

MSCI Inc. Quarterly Update

October 31, 2023

MSCI remains well-positioned to deliver the mission-critical tools, solutions and content investors need to build more effective portfolios. During the quarter, we executed on the following actions to advance our product capabilities and address the needs of our clients in the investment world.

Addressing the Needs of Clients and Client Segments

- Enhanced MSCI Fixed Income Attribution content for MSCI Fixed Income Module Subscribers: During the quarter, we enhanced our content on MSCI Fixed Income indexes and now provide various attribution categories such as country, region, credit rating, maturity, and sector classification to provide our clients with a deeper perspective on fixed income index composition and exposures. This update supports performance attribution, risk management, trading, and hedging use cases.
- Launched MSCI Climate Engagement Toolkit for MSCI ESG Index Module Subscribers: We recently introduced new content to enhance transparency around climate disclosures and climate transition goals of issuers that constitute the MSCI ACWI IMI Index. This offering enables asset managers to better engage with corporates on their climate transition roadmaps and to assess their portfolio companies' progress against emission reduction targets.
- Launched My Data Manager Enhancements for Real Asset Subscribers: We completed tech enhancements that will significantly reduce the number of queries users encounter while updating their data. This initiative, together with our projects to automate data acquisition, support our commitment to optimizing the seamless flow of data in our products. These enhancements have resulted in a 25% drop in data queries on client portfolios.
- Launched the MSCI Sustainability Institute: In September, we announced the launch of the [MSCI Sustainability Institute](#), which aims to drive progress on the role of the capital markets in creating sustainable value, including addressing climate change. Drawing upon MSCI's experience and expertise as a leading provider of sustainability data and metrics to the investment industry, the Institute aims to align data, analysis, policy and action to spur collaboration across finance, academia, business, government and civil society.
- Hosted Climate Week Events: We also hosted our annual New York Climate Week session on '[Climate Transition: Embracing Opportunity & Accelerating Change](#)' and co-hosted a session with Chief Executives for Corporate Purpose (CECP) on the topic of '[Bridging the Gap Between CSO and the Board](#)'.
- During the quarter MSCI was recognized with below awards and recognitions:
 - MSCI won **Best Index Provider** at the Asia Capital Markets Award 2023 by Global Investor Group.

- MSCI was recognized as one of **'Americas Greenest Companies 2024'** by Newsweek for its progress in positively changing its sustainability footprint. The ranking of America's Greenest Companies identified the top three hundred companies in the United States based on environmental sustainability criteria.

Launching Innovative Solutions and Products

- Launched Price Expectation Gap Product for Real Assets Clients: We launched the MSCI Price Expectation gap product in response to client needs to navigate current market conditions. The product estimates the gap in price expectations between buyers and sellers of Commercial Real Estate and provides a key market signal where activity is low, thereby providing market participants with more information and transparency. The product was developed using the Real Capital Analytics transaction database in conjunction with pricing and liquidity information.

Enhancing Capabilities with Data, Technology and through Partnerships

- Strengthened Partnership with Google Cloud on Artificial Intelligence ("AI"): During the quarter, we announced an expansion of our partnership with Google Cloud to accelerate the development of generative AI ("gen AI") solutions for the investment industry. These new solutions will combine our proprietary data and analytics with Google Cloud's gen AI solutions to provide an overview of portfolio and enterprise-level risk, designed to significantly reduce the time clients need to analyze and arrive at actionable insights. The expanded partnership will support developing MSCI's new conversational AI solution for our portfolio and risk management solutions, which will use natural language processing to simulate human language and generate responses that will enable clients to quickly answer questions and surface information about their portfolios and MSCI data, models, and solutions. The partnership will also leverage Google's gen AI technologies to help investors measure and manage portfolio exposure to climate risk and identify low carbon investment opportunities, and also help MSCI build large language models in Climate.
- Acquisition of Burgiss: In October 2023, we completed our acquisition of the remaining 66% stake of The Burgiss Group, LLC ("Burgiss"). The acquisition provides MSCI with a world-class platform for delivering total-portfolio investment solutions and private-asset database, covering more than 13,000 funds, spanning \$15 trillion dollars of assets. Burgiss' deep presence with endowments, family offices and foundations also provide opportunities for MSCI to serve institutional investors with increased allocations to private assets.
- Agreement to Acquire Trove Research: In October 2023, we signed a purchase agreement to acquire Trove Research, a world-renowned source of intelligence on the voluntary carbon market. We believe this market will play a significant role in helping investors and companies reduce climate risk. As the world pushes for net-zero emissions, investors need to understand whether companies are making real progress, and how they are using carbon credits. Likewise, companies need to understand the value of the credits they are buying and selling. The acquisition of Trove will enable MSCI to deliver additional products to the broader capital markets ecosystem, including banks, exchanges and developers.

About MSCI Inc.

MSCI 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 create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit www.msci.com.

About MSCI ESG Research Products and Services

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC are also used in the construction of the MSCI ESG Indexes which are not subject to our SEC registration. MSCI indexes are products of MSCI Inc., and MSCI Limited is the benchmark administrator. MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body.

FORWARD-LOOKING STATEMENTS

This quarterly update contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to future events or to future financial performance and involve known and unknown risks, uncertainties and other factors that may cause MSCI’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance 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 actual results, levels of activity, performance or achievements.

Other factors that could materially affect actual results, levels of activity, performance or achievements can be found in MSCI’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed with the Securities and Exchange Commission (“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 SEC. 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. Any forward-looking statement in this quarterly update reflects 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.