includes measuring and reporting on climate risk exposure, implementing low-carbon and fossil-fuel-free strategies, factoring climate change research into risk-management processes and engaging companies and external stakeholders, to better align with a net-zero trajectory.

Our Climate Solutions, which give clients access to a wide range of tools and data and are designed to address a variety of needs, include:

- (1) Climate and net-zero solutions, which empower investors to analyze and report on their portfolios' exposures to transition and physical climate risk.
- (2) Climate indexes for both equity and fixed income for institutional investors who wish to address climate change.
- (3) Climate Lab Enterprise, which enables a comprehensive view of climate risk across enterprises, strategies, portfolios and companies and across transition and physical risk, emissions and scenarios to assess alignment and track progress toward climate goals.
- (4) Private assets climate solutions, which allow investors to understand and manage their climate impact and risk across their private-asset investments.

(5) Real estate climate solutions, which help real estate investors integrate climate, performance and risk analysis to build more sustainable portfolios.

MSCI continues to invest extensively in product development around emerging segments and use cases by developing solutions for corporates, banking advisory as well as fixed income investors. In addition, we are focused on expanding our use of newer technologies such as Natural Language Processing and Artificial Intelligence to solve a growing set of complex problems for our clients.

Time horizon

Short-term

Likelihood

Unknown

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

80,000,000

Potential financial impact figure – maximum (currency)

110,000,000

Explanation of financial impact figure

MSCI does not provide run rate guidance or long-term targets for any of its product lines. As of Dec. 31, 2022, the run rate (as defined in MSCI's financial statements) for our ESG and Climate operating segment was approximately USD 270 million. For illustration of the potential incremental opportunity, the result is an incremental annual opportunity in the range of USD 80 million to USD 110 million in run rate. These projections are provided for illustration only and should not be relied upon as indicative of future results.

Cost to realize opportunity

70,000,000

Strategy to realize opportunity and explanation of cost calculation

MSCI continues to develop its suite of climate-related data, tools and solutions. As demand from our clients for ESG and climate solutions increases, MSCI's research, tools and solutions will aim to provide the transparency our clients need to better integrate ESG and climate risks and opportunities into their investment processes. For the year ending Dec. 31, 2022, our ESG and Climate operating segment had an Adjusted EBITDA margin of 26.8%. Using this same margin for the illustrative opportunity detailed above, the implied cost associated with the potential opportunity

would be in the range of USD 60 million to USD 80 million per year: min: (\$80M x 73.2% = ~\$60M) max: (\$110M x 73.2% = ~\$80M).

This estimated cost of response to realize this opportunity would include the cost of our Product and Coverage teams, enhancing our existing tools and capabilities, as well as acquiring new data sets. These projections are provided for illustration only and should not be relied upon as indicative of future results.

Case Study:

Situation: Investors use climate indexes to align their passive portfolios with their climate roadmap and benchmark their active climate strategies. We recently worked with a large pension fund that was looking for a climate index that aligned with its strategy of investing in sector leaders to fund their climate transition activity, a product that was not yet available in the marketplace.

Task: Create a new climate index that is: sector balanced, includes sector-leading companies based on their climate transition activities, built using a simple and transparent methodology, a standard or flagship index, available to other investors and asset managers, able to be licensed to other asset managers and exchanges

Action: In 2022 MSCI piloted and launched the MSCI Climate Action Indexes, leveraging and integrating feedback from 30 asset owners in the process, addressing the requirements above.

Result: The Climate Action Indexes are a suite of equity indexes designed to support investors with a strategy focused on companies that are leaders in their sectors with respect to climate transition activities, including in emissions reduction commitments, climate risk management and revenue from greener businesses. These indexes provide investors a broader choice of climate indexes to integrate climate considerations into their investment processes. This case study highlights a product that has already been launched and implemented by MSCI in 2022.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

We engage with our major stakeholders regularly on climate-related topics through one-on-one meetings as well as our annual Corporate Responsibility Investor Roadshow.

Frequency of feedback collection

Annually

Attach any relevant documents which detail your climate transition plan (optional)

<https://www.msci.com/documents/1296102/32918722/Climate-Transition-Plan-2022.pdf/f4b09cff-9c17-1af0-1e2f-10c9f9ec2895>

 MSCI-Climate-Transition-Plan-2022.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	2.1°C - 3°C	We conducted a climate-related scenario analysis to quantitatively analyze the climate-related risks and opportunities using our Climate VaR model. MSCI ESG Research comprehensively assesses future climate-change risks and opportunities, which include transition risks and opportunities related to GHG emissions limitations and physical risks and opportunities from climate change. i) Climate VaR aims to provide a quantitative and forward-looking analysis on how climate change may affect a company's market valuation. ii) Costs are calculated out to the end of the century. iii) The model sets the current level of climate-related physical risk from ten hazards to companies' facilities and how that may change under different future scenarios. The physical risk from these hazards is converted into costs or opportunities for

			each company facility. iv) Based on the physical risk assessments, tropical cyclones pose the greatest risk to MSCI's office locations, particularly Manila and Tokyo, and extreme heat and coastal flooding risk exposure may slightly increase at some office locations. v) An example of how the Climate VaR results directly influenced MSCI's business objectives and strategy is our choice of a second office location in Pune, India, which is roughly 100 miles inland from Mumbai and sits at a higher elevation. We considered other locations such as Hyderabad and Bangalore but decided on Pune for several reasons, including those related to longer-term climate risks. In addition, MSCI developed the Implied Temperature Rise metric, which is aligned with recommendations published by the TCFD Portfolio Alignment Team. Implied Temperature Rise indicates how much the world's temperature would increase if the whole economy had the same carbon overshoot or undershoot as the company in question.
Transition scenarios Customized publicly available transition scenario	Company-wide	1.6°C – 2°C	We conducted a climate-related scenario analysis to quantitatively analyze the climate-related risks and opportunities using our Climate VaR model. MSCI ESG Research comprehensively assesses future climate-change risks and opportunities, which include transition risks and opportunities related to GHG emissions limitations and physical risks and opportunities from climate change. i) Climate VaR aims to provide a quantitative and forward-looking analysis on how climate change may affect a company's market valuation. ii) Costs are calculated out to the end of the century. iii) The model sets the current level of climate-related physical risk from ten hazards to companies' facilities and how that may change under different future scenarios. The physical risk from these hazards is converted into costs or opportunities for each company facility. iv) Based on the physical risk assessments, tropical cyclones pose the greatest risk to MSCI's office locations, especially in Manila and Tokyo, and extreme heat and coastal flooding risk exposure

			may slightly increase at some office locations. v) An example of how the Climate VaR results directly influenced MSCI's business objectives and strategy is our choice of a second office location in Pune, India, which is approximately 100 miles inland from Mumbai and at a higher elevation. We considered other locations such as Hyderabad and Bangalore but decided on Pune for several reasons, including those related to longer-term climate risks. In addition, MSCI developed the Implied Temperature Rise metric, which is aligned with recommendations published by the TCFD Portfolio Alignment Team. Implied Temperature Rise indicates how much the world's temperature would increase if the whole economy had the same carbon overshoot or undershoot as the company in question.
Transition scenarios Customized publicly available transition scenario	Company-wide	1.5°C	We conducted a climate-related scenario analysis to quantitatively analyze the climate-related risks and opportunities using our Climate VaR model. MSCI ESG Research comprehensively assesses future climate-change risks and opportunities, which include transition risks and opportunities related to GHG emissions limitations and physical risks and opportunities from climate change. i) CVaR aims to provide a quantitative and forward-looking analysis on how climate change may affect a company's market valuation. ii) Costs are calculated out to the end of the century. iii) The model sets the current level of climate-related physical risk from ten hazards to companies' facilities and how that may change under future different scenarios. The physical risk from these hazards is converted into costs or opportunities for each company facility. iv) Based on the physical risk assessments, tropical cyclones pose the greatest risk to MSCI's office locations, especially in Manila and Tokyo and extreme heat and coastal flooding risk exposure may slightly increase at some office locations. v) An example of how the Climate VaR results directly influenced MSCI's business objectives and strategy is our choice of a second office location in Pune, India, which is approximately 100 miles inland

			from Mumbai and sits at a higher elevation. We considered other locations such as Hyderabad and Bangalore but decided on Pune for several reasons, including those related to longer-term climate risks. In addition, MSCI developed the Implied Temperature Rise, which is aligned with recommendations published by the TCFD Portfolio Alignment Team. Implied Temperature Rise indicates how much the world's temperature would increase if the whole economy had the same carbon overshoot or undershoot as the company in question.
Physical climate scenarios Customized publicly available physical scenario	Company-wide	4.1°C and above	We conducted a climate-related scenario analysis to quantitatively analyze the climate-related risks and opportunities using our Climate VaR model. MSCI ESG Research comprehensively assesses future climate-change risks and opportunities, which include transition risks and opportunities related to GHG emissions limitations and physical risks and opportunities from climate change. i) Climate VaR aims to provide a quantitative and forward-looking analysis on how climate change may affect a company's market valuation. ii) Costs are calculated out to the end of the century. iii) The model sets the current level of climate-related physical risk from ten hazards to companies' facilities and how that may change under different scenarios. The physical risk from these hazards is converted into costs or opportunities for each company facility. iv) Based on the physical risk assessments, tropical cyclones pose the greatest risk to MSCI's office locations, especially in Manila and Tokyo and extreme heat and coastal flooding risk exposure may slightly increase at some office locations. v) An example of how the CVAR results directly influenced MSCI's business objectives and strategy is our choice of a second office location in Pune, India, which is approximately 100 miles inland from Mumbai and sits at a higher elevation. We considered other locations such as Hyderabad and Bangalore but decided on Pune for several reasons, including those related to longer-term climate risks.

			In addition, MSCI developed the Implied Temperature Rise metric, which is aligned with recommendations published by the TCFD Portfolio Alignment Team. Implied Temperature Rise indicates how much the world's temperature would increase if the whole economy had the same carbon overshoot or undershoot as the company in question.
Physical climate scenarios Customized publicly available physical scenario	Company-wide	3.1°C - 4°C	We conducted a climate-related scenario analysis to quantitatively analyze the climate-related risks and opportunities using our Climate VaR model. MSCI ESG Research comprehensively assesses future climate-change risks and opportunities, which include transition risks and opportunities related to GHG emissions limitations and physical risks and opportunities from climate change. i) Climate VaR aims to provide a quantitative and forward-looking analysis on how climate change may affect a company's market valuation. ii) Costs are calculated out to the end of the century. iii) The model sets the current level of climate-related physical risk from ten hazards to companies' facilities and how that may change under different future scenarios. The physical risk from these hazards is converted into costs or opportunities for each company facility. iv) Based on the physical risk assessments, tropical cyclones pose the greatest risk to MSCI's office locations, especially in Manila and Tokyo and extreme heat and coastal flooding risk exposure may slightly increase at some office locations. v) An example of how the Climate VaR results directly influenced MSCI's business objectives and strategy is our choice of a second office location in Pune, India, which is approximately 100 miles inland from Mumbai and sits at a higher elevation. We considered other locations such as Hyderabad and Bangalore but decided on Pune for several reasons, including those related to longer-term climate risks. In addition, MSCI has developed the Implied Temperature Rise metric, which is aligned with recommendations published by the TCFD Portfolio Alignment Team. Implied Temperature Rise indicates how much the world's temperature would

			increase if the whole economy had the same carbon overshoot or undershoot as the company in question.
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C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

While conducting scenario analysis we try to answer the following questions:

1. How resilient is MSCI to the different climate scenario analyses?
2. What are the major climate risks MSCI faces?
3. What is MSCI's exposure to extreme weather events?
4. Which MSCI offices are most exposed to physical risks?
5. Where can we potentially expand our presence and/or open new locations?
6. What is MSCI's climate transition trajectory?

Results of the climate-related scenario analysis with respect to the focal questions

MSCI uses our Climate VaR model to assess the resilience of its business model under several climate scenarios and answer its focal questions. In addition, MSCI ESG Research developed Implied Temperature Rise, a metric designed to show the temperature alignment of companies, portfolios and funds with global climate targets. MSCI Inc. is the ultimate parent company of MSCI ESG Research. The disclosure of the Climate VaR model and Implied Temperature Rise analysis included herein for MSCI Inc. were conducted in the same manner and based on the same information available for other companies that are not affiliated with MSCI Inc. but have not been independently reviewed or audited. Due to the affiliate relationship and the potential for a conflict of interest, this report should not be relied upon as an independent analysis of MSCI Inc. with respect to the use of Climate VaR or Implied Temperature Rise.

1. Overall, we found that the MSCI aggregate Climate VaR is -1.32%, which means that the Company's valuation can be reduced by -1.32% in a 2° mid-range and aggressive physical risks scenario. We believe that the nature of MSCI's business as a service provider of tools and solutions to the investment industry helps limit many common physical risks of climate change in even aggressive scenarios.
2. Looking more closely at the Climate VaR result, we identified that the main contributor is physical risks, as -0.05% of the Climate VaR comes from policy risks, while -1.27% comes from physical risks. This analysis reports an impact on valuation that is limited and would come mainly from tropical cyclones, extreme heat and coastal flooding. Taken together, the analysis suggests these impacts would lower MSCI's valuation by 1.27% in an aggressive scenario (this scenario represents a more severe future physical climate and is derived from the 95th percentile of the cost distribution and explores the

most serious downside risk).

3. While focusing on physical risks and assessing MSCI's exposure to 10 different hazards, we found that tropical cyclones present the greatest risk to our facilities.

4. The analysis at the facility level revealed that our office in Manila, Philippines, has the largest exposure to tropical cyclones.

5. While assessing all hazards, we specifically identified the offices with the greatest exposure to physical risks to help inform office location and expansion/contraction decisions.

6. Our Implied Temperature Rise analysis indicates MSCI's Implied Temperature Rise is 1.3°C, indicating how much the temperature of the world would increase if the whole economy had the same carbon undershoot as MSCI.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	The growing focus by investors on taking climate change into account has led to a strategic focus on climate in our product development. We offer climate solutions across our product lines and asset classes, and to support a growing number of client types and use cases. Since launching our climate product, the MSCI Low Carbon indexes in 2015, we have observed a growing interest from investors in climate-related issues. This demand, which influences MSCI's short- and long-term business strategy, has resulted in the diversification and expansion of our offerings. The emergence of climate-disclosure frameworks and climate-related financial and transparency regulation has also increased demand for climate-related stress testing and scenario analysis. Our Climate Risk Center, which we established following MSCI's acquisition of Carbon Delta in 2019, comprises specialists who are dedicated to the development of intuitive, forward-looking tools designed to help investors measure and manage risks associated with climate change, to identify climate-related opportunities for innovation and positive impact and to make environmental sustainability part of their long-term investment strategy. We anticipate continuing to expand and enhance our climate and ESG -related products and services. MSCI's

		climate indexes, metrics, data and analytical tools, together with our ESG research and ratings, are some of our most strategically important and highest-growth offerings. They address growing demand from investors, companies and financial intermediaries for making climate change part of their investment decision. We are focused on being an influential thought leader on climate-related considerations for the investment industry.
Supply chain and/or value chain	Yes	MSCI regularly evaluates the potential for disruptions to our supply chain. New business-critical suppliers are evaluated by MSCI's Information Security, Business Resiliency and Sustainable Supplier Management teams to ensure they pass rigorous onboarding requirements. This review includes understanding the potential for disruption in the short- and long-term due to various factors, including climate, weather-related and other physical risks. We analyze our suppliers' resiliency and business continuity plans to deal with various risks, including temperature extremes, storm damage, coastal flooding and other physical climate risks which may disrupt their operations and in turn may directly or indirectly impact our operations or ability to deliver our products and services. We identify sources of critical services to reduce the potential impact of supply chain disruptions wherever possible. For example, MSCI operates in co-located data centers in both Europe and the U.S. to enhance our ability to maintain continuity in the event extreme weather or other climate-related risks were to impact one of the locations. Notably, MSCI also partners with Microsoft Azure and Google Cloud Platform as strategic cloud services providers. Both provide MSCI geographically diverse data center locations, allowing us to mitigate the potential impact of a climate event to any specific site. We work to reduce our reliance on extended supply chains with the goal of improving resilience and lowering costs. For example, we use regional and local re-distributors for technology hardware and software. We also consider the office location of when evaluating the decision to leverage consultants and contingent workers in support of any business-critical operations as well as emphasize local and regional sourcing for furniture, fixtures and office supplies for our offices around the world. When selecting new office space, we follow a checklist (which considers nearly 50 criteria and is reviewed and updated at least annually) to account for a building's vulnerability to extreme weather events and natural

		disasters, the availability of renewable electricity, proximity to public transportation, energy-efficient core building systems, and controls to reduce electricity consumption. We also purchase energy-efficient and sustainable products for our offices.
Investment in R&D	Yes	MSCI continues to invest in climate solutions to enhance MSCI's product line due to increasing demand for better data on the impacts of climate change on organizations and investment portfolios globally. The demand for disclosure of timely, accurate and reasonable data on climate change has influenced MSCI's strategy for investment in R&D. MSCI continues to strive to serve as a leader providing valuable insights pertaining to ESG and climate change impacts to the institutional investor community. Examples of our climate-related R&D investments include: • Implied Temperature Rise, a forward-looking metric, designed to show the temperature alignment of companies, portfolios and funds with global climate targets. Investors can use Implied Temperature Rise to set decarbonization targets and support engagement on climate risk. Our Implied Temperature Rise data on over 2,900 companies is publicly available via an open search tool on MSCI.com. We have since expanded the public availability of the metric to include MSCI indexes and thousands of funds. The metric is also designed to support TCFD reporting. • Climate Lab Enterprise, which combines a comprehensive set of climate data and analytics with powerful forecasting tools to help investors measure, manage and monitor climate risk and the shift to sustainable growth consistently across companies, portfolios and enterprises. • MSCI Net-Zero Tracker, a quarterly report on progress by the world's listed companies in curbing climate risk. The Net-Zero Knowledge Hub is an open educational resource provided by MSCI.
Operations	Yes	To reduce climate risks related to our own operations, MSCI aims to align our business operations with the goal of limiting the rise in average temperatures to 1.5°C above preindustrial levels. Our strategic and operational decision-making consider climate change, with the goal of aligning our operations with achieving net-zero emissions and encouraging our suppliers to do the same. MSCI has developed an Environmental Policy which is reviewed and updated on at least annually — more frequently as priorities and/or relevant regulations change. The implementation of the policy is managed and monitored

		by the Global Corporate Services Department (GCSD). The policy outlines the environmental, including climate and carbon, principles which guide our strategic and operational decisions. Climate and carbon factors weigh into decisions taken in support of the policy. MSCI supports and enables its employees to adopt hybrid-work patterns. Our support of this approach has led the GCSD to reduce and/or eliminate the need for office space in some locations. This reduction trend continued during 2022, as demonstrated by reducing the size of our single largest office, located in Mumbai, India by 50%, or nearly 60,000 rentable square feet. This change is expected to materially reduce the carbon footprint of this location. We are evaluating additional opportunities to implement further office-size reductions. MSCI also considers chronic or acute physical climate risks that have the potential to disrupt business operations for the short- and long-term as part of its new location and new office selection process. We investigate the availability of renewable energy options, apply our Climate VaR quantitative tools, and conduct a comprehensive site selection checklist (nearly 50 criteria are considered) to evaluate all potential new locations and/or select physical buildings for proposed MSCI offices. In 2022, we evaluated several locations for our new Data Operations Center, before selecting Coimbatore as referenced in the case study above (2.3a).
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Acquisitions and divestments Assets Liabilities	As part of MSCI's short-, medium- and long-term strategic and financial processes and quarterly business reviews, senior management, including the Executive Committee, reviews business results and trends, including incurred and projected costs associated with providing climate-related products, as well as creating more sustainable operations. As part of this planning, MSCI evaluates the impact of climate change on MSCI's direct costs. Examples of how climate-related costs have impacted these processes include: • Direct costs of investing in technology to reduce MSCI's Scope 3 GHG

	emissions by: A) automating labor-intensive processes B) strengthening virtual meeting tools to support increased use of virtual meetings so we travel less while maintaining high levels of client engagement • Direct costs of developing policies and practices to promote environmental sustainability and efficiencies, including prioritizing office space certified by the Leadership in Energy and Environmental Design (LEED) or Building Research Establishment Environmental Assessment Methodology (BREEAM) when entering into new leases A similar process exists to review opportunities for acquisitions and divestments. In 2019, MSCI acquired Zurich-based environmental fintech and data analytics firm Carbon Delta AG (Carbon Delta) to create an extensive climate risk assessment and reporting offering for the institutional investor market. We also consider any climate-related impacts through our business resilience process and insurance coverage, including the cost of premiums. MSCI's financial planning process includes an evaluation of changes in client demand for climate-related solutions.
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C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	No, and we do not plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

272

Base year Scope 2 emissions covered by target (metric tons CO2e)

4,196

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

4,468

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

80

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

893.6

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

154.023

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

578.513

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

732.536

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

104.5060429722

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

This target is company-wide and covers 100% of our Scope 1 + 2 emissions.

In 2020, MSCI established absolute targets to reduce Scope 1 and 2 CO2e emissions by 50% and from a 2019 base year by 2035, which can be found on our website. In 2022, MSCI reaffirmed its commitment to reach net-zero emissions across the value chain by 2040 and enhanced its science-based near-term, long-term and net-zero emissions reduction targets, all of which were approved by the Science-based Targets Initiative (SBTi) and is reflected above.

Plan for achieving target, and progress made to the end of the reporting year

To achieve reductions, we plan to reduce our operational footprint, continue improving our operational energy efficiency and will continue to increase our sourcing of renewable electricity. The progress curve is likely to be incremental over time.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Abs 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

Well-below 2°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 5: Waste generated in operations

Category 6: Business travel

Category 7: Employee commuting

Category 11: Use of sold products

Category 13: Downstream leased assets

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

27,762

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

609

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

676

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

4,417

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

2,568

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

1,938

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

417

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO₂e)

38,387

Total base year emissions covered by target in all selected Scopes (metric tons CO₂e)

38,387

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO₂e)

100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO₂e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO₂e)

100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO₂e)

100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

100

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

19,193.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

33,377

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

2,331

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

190

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

1,929

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

1,664

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

2,883

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

316

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

42,690

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

42,690

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-22.4190481152

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

This target is company-wide and covers 100% of our Scope 3 emissions.

In 2020, MSCI established absolute targets to reduce Scope 3 emissions by 20%, from a 2019 base year by 2035 which can be found on our website. In 2022, MSCI reaffirmed its commitment to reach net-zero emissions across the value chain by 2040 and enhanced its science-based near-term, long-term and net-zero emissions reduction targets, all of which were approved by the Science-based Targets Initiative (SBTi) and is reflected above.

Please note: MSCI is in the process of recalculating base-year emissions and re-verifying Scope 3 purchase goods and services emissions. We currently anticipate significant changes to our base year emissions compared to the previously calculated value. We plan to publicly disclose these updated values once they have received third-party verification on our website.

Plan for achieving target, and progress made to the end of the reporting year

We plan to drive emissions reductions in our supply chain through supplier engagement and procuring low-carbon products. We are pursuing remote working opportunities where possible for our office staff. We are also aiming to minimize business travel and are shifting to lower carbon modes of business travel where possible. We also plan to incentivize the procurement of renewable energy at our downstream leased offices. The progress curve is likely to be incremental over time.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Target year for achieving net zero

2040

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

This target is company-wide and covers 100% of both our Scope 1, Scope 2 and Scope 3 emissions.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

MSCI has not yet finalized plans to invest in neutralization activities. We are currently evaluating different carbon removal / offset options.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	4	187.94
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Company policy or behavioral change
Site consolidation/closure

Estimated annual CO₂e savings (metric tonnes CO₂e)

41.04

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

5,000

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Monterrey: 8th floor representing 18% of the total space we occupy continues to be shut down and, therefore, results in energy savings (lights and AC).

Initiative category & Initiative type

Company policy or behavioral change

Site consolidation/closure

Estimated annual CO2e savings (metric tonnes CO2e)

122.4

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

20,000

Investment required (unit currency – as specified in C0.4)

85,000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Mumbai: Returned 50% space in August 2022 so all consumption will, accordingly, reduce. In addition, implemented the following measures:

1. All lights LED. Maximize day light by not placing closed rooms in front of external glazing
2. Lux level regulator that controls the brightness of the lights.

Initiative category & Initiative type

Company policy or behavioral change

Site consolidation/closure

Estimated annual CO2e savings (metric tonnes CO2e)

12.3

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

7,826

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

New York 47th floor (16% of total rented space) sublet from 1st May 2022. We had already sublet 18% before 2022 and, with this, a total of 34% is now sublet

Initiative category & Initiative type

Company policy or behavioral change
Site consolidation/closure

Estimated annual CO2e savings (metric tonnes CO2e)

12.2

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

20,490

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Additional space sublet from 1st August 2022

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
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Dedicated budget for energy efficiency	Throughout 2022, we continued to explore many opportunities related to resource efficiency and continually seek to do more, including by selecting office space in buildings certified by the Leadership in Energy and Environmental Design (LEED) or Building Research Establishment Environmental Assessment Methodology (BREEAM) — with highly efficient design, construction and operations. We continue to implement energy efficient systems and equipment and use automated lighting and air controls across our offices. As we adjust our offices or add new locations, we prioritize efficient space and renewable energy accessibility. We use a comprehensive sustainability checklist to evaluate all potential new office buildings to ensure MSCI offices meet high energy efficiency standards. For example, in 2021 MSCI's Zurich office was established in a building which received LEED Gold certification and our Budapest office was refreshed with motion-sensor controlled LED lighting and received LEED Platinum certification. MSCI also annually reviews the acquisition of energy attribute certificates (EACs) to “green” the electricity we use across our physical operations. We purchased, for example, unbundled EACs for virtually all global office locations in 2022. These EAC purchases, combined with some Green Power contracts through local utilities offset 99.86% of our total Electric Power usage in 2022. We were unable to reach 100% renewable power due to lack of access to renewable energy instruments for our South Korea office, but are actively monitoring that market and looking at other options to close this gap.
Employee engagement	In addition to taking steps to lower Scope 3 emissions, we also believe that climate education and employee engagement on local climate action can help integrate a carbon-reduction focus across MSCI. As of December 31, 2022, there were 25 Climate Action Network (CAN) groups and 93% of our employee base had the opportunity to participate in a CAN. CAN groups work across our global offices to increase awareness, engagement and management of local and global environmental issues. These groups lead discussions on local and at-home climate aware practices such as increasing energy efficiency, renewable energy usage and water conservation. Employees are also required to conduct business travel by the guidelines outlined in MSCI's travel policy; • Guidelines that encourage virtual meetings instead of traveling. • Requirement to use electric or hybrid vehicles if available whenever it is necessary to rent a car. • Requirement to use pre-approved hotels with strong sustainability practices. • Requirement to book economy instead of business for most air travel. • Guidelines that prioritize use of rail instead of air travel; we proactively identify for travelers the city combinations where rail options are available. • Guidelines that prioritize use of public transportation in lieu of cars or ride/taxi services. • Options for booking flight and rail presented to travelers via our online travel

	booking tool, prioritized by level of emissions. Travel details, including emissions, are noted in pre-travel approval and regularly reviewed with senior managers. • Tips for sustainable travel through a travel website and webinars aimed to educate travelers. Our hybrid work policies also potentially lower emissions by decreasing employee commuting.
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Low-Carbon Investment (LCI) Registry Taxonomy

Type of product(s) or service(s)

Other

Other, please specify

ESG & Climate index equity and fixed income indexes

Description of product(s) or service(s)

MSCI's suite of climate equity and fixed income indexes aims to address the key dimensions of climate investing including reducing investors' carbon footprint, shifting from fossil fuel to clean technologies and aligning with the Paris Agreement. Examples of our climate indexes include MSCI Low Carbon Indexes, MSCI Climate Change Indexes and MSCI Climate Paris Aligned Indexes.

We also provide a circular economy index series which includes exposure to renewables and energy efficiency, sustainable water transition, sharing economy, plastics transition and natural resources.

The MSCI Global Green Building Index includes developed and emerging market large-, mid- and small-cap companies that derive 50% or more of their revenues from products and services in green building. ESG ratings, research and analysis are produced by MSCI ESG Research LLC. MSCI ESG Indexes and Analytics use information from, but are not provided by, MSCI ESG Research LLC. MSCI Indexes and Analytics are

products of MSCI Inc. MSCI Indexes are administered by MSCI Limited (UK).

Calculation note: MSCI does not disclose the revenue of these indexes.

The run rate, as defined in MSCI's financial statements, for our Company-wide ESG and Climate offerings (including ESG and Climate-related products reported across all operating segments) was USD 433 million as of Dec. 31, 2022.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

272.1

Comment

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

7,767

Comment

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

4,196

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

27,762

Comment

MSCI is in the process of recalculating base-year emissions and re-verifying Scope 3 purchase goods and services emissions. We currently anticipate significant changes to our base year emissions compared to the previously calculated value. We plan to publicly disclose these updated values once they have received third-party verification on our website.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

609

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

676

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

4,417

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

2,568

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

1,938

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

417

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

154

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

6,824

Scope 2, market-based (if applicable)

579

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

33,377

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Financial spend data was provided by internal MSCI databases for PG&S categories. The financial data was used in an Economic Input-Output LCA database called CEDA to derive emissions per financial category type. The model was adjusted to account for Adjusted Price Indices of the model, such as inflation, and a Purchase to Producer Adjustment.

MSCI is in the process of recalculating base-year emissions and re-verifying Scope 3 purchase goods and services emissions. We currently anticipate significant changes to our base year emissions compared to the previously calculated value. We plan to publicly disclose these updated values once they have received third-party verification on our website.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

MSCI's internal databases do not differentiate between capital goods and purchased goods and services. As such, per guidance from the GHG Protocol, all emissions

associated with purchases are accounted for in C1 - Purchased Goods & Services.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2,331

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions are calculated using Defra's Well-to-tank (WTT) and IEA & EPA transmission and distribution (T&D) emission factors for fuels and electric power for MSCI's inventory.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Upstream transport is not relevant to MSCI's business activities. MSCI does not provide any durable products that require shipment. All of MSCI's products are either digital or service based. Emissions from the usage of digital products is captured in the Use of Sold Goods Scope 3 category. Emissions from the transportation of employees on their way to provide services are captured in the Business Travel Scope 3 category. Emissions from shipments of goods, such as office equipment, that facilitate the delivery of MSCI's services are captured in the Purchased Goods and Services category.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

190

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

MSCI utilized a waste generation study for global offices that estimated average waste generation and destination per FTE. MSCI then used Defra emission factors per end of life destination to derive total emissions.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,929

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This category includes air travel, hotel stays and car rentals. Air travel data is based on internal tracking of flights taken, multiplied by Defra air travel emission factors. Hotel emissions are calculated based on the total room nights per country multiplied by Defra emission factors for hotel stays per country. Car rental is calculated by taking total miles per vehicle type, using Defra emission factors for passenger vehicles.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,664

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This category includes employee commuting to the office and employee homeworking estimates. Employee commuting is calculated by extrapolating commuting patterns for all global locations. This included an analysis of total driving distance (based on distance between home and office zip codes) and average employee commuting patterns (based on MSCI's office manager feedback on modes including public transport, car, walking/bike and rail). The total distance for the commute was multiplied

by total assumed trips per year, multiplied by a mode-specific emission factor.
Employee homeworking energy usage was estimated using an assumed average allocation of home energy intensity and working hours, multiplied by the total number of employees per region. Emissions were estimated by taking the total energy usage per country/region and multiplying by regional electric power and natural gas factors.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

MSCI offsets 100% of emissions from our upstream leased asset properties; therefore, the emissions in this category are not relevant to the overall Scope 3 impact.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Downstream transport is not relevant to MSCI's business activities. MSCI does not provide any durable products that require shipment. All of MSCI's products are either digital or service based. Emissions from the usage of digital products is captured in the Use of Sold Goods Scope 3 category. Emissions from the transportation of employees on their way to provide services are captured in the Business Travel Scope 3 category. Emissions from shipments of goods, such as office equipment, that facilitate the delivery of MSCI's services are captured in the Purchased Goods and Services category.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

MSCI does not sell products that require further processing downstream. All of MSCI's products are either digital or services based. Emissions from the usage of digital products is captured in the Use of Sold Goods Scope 3 category.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2,883

Emissions calculation methodology

Methodology for direct use phase emissions, please specify

Involves breaking down the use phase, measuring emissions per product, and aggregating emissions

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

MSCI evaluated user login statistics for all file transfers and webpage engagement. Data center usage is accounted for in Scopes 1 and 2; this category evaluates the computer energy usage (and resulting emissions) from clients using desktop or laptop computers when using MSCI's web-based tools. Energy usage was calculated using an average assumed engagement time per login (and average file transfer time). Emissions were calculated based on total energy multiplied by the assumed client location, assuming only electric power usage.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to MSCI's business activities because no physical goods are sold that result in an end-of-life emission. All of MSCI's products are either digital or services based. Emissions from the usage of digital products is captured in the Use of Sold Goods Scope 3 category.

Downstream leased assets

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

316

Emissions calculation methodology

Asset-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

MSCI used total square footage of downstream leased assets (not included in Scopes 1 and 2) multiplied by an average assumed energy consumption per square footage intensity figure to derive total energy use. Emissions were estimated using total energy usage multiplied by the regional emission factor (eGRID).

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to MSCI's business activities - MSCI does not have any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

MSCI offsets 100% of emissions from our investment properties; therefore, emissions in this category are not relevant to the overall Scope 3 impact.

Other (upstream)

Evaluation status

Not evaluated

Please explain

Other (downstream)

Evaluation status

Not evaluated

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00000033

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

733

Metric denominator

unit total revenue

Metric denominator: Unit total

2,248,596,000

Scope 2 figure used

Market-based

% change from previous year

40.77

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Please explain

The 2021 Scope 1 and 2 (market-based) emissions totaled 1,124 mtCO2e. Therefore $1,124 / \$2,043,544,000 = 0.000000550$. The 2022 Scope 1 and 2 (market-based) emissions totaled 733 mtCO2e. Therefore, $733 / \$2,248,598,000 = 0.00000033$. The reason for the change was primarily attributed to MSCI's increase in renewable energy consumption, as well as energy efficiency initiatives including scaling down the size of certain locations, which helped drive a 40.77% decrease in total Scope 1 and 2 emissions per total unit revenue from 2021.

Intensity figure

0.15392646

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

733

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

4,759

Scope 2 figure used

Market-based

% change from previous year

41.07

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Please explain

The 2021 Scope 1 and 2 (market-based) emissions totaled 1,124 mtCO₂e. Therefore, $1,124 / 4,303 = 0.2612$. This year's (2022) Scope 1 and 2 (market-based) emissions totaled 733 mtCO₂e. Therefore, $733 / 4,759 = 0.15392646$. The reason for the change was primarily attributed to MSCI's increase in renewable energy consumption, as well as energy efficiency initiatives including scaling down the size of certain locations, which helped drive a 41.07% decrease in total Scope 1 and 2 emissions per full time employee from 2021.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	153.66	IPCC Fifth Assessment Report (AR5 – 100 year)
CH ₄	0.11	IPCC Fifth Assessment Report (AR5 – 100 year)
N ₂ O	0.24	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO ₂ e)
Canada	3.16
China	3
France	0.24
Hungary	0.17

India	11.75
Mexico	2.82
Philippines	12.04
United Arab Emirates	0.29
United Kingdom of Great Britain and Northern Ireland	11.74
United States of America	108.83

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO ₂ e)	Latitude	Longitude
Beijing	0.37	39.923599	116.360397
Berkeley	30.58	37.870673	-122.270904
Budapest	0.17	47.52056	19.06436
Chicago	4.4	41.877443	-87.635733
Dubai	0.29	25.17868	55.22482
Hong Kong	0.96	22.271727	114.178162
London	11.74	51.51981	-0.077342
Manila	12.04	42.4729	-73.164146
Monterrey	2.82	25.64767	-100.3529
Mumbai	7.06	19.161806	72.857589
New York	7.81	40.713406	-74.011943
Norman	66.04	35.183685	-97.438296
Paris	0.24	48.873281	2.305578
Pune	4.69	18.520283	73.932422
Shanghai	1.67	31.232398	121.507949
Toronto	3.16	43.649251	-79.380776

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
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Australia	27.48	0.07
Canada	4.34	0
China	91.99	0
Republic of Korea	8.88	8.88
France	3.61	0
Germany	17.04	13.84
Hungary	88.35	0
India	947.71	163.45
Italy	6.88	0
Japan	78.76	58.89
Mexico	308.02	0
Philippines	551.74	0
Singapore	15.04	4.38
Sweden	0.44	0
Switzerland	64.81	0
Taiwan, China	0.73	0
United Arab Emirates	285.53	176.87
United Kingdom of Great Britain and Northern Ireland	125.59	73.05
United States of America	4,197.56	79.13

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
Bangalore	16.09	0
Beijing	17.78	0
Berkeley	48.55	0
Boston	5.97	0
Budapest	88.35	0
Chicago	18.16	0

Dubai	285.53	176.87
Frankfurt	17.04	13.84
Geneva	1.54	0
Geneva DC1 - Safehost	29.67	0
Geneva DC2 - GTT	32.77	0
Hong Kong	47.03	0
Las Vegas DC1 - Switch NAP4	1,539.72	0
Las Vegas DC2 - Switch NAP8	1,889.11	0
London	125.59	73.05
Lulea	0.04	0
Manila	551.74	0
Milan	6.88	0
Monterrey	308.02	0
Mumbai	792.11	163.45
New York	410.31	0
Norman	153.96	79.13
Paris	3.61	0
Pune	139.51	0
San Francisco	14.41	0
San Jose	25.92	0
Seoul	8.88	8.88
Shanghai	27.18	0
Singapore	15.04	4.38
Stockholm	0.4	0
Sydney	27.48	0.07
Taipei	0.73	0
Tokyo	78.76	58.89
Toronto	4.34	0
Zurich - Prime Tower	0.83	0
New York (2)	91.46	0

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	782.766	Decreased	69.66	MSCI procures renewable energy in the form of unbundled Renewable Energy Credits (REC) at all of its Data Centers. In both 2021 and 2022, the volume of unbundled RECs purchased at these facilities has been equivalent to total energy consumption and therefore, market-based Scope 2 emissions at these sites has remained at 0. Additionally, MSCI purchased unbundled EACs for global office locations in 2022. These EACs offset 783 mtons more of CO ₂ e from electric power usage than in 2021. Emissions savings from EACs were calculated by multiplying the volume of EACs purchased (in terms of MWh) by the appropriate market-based emissions factor. The formula used to calculate the emissions value (percentage) column was as follows: (Change in Scope 1+2 emissions attributed to new renewable energy purchases [783 mtons CO ₂ e]) / (Previous year Scope 1+2 emissions [1,124]) X 100 = 69.66% decrease.
Other emissions	188	Decreased	16.73	MSCI's emissions were reduced by 188 MTCO ₂ e between 2021 and 2022 as a result of energy efficiency projects

reduction activities				during the reporting year including scaling down office space in Monterrey, Mumbai, New York and San Jose. The reduction in office space decreased MSCI's 2022 electric power load by an estimated 364,323 kWh compared to 2021. The formula used to calculate the emissions value (percentage) column was as follows: (Change in Scope 1+2 emissions attributed to scaling down office space [188 mtons CO2e]) / (Previous year Scope 1+2 emissions [1,124]) X 100 = 16.73% decrease.
Divestment	0	No change	0	MSCI did not have any divestments in 2022.
Acquisitions	0	No change	0	MSCI did not have any acquisitions in 2022.
Mergers	0	No change	0	MSCI did not have any mergers occur in 2022.
Change in output	0	No change	0	MSCI did not have any output changes in 2022.
Change in methodology	0	No change	0	MSCI did not have any methodology changes in 2022.
Change in boundary	0	No change	0	MSCI did not have any boundary changes in 2022.
Change in physical operating conditions	0	No change	0	MSCI did not have any change in physical operating conditions in 2022.
Unidentified	580	Increased	51.57	Total S1+2 market-based emissions decreased by 391 metric tons CO2e from 2021 to 2022. After accounting for emissions reductions from efficiency projects and changes in renewable energy, an increase of 580 metric tons of CO2e remains unidentified. The emissions percentage is calculated by taking the unidentified change in emissions (metric tons CO2e) / 2021 total Scope 1&2 emissions = 580 metric tons CO2e / 1,124 metric tons CO2e= 51.57% increase.

Other	0	No change	0	No other changes in 2022.
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C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh

Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	763.75	763.75
Consumption of purchased or acquired electricity		17,739.1	18.26	17,757.36
Consumption of purchased or acquired heat		0	35.19	35.19
Consumption of purchased or acquired cooling		0	3,135.57	3,135.57
Total energy consumption		17,739.1	3,952.77	21,691.87

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

MSCI does not use any sustainable biomass.

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

MSCI does not use any other biomass.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

MSCI does not use any other renewable fuels.

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

MSCI does not use coal.

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

215.91

MWh fuel consumed for self-generation of electricity

215.91

MWh fuel consumed for self-generation of heat

0

Comment

Includes diesel fuel used to power MSCI generators.

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

547.84

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

547.84

Comment

Includes natural gas used for MSCI space heating.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

MSCI does not use any other non-renewable fuels.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

763.75

MWh fuel consumed for self-generation of electricity

215.91

MWh fuel consumed for self-generation of heat

547.84

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

Australia

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

40

Tracking instrument used

Australian LGC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Australia

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Canada

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

36

Tracking instrument used

US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

China

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

149

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

France

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

70

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

France

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Germany

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

10

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Germany

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Hungary

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

400

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Hungary

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

India

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,132

Tracking instrument used

Indian REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

India

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Italy

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

26

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Italy

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Japan

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

42

Tracking instrument used

J-Credit (Renewable)

Country/area of origin (generation) of the low-carbon energy or energy attribute

Japan

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Mexico

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

771

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Mexico

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Philippines

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

775

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Philippines

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Singapore

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

28

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Singapore

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Sweden

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

43

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Sweden

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Switzerland

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2,519

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Switzerland

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Switzerland

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

95

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Switzerland

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

Taiwan, China

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Taiwan, China

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

United Arab Emirates

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

206

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Arab Emirates

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

269

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

11,127

Tracking instrument used

US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Australia

Consumption of purchased electricity (MWh)

40.36

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

40.36

Country/area

Canada

Consumption of purchased electricity (MWh)

36.14

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

36.14

Country/area

China

Consumption of purchased electricity (MWh)

148.98

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

148.98

Country/area

France

Consumption of purchased electricity (MWh)

70.17

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

70.17

Country/area

Germany

Consumption of purchased electricity (MWh)

10.25

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

78.74

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

88.99

Country/area

Hungary

Consumption of purchased electricity (MWh)

399.87

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

399.87

Country/area

India

Consumption of purchased electricity (MWh)

1,132.38

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

909.36

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,041.74

Country/area

Italy

Consumption of purchased electricity (MWh)

25.9

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

25.9

Country/area

Japan

Consumption of purchased electricity (MWh)

41.58

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

327.62

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

369.2

Country/area

Mexico

Consumption of purchased electricity (MWh)

770.74

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

770.74

Country/area

Philippines

Consumption of purchased electricity (MWh)

775.25

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

775.25

Country/area

Singapore

Consumption of purchased electricity (MWh)

27.65

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

24.37

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

52.02

Country/area

Republic of Korea

Consumption of purchased electricity (MWh)

19.01

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

19.01

Country/area

Sweden

Consumption of purchased electricity (MWh)

42.56

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

42.56

Country/area

Switzerland

Consumption of purchased electricity (MWh)

2,613.95

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,613.95

Country/area

Taiwan, China

Consumption of purchased electricity (MWh)

1.33

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1.33

Country/area

United Arab Emirates

Consumption of purchased electricity (MWh)

205.61

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

984

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,189.61

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

269.09

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

406.41

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

675.5

Country/area

United States of America

Consumption of purchased electricity (MWh)

11,126.54

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

440.26

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

11,566.8

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 MSCI Inc - CY2022 CDP Verification Report Final_issued 20230622.pdf

Page/ section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 MSCI Inc - CY2022 CDP Verification Report Final_issued 20230622.pdf

Page/ section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services
 Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
 Scope 3: Waste generated in operations
 Scope 3: Business travel
 Scope 3: Employee commuting
 Scope 3: Upstream leased assets
 Scope 3: Investments
 Scope 3: Use of sold products
 Scope 3: Downstream leased assets

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

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Page/section reference

Page 10

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we are waiting for more mature verification standards and/or processes

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect other climate related information at least annually from suppliers

% of suppliers by number

50

% total procurement spend (direct and indirect)

99

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Suppliers contribute to the majority of MSCI's Scope 3 emissions. Therefore, in 2022 we conducted online research using various sources including SBTi.org, CDP, GFANZ and company-specific websites to identify whether our suppliers either have or have committed to setting science-based targets. The information collected was used to identify top suppliers by spend that had not committed or set science-based targets. MSCI is actively encouraging these suppliers to implement emissions-reduction initiatives.

Impact of engagement, including measures of success

As a result of our research, MSCI determined that 41% of our 2022 purchased goods and services spend was with suppliers with science-based targets and 11% of our spend was with suppliers that had a commitment to set science-based targets-- or a total of 52% of suppliers by spend who either already have or have committed to having science-based targets. This achieved an internal objective of increasing spend with suppliers with science-based commitments. We are continuing these activities during 2023 with the objective of monitoring the progress of our top 80% of suppliers by spend and continuing to engage with those suppliers without science-based targets.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

1

% total procurement spend (direct and indirect)

11

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Based on a detailed analysis, we identified top suppliers (by spend) which did not have science-based emissions reduction targets. During 2022 we began to engage directly with these suppliers to understand their plans and to encourage them to implement emissions-reduction initiatives. Our CEO emailed top suppliers to emphasize MSCI's commitment to reach net-zero emissions by 2040 and share our Supplier Code of Conduct, which sets out MSCI's values and expectations for our suppliers, including environmental and climate commitments we expect them to adhere to. We have instituted a process to engage and meet with suppliers to discuss their climate-related

plans, focusing on carbon emissions tracking and disclosure, and setting carbon reduction targets, stressing the importance of their alignment with our climate goals. In addition to members of our Supplier Sustainability and Diversity team, senior management stakeholders from across the company are joining these discussions to emphasize the critical nature of setting and achieving science-based emissions reduction targets.

Impact of engagement, including measures of success

Supplier engagement resulted in having conversations during 2022 with 23 suppliers which did not have science-based targets. These suppliers represented 11% of our 2022 purchased goods and services spend. We plan to continue these activities during 2023, with the objective of increasing our spend on suppliers which have established science-based targets to 60% of our total spend by 2025.

Comment

Type of engagement

Other, please specify

Climate change is integrated into supplier evaluation processes

Details of engagement

Other, please specify

Supplier Code of Conduct featuring climate change KPIs

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

MSCI Inc. (including its subsidiaries, "MSCI") is committed to acting in accordance with its core values and expects its suppliers to exhibit a commitment to similar standards. MSCI recognizes the importance of active engagement with, and enhanced knowledge of, its suppliers given their impact on MSCI's performance, reputation and success.

The Supplier Code of Conduct, updated in April 2023 to include policies in place during the reporting year (<https://www.msci.com/who-we-are/corporate-responsibility/environmental-sustainability>), summarizes MSCI's principles for sourcing and collaborating on its products, goods, functions, data, technology, activities and/or services with its suppliers (for purposes of this Code, a "Supplier" is a third-party vendor, distributor, channel partner, provider, agent, contractor and/or other key alliance supplier). This code also defines the conduct MSCI expects from its suppliers and establishes MSCI's values and expectations, including sourcing principles, as well as

the labor, human rights, environmental, legal and regulatory compliance principles, we expect suppliers to uphold.

All new suppliers are evaluated for a number of issues, including their commitment to managing their climate impact. Suppliers are expected to take steps to understand their climate risks, minimize their impact, and implement policies and carbon-reduction targets to reduce their direct and indirect GHG emissions to reach net-zero emissions before 2040.

MSCI also expects suppliers to track and disclose their energy consumption and all relevant/available Scope 1, 2 and 3 GHG emissions at each location and/or corporate level. Public reporting on annual performance and progress toward established targets is strongly encouraged.

To help with this effort, an ESG questionnaire for suppliers was created in 2021 and has been integrated as part of MSCI's formal Supplier Onboarding Process. New suppliers are asked to complete the ESG questionnaire and MSCI employees are encouraged to consider suppliers' environmental practices as factors in the supplier selection criteria to help MSCI reach its net-zero goal by 2040.

Impact of engagement, including measures of success

MSCI's objective is to increase both our number of suppliers and spend with suppliers that have clear commitments to implement emissions-reduction initiatives. We measure our impact by having all new significant suppliers (by spend) complete the ESG questions so MSCI can clearly understand where the suppliers stand in their environmental and climate journey and to enable us to make selections and/or decide whether to hold additional engagement discussions with existing and proposed new suppliers. We achieved this objective in 2022 with 100% of new suppliers completing an ESG questionnaire as part of the Supplier Onboarding Process.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

Analysis by the MSCI Climate Risk Center has shown the increasingly significant threat climate change poses to the long-term resilience of investment portfolios. Our aim is to equip investors with the tools to benchmark, measure and manage exposure to climate risk and identify sustainable investment opportunities. MSCI's position at the intersection of capital markets enables us to analyze data as it emerges, discover previously hidden or undervalued opportunities and risks and anticipate future needs. Our end-to-end solutions and data help investors integrate climate change throughout their investment processes. Whether they are in the process of defining their objectives, making climate considerations part of portfolio construction and risk management, engaging with companies and external stakeholders or reporting on progress, we can help them find the right solution at every stage. Through our analysis, we can help clients extract value from large amounts of climate and biodiversity data.

- We have decades of experience compiling climate data that clients can trust. Our climate data includes more than 2,250 climate change metrics covering over 18,000 issuers.
- We feed roughly 600,000 asset locations into our physical Climate VaR model.
- Our climate solutions harness the depth of our data and the collective insight of our analysts, who combine decades of experience in helping clients understand how to generate return, quantify risk and adapt their strategies accordingly.

The launch of our Climate Action Indexes in October 2022 complemented MSCI's extensive range of ESG and Climate indexes, which enable investors to integrate climate considerations into global and regional equity market portfolios. Along with selecting our Climate Action Indexes to help drive the transition in the real economy, investors can select our Low Carbon Target Indexes, which aim to reduce portfolio emissions, and our Climate Paris Aligned Indexes, which aim to align with a 1.5°C temperature rise scenario for those implementing net-zero strategies.

Impact of engagement, including measures of success

MSCI measures success based on the number of customers subscribing to our climate-related products and services, and the industry identifying us as experts for ESG Indexes. Our ESG products include Ratings, Screening and ESG-Related Indexes as well as climate products. These are some of our most strategically important and highest-growth product offerings.

Measures of customer subscription include:

The run rate for MSCI's ESG and Climate-related ESG Research and Index products was USD 433 million in 2022 compared to USD 357 million in 2021, representing a 21% increase from the prior year (run rate is defined in the Company's financial statements).

Measures of our industry recognition include:

- MSCI ESG Research has been recognized as a "Gold Standard Data Provider" by the Deep Data Delivery Standard since 2016.

- Our Implied Temperature Rise is the winner of ESG Investing Awards 2023: Most Innovative ESG Product
- Winner of “Best Index Provider — ESG ETFs” at the ETF Express European Awards
- Winner of the “Best Green Bond Index” 2017, 2018, 2019, 2020, 2021, 2022 and 2023: The Bloomberg MSCI Green Bond Index at the Environmental Finance Green Bond Awards
- MSCI has won the following categories in Environmental Finance's Sustainable Investment Awards 2023:
 - ESG assessment tool of the year (ratings): MSCI ESG Assessment Tool: Ratings
 - ESG data initiative of the year: MSCI Net-Zero Tracker

You can find an overview of all of our recognitions here:

<https://www.msci.com/recognition>

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

MSCI's employees: MSCI includes its employees in the firm's execution of climate-related engagement strategy. Specifically:

Local employee-driven Climate Action Network (CAN) groups have been established in MSCI's offices. As of Dec. 31, 2022, there were 25 CAN groups and 93% of our employee base had the opportunity to participate in a CAN. These groups aim to increase awareness of regional staff around environmental issues and manage them over time through behavior change and other methods. Examples of activities in 2022 included global leadership events on the carbon footprint management and marine ecosystem, local educational sessions on composting, recycling and reducing waste, Earth Day, fast fashion, the water challenge, tree plantation and beach clean-up.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

Within MSCI's Supplier Code of Conduct, updated in April 2023 to reflect policies that were operational in the reporting year, we outline practices we expect from suppliers, including climate-related practices, including:

- Compliance with applicable environmental laws, regulations and standards
- Development, adoption, monitoring and disclosure of climate-related strategies, policies, risk management and targets
- Active stewardship of natural resources
- Responsible waste management
- Preservation of biodiversity
- Responsible water management

MSCI requires suppliers to complete a comprehensive onboarding questionnaire detailing their compliance with these practices. On a quarterly basis, MSCI also reviews its suppliers' public climate commitments, specifically to determine whether they have science-based targets, ideally certified by SBTi, or they have commitments to obtain such certification, and/or whether they are a member of GFANZ or NZFSPA, since membership in those organizations carries a commitment to adopt science-based targets. Currently MSCI retains but engages with suppliers who are found to not fully comply with these practices.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

41

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
Grievance mechanism/Whistleblowing hotline
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Ensuring consistency is ultimately the responsibility of supervisors and/or Executive Committee members. Under the MSCI Code of Conduct, employees are required to disclose and obtain pre-approval from the applicable member of MSCI's Executive Committee and the Compliance Department to serve as a representative of MSCI on a board or committee or in another position constituting a leadership role in industry associations or groups. To ensure all communications are consistent, public announcements and press releases are subject to review by MSCI Legal and PR/Marketing teams. The Head of Global Communications and the Head of Investor Relations are members of the Corporate Responsibility Committee and are involved in developing the messaging around MSCI's ESG and Climate practices for both internal and external purposes. Additionally, the Government and Regulatory Affairs team reviews consultation responses/comment letters for consistency with the firm's position.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Green and Blue Bonds as a mode of Sustainable Finance in India

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related reporting

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

India

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

MSCI responded to the public consultation and supported the proposals that will help mobilize investments to achieve India's environmental goals. We recommended that any green bond standard, if developed, should converge with the international standards particularly around low carbon, transitional and enabling activities.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

MSCI suggested the following to the Securities and Exchange Board of India (SEBI):

- a. Refine the list of in-scope blue bond activities such as "ocean resource mining" since the activity is not aligned with the broader sustainability goals due to the harm it can cause to the ocean habitat.
- b. Colored bonds such as green, blue or yellow bonds should fall within the broader category of green bonds and follow the same Green Bond Principles. An additional layer of color visual, green, blue or yellow, could lead to ambiguity over the funding to specific eligible projects under these specific bonds, which could potentially give rise to greenwashing.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

This regulation is not central to the achievement of our climate transition plan. We provided feedback on the proposal in our capacity as a provider of ESG data and ratings to the global investment community.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

The Role of Environmental Risks in the European Union Prudential Framework

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related reporting

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

Europe

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

MSCI responded to the consultation paper by the European Banking Authority (EBA) wherein we supported and provided our views on integration of ESG risks into the business strategies and processes of institutions, internal governance of institutions, and risk management framework of institutions.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

This regulation is not central to the achievement of our climate transition plan. We provided feedback on the proposal in our capacity as a provider of ESG data and ratings to the global investment community.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Update to Green Finance Strategy in the United Kingdom

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related reporting

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United Kingdom of Great Britain and Northern Ireland

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

MSCI supported the UK Government's proposed update to the Green Finance Strategy and provided the following inputs:

a. Incorporate enhancement of climate-related disclosures into the strategy to require quantitative disclosures based on defined metrics of measurement.

b. Cohesive effort required by the private and public sectors with a common goal of meeting a net zero target. The milestones for UK in this journey could include a green taxonomy, mandatory disclosures of transition plans, and sustainability disclosure

requirements.

c. Actively engage with initiatives such as the Taskforce on Nature-related Financial Disclosures (TNFD) to facilitate a global nature-related financial reporting standard.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

This policy is not central to the achievement of our climate transition plan. We provided feedback on the proposal in our capacity as a provider of ESG data and ratings to the global investment community.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

The Enhancement and Standardization of Climate-Related Disclosures for Investors in the United States

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related reporting

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

MSCI extended its support to the following proposals made by the U.S Securities and Exchange Commission (SEC):

a. Application of the proposed safe harbor to Scope 3 emissions and other forward-looking disclosures

b. Disclosure of a GHG target, where a company has set one, that includes Scope 3 emissions

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

For better comparability of Scope 3 emissions disclosures, MSCI recommended that the SEC define a materiality assessment threshold instead of allowing an individual company to determine materiality.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

This regulation is not central to the achievement of our climate transition plan. We provided feedback on the proposal in our capacity as a provider of ESG data and ratings to the global investment community.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Statement of Principles for Climate-Related Financial Risk Management for Large Financial Institutions in the United States

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related reporting

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

MSCI supported the U.S Federal Deposit Insurance Corporation's (FDIC) principles for climate-related financial risk management for large financial institutions but made the following recommendations:

a. Use a well-established set of reference scenarios to conduct stress testing to quantitatively assess the resilience of investment portfolios to a net-zero climate transition and physical climate risks.

b. Align the disclosures with international standard setters to minimize burden and optimize results.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

While MSCI supported the principles, we also noted that the physical and transition risks associated with climate change have the potential to impact banks of all sizes. Therefore, to have a more comprehensive understanding of macroprudential climate-related risks, we recommended lowering the USD \$100 billion asset size threshold to bring into scope a greater part of the U.S. banking system through a phase-in approach. Alternatively, a proportionate application was suggested where financial institutions outside the threshold of holding assets over USD \$100 billion may be invited to consider these principles as a best practice.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

This policy is not central to the achievement of our climate transition plan. We provided feedback on the proposal in our capacity as a provider of ESG data and ratings to the global investment community.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 2023 MSCI Proxy_BMK.pdf

Page/Section reference

p. 11; p. 35-38; p. 45-48;

Content elements

Governance
Strategy
Emission targets

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

 TCFD-Aligned-Climate-Risk-Reporting.pdf

Page/Section reference

The whole document relates to MSCI's GHG emissions performance and response to climate change.

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

MSCI's 2022 TCFD report is fully aligned with the recommendations of the TCFD and includes a scenario analysis that we conducted using our own Climate VaR model. We found it important to use our own model as affirmation that our climate models are in line with best practices and practical for use in climate scenario analysis.

Publication

In voluntary communications

Status

Complete

Attach the document

 MSCI_Emissions_2019-2022.pdf

Page/Section reference

Entire document

Content elements

Emissions figures

Comment

This document, which is available on the MSCI website, shows the emissions figures for MSCI's 2022 scope 1, 2, and 3 emissions.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Science Based Targets Network (SBTN) Task Force on Climate-related Financial Disclosures (TCFD) Task Force on Nature-related Financial Disclosures (TNFD) Other, please specify Partnership for Carbon Accounting Financials; Principle for Responsible Investment; UNEP; Investor Group on Climate Change; Network for Greening the Financial System; Glasgow Financial Alliance for Net Zero; Net Zero Financial Providers Alliance;	We are a member of the TCFD taskforce and apply the TCFD framework to our data collection and model and product development. We have also mapped our data points to the TCFD framework. We contribute to their consultations. MSCI is a Business Ambition for 1.5°C campaign member. We have supported SBTi's Net Zero Standard for Financial Institutions Expert Advisory Group and are a member of SBTi's Technical Advisory Group. We have contributed to its consultations. We are a Forum member of TNFD and are considering the TNFD draft recommendations as part of our data collection and model and product development. We have also mapped our data points to the TNFD draft framework. We contribute to their consultations. MSCI utilizes the PCAF standard to support the development of products, models and data collection, and provides PCAF quality scores for our emissions data. In addition, MSCI climate data and metrics are designed to help banks and other financial institutions report consistently and in alignment with global, region- and country-specific voluntary or compliance frameworks. For example, our Total Portfolio Footprinting solution, which measures the financed emissions associated with lending and investment activities, was designed to support clients seeking alignment with PCAF and other frameworks. We have contributed to its consultations. MSCI has been a PRI signatory since 2010. We have made our commitments aligning with its principles by supporting events as a supporter of its working groups, sharing data and research to support its activities, and making involvement in PRI Academy as

	course literature, and co-producing research papers on ESG integration and performance considerations. We have contributed to its consultations. We have supported the UNEP FI's annual Climate Risk Tool landscape report and supplement. We also aim to support the UNEPFI TCFD group's wider collaborations program with banks. We contribute to their consultations/surveys. We are a member and support IIGCC's working group and research programs. We also map and look to align our products and services with the recommendations outlined in the NZIF guidelines. We align the transition and physical risk scenarios used in our MSCI Climate Value-at-Risk model with the recommendations of the NGFS. Clients can use our analytical tools to compare companies' Climate VaR using different NGFS policy scenarios. We contribute to their consultations. As a member GFANZ via the Net Zero Financial Service Providers Alliance (NZFSPA), MSCI has committed to being net-zero before 2040 and spearhead an alliance of financial service providers to supply market infrastructure that supports sustainability. Furthermore, MSCI has supported GFANZ events and promotion initiatives and GFANZ workstreams. In September 2021, MSCI became a founding member of the Net Zero Financial Service Providers Alliance and has committed to align their products and services with the goal of global net-zero emissions by 2040.
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C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

Board-level oversight and/or executive management-level responsibility for biodiversity-related issues

Row 1	No, and we do not plan to have both within the next two years
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C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	Other, please specify MSCI is a member of the Taskforce on Nature-related Financial Disclosures (TNFD) Forum, which is a global and multi-disciplinary consultative network of institutional supporters who share the vision and mission of the TNFD.

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
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Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Other, please specify Building selection criteria. Supplier Code of Conduct. Environmental Policy. MSCI includes biodiversity in data sets in products such as our ESG Ratings.
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C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications		

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC ("MSCI ESG Research"), a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate are products of MSCI Inc. that use information from MSCI ESG Research LLC. MSCI Indexes are administered by MSCI Limited (UK).

Affiliate Conflicts Disclosure: MSCI ESG Research has developed a fully automated and forward-looking financial climate risk model called Climate Value-at-Risk ("Climate VaR") that was used to quantitatively analyze certain climate-related risks and opportunities included in this report for MSCI Inc. In addition, MSCI ESG Research has developed Implied Temperature Rise, a metric designed to show the temperature alignment of companies, portfolios and funds with global climate targets. MSCI Inc. is the ultimate parent company of MSCI ESG Research. The disclosure of the Climate VaR model and Implied Temperature Rise score included herein for MSCI Inc. were conducted in the same manner and based on the same information

available for other companies not affiliated with MSCI Inc. but have not been independently reviewed or audited. Due to the affiliate relationship and the potential for a conflict of interest, this report should not be relied upon as an independent analysis of MSCI Inc. with respect to the use of the Climate VaR or Implied Temperature Rise.

This report and reports that are referenced in this report may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to future events and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, objectives or achievements to be materially different from any future results, levels of activity, performance, objectives or achievements expressed or implied by these statements. In some cases, you can identify forward-looking statements by the use of words such as “may,” “could,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” or the negative of these terms or other comparable terminology. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond MSCI’s control and that could materially affect our actual results, levels of activity, performance, objectives or achievements.

Other factors that could materially affect actual results, levels of activity, performance, objectives or achievements can be found in the MSCI 2022 Annual Report on Form 10-K filed with the SEC on February 10, 2023 and in quarterly reports on Form 10-Q and current reports on Form 8-K filed or furnished with the Securities and Exchange Commission. If any of these risks or uncertainties materialize, or if MSCI’s underlying assumptions prove to be incorrect, actual results may vary significantly from what MSCI projected. Statements and reports on our website or other websites that we refer to in this report will not be deemed a part of, or otherwise incorporated by reference in, this report. Some of the statements and reports contain cautionary statements regarding forward-looking information that should be carefully considered. Our statements and reports about our objectives may include statistics or metrics that are estimates, make assumptions based on developing standards that may change, and provide aspirational goals that are not intended to be promises or guarantees. Inclusion of metrics or other information in such reports or in this report is not intended to imply that such information is material to MSCI. In particular, the inclusion of information in this report regarding climate opportunities and risks should not be construed as a characterization regarding the materiality or financial impact of that information with respect to MSCI for purposes of U.S. securities laws or otherwise.

Any forward-looking statement in this report and statements and reports that are referenced in this report reflect MSCI’s current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to MSCI’s operations, results of operations, growth strategy and liquidity. MSCI assumes no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise, except as required by law.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

MSCI Inc. (hereinafter referred to as “MSCI” and “we” or “our”) is a leading provider of critical decision support tools and services for the global investment community. With over 50 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 also create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. Our environmental, social and governance (ESG) research and data products and services, including our climate change solutions, are offered by MSCI ESG Research LLC (“MSCI ESG Research”), our wholly owned subsidiary and a registered investment adviser under the Investment Advisers Act of 1940. MSCI ESG Research delivers in-depth research, ratings and analysis of the ESG-related business practices of over 16,000 issuers, including subsidiaries, more than 900,000 equity and fixed income securities worldwide and over 1,500 ESG equity and fixed-income Indexes provided by MSCI. MSCI ESG Indexes and Analytics are products of MSCI Inc. that use information from MSCI ESG Research. MSCI Indexes are administered by MSCI Limited (UK).

Climate change is an important element of our ESG strategy and a key issue for many investors. We deliver research and climate tools designed to help clients measure and report on climate risk exposure (including through climate stress testing), implement climate change risk mitigating strategies (including Paris-aligned, low carbon, fossil-fuel-free investment strategies), and integrate climate change criteria into their investment processes. These products and services include climate metrics, MSCI ESG Research’s Climate Value-at-Risk (VaR), Task Force on Climate-related Financial Disclosures (TCFD) reporting, carbon portfolio reporting, and low carbon and Climate Paris Aligned indexes as well as tools to identify clean-tech and environmentally oriented companies.

MSCI ESG Research acquired Zurich-based environmental fintech and data analytics firm Carbon Delta AG (“Carbon Delta”) in 2019. Carbon Delta expanded MSCI’s suite of climate risk capabilities supporting climate scenario analysis and forward-looking assessment of transition and physical risks and extensive company-level analysis of publicly traded companies. This includes MSCI Climate VaR, a climate risk metric that calculates the impact of climate change on a company’s market value to help investors understand and quantify these risks within their

portfolio. In 2020, we used MSCI Climate VaR to publish our own TCFD report. Carbon Delta acts as MSCI's Climate Risk Center, the focal point for the development of climate change risk analytics and tools. The aim of the center is to develop strong partnerships with leading academic and research institutions around the world to advance the use of climate science for financial risk analysis. In June of 2020 MSCI launched the MSCI Real Estate Climate VaR, a forward-looking and return-based valuation assessment for individual assets and portfolios.

MSCI ESG Research's ESG and Climate data available through MSCI Analytics applications facilitate measurement of financial emissions at the portfolio level, portfolio reporting and portfolio construction. They also are used to construct MSCI ESG and Climate equity and fixed income indexes.

The MSCI Net-Zero Tracker, first published in 2021, is a unique, periodic report offering investors, companies, financial intermediaries and policymakers an objective gauge of the contribution by the world's listed companies to total carbon emissions and their progress toward a net-zero economy. The report indicates the collective progress, or lack thereof, of the world's listed companies toward keeping global temperature rise this century within 1.5°C of preindustrial levels. The estimate reflects companies' Implied Temperature Rise, MSCI's forward-looking measure of climate impact that shows the warming potential of a company or portfolio based on its current and projected greenhouse gas (GHG) emissions.

The Net-Zero Tracker has become a global barometer of progress by companies to curb climate risk and a guide for investors to the energy transition.

For additional information on our forward-looking statements and other key topics, see section C-FI.