

MSCI Wins Benchmark for \$2.4 billion ESG and Factors Mandate from Taiwan's Bureau of Labor Funds

NEW YORK – DECEMBER 19, 2016 – MSCI Inc. (NYSE: MSCI) announced today that Taiwan's Bureau of Labor Funds (BLF) has selected MSCI as the benchmark provider for its corporate social responsibility portfolios totaling \$2.4 billion (USD).

The BLF will use MSCI's ACWI ESG ex Selected Sub-Industries Quality Mix E Series Capped Index, which combines exposure to companies with high environmental, social and governance (ESG) performance relative to their sector peers with three MSCI factor indexes: MSCI's Quality Index, MSCI's Enhanced Value Index and MSCI's Minimum Volatility Index.

The mandate marks the first time the BLF, which oversees public funds with assets of roughly \$100 billion (USD), is launching a set of funds with ESG factors as a main part of the investment criteria to be invested in global markets. The mandate also represents the first multibillion dollar mandate in Asia that combines ESG and multifactor strategies.

"We are delighted that the BLF, one of the largest public pension funds in Asia, has selected MSCI's indexes for this important new mandate," said Laurent Seyer, MSCI's Chief Client Officer. "The award marks the fifth time that MSCI has the honor of working with the BLF on factor-based mandates. It also highlights growing demand worldwide of strategies that incorporate factor (smart beta) indexes aiming to optimize returns, alleviate downside risk and promote sustainability."

The mandate will exclude stocks of companies in the tobacco, alcohol, arms, gaming and pornography industries, as well as firms that have doubtful or controversial records in areas that include the environment, human rights, labor rights, supply chain management and corporate governance.

The mandate caps a year in which some of the world's largest owners and managers of assets have committed funds to ESG benchmarks from MSCI. In July, the California State Teachers Retirement System selected MSCI's Low Carbon Index as the benchmark for up to \$2.5 billion in investments. In June, the Fourth Swedish National Pension Fund (AP4) said it would invest \$3.2 billion benchmarked to MSCI's Low Carbon Index, marking the largest pledge by an institutional investor to investments that minimize carbon.

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About MSCI

For more than 40 years, MSCI's research-based indexes and analytics have helped the world's leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research.

Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research.

MSCI serves 97 of the top 100 largest asset managers, based upon P&I data as of December 2014 and MSCI client data as of June 2015.

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