MSCI Reports Carbon Footprint of Indexes

First index provider to offer investors tools to measure carbon exposure relative to their benchmark

New York – September 25, 2015—MSCI Inc. (NYSE: MSCI), a leading provider of research-based indexes and analytics, today announced that it will report the carbon footprint of its flagship global indexes for institutional investors looking to understand, measure and manage carbon risk in their portfolios.

MSCI will publicly report the carbon footprint of its more than 160,000 global equity indexes beginning with 19 across its flagship MSCI ACWI, MSCI World and MSCI Emerging Markets Index families. Following input from an extensive market consultation, MSCI ESG Research measures the following three carbon emissions and intensity metrics, drawing on in-house carbon research and expertise via MSCI ESG CarbonMetrics, including:

• **Carbon Emissions:** The normalized carbon footprint per $M invested of a portfolio tracking the index.

• **Carbon Intensity:** Efficiency of a portfolio tracking the index in terms of total carbon emissions per unit of output.

• **Weighted Average Carbon Intensity:** Exposure to carbon-intensive companies.

Remy Briand, Managing Director and Global Head of Research, said, “Demand from institutional investors for the ability to analyze the carbon footprint of their portfolios relative to a benchmark will likely grow as they become more concerned about carbon risk. Having a standardized carbon footprint measure for our equity indexes can help clients better understand their carbon risk at the portfolio level and define precise targets for reduction.”

For investors looking for further insight into the carbon profile of their portfolios, MSCI ESG Research offers integrated portfolio carbon risk assessments with a detailed analysis of carbon risk management and exposure metrics.

Baer Pettit, Managing Director and Global Head of Products, said, “We are seeing a growing number of investors demanding greater transparency into carbon emissions within their equities portfolios to help monitor, manage and mitigate their exposure to carbon risk. As today’s announcement demonstrates, MSCI is committed to lifting the lid on emissions data to help our clients better understand the environmental and economic impact of their high carbon holdings.”

MSCI recently announced a surge in demand for Environmental, Social and Governance (ESG) data and indexes. ETFs tracking the MSCI Low Carbon Indexes accounted for nearly 80% of the total equity ETF assets of carbon themed ETFs since their launch in September 2014, bringing low carbon ETF assets to more than $460 million as of July 2015.

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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.

For more information, visit us at www.msci.com.

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MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.’s revenue includes fees based on assets in investment products linked to MSCI equity indexes. More information can be found in MSCI’s company filings on the Investor Relations section of www.msci.com.

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