MSCI makes Implied Temperature Rise data of over 2,900 companies publicly available

Underscores MSCI’s commitment to increase ESG transparency and data for investors globally

NEW YORK – October 27, 2021 – With the critical COP26 conference just around the corner, investors are seeking new levels of transparency into the alignment of listed companies with global climate goals. MSCI (NYSE: MSCI), a leading provider of critical decision support tools and services for the global investment community, announced today it has made the Implied Temperature Rise of over 2,900 companies (constituents of MSCI ACWI Index) publicly available on its website, to allow investors access to the data and transparency required to navigate their transition to net-zero.

Implied Temperature Rise provides clarity and transparency on the climate commitments of listed companies by assessing their commitments to net-zero emissions using a simplified and powerful forward-looking metric: companies’ alignment with global temperature targets, which is expressed in degrees Celsius. MSCI first announced the launch of this solution in September. The Temperature Rise solution was modelled to meet the design recommendations set out by the Task Force on Climate-Related Financial Disclosures (TCFD) Portfolio Alignment Team for all segments of the financial sector to measure and disclose temperature alignment of portfolios as well as target-setting frameworks.

Implied Temperature Rise captures crucial benchmarks, such as the 2°C target set by the Intergovernmental Panel on Climate Change, as well as the 1.5°C limit, popularized through the Paris Agreement, as well as companies’ decarbonization plans. Implied Temperatures are calculated by comparing companies’ projected emissions with their allocation of the global remaining carbon budget, a figure that sets the upper limit on allowable carbon emissions to keep the planet below key temperature targets, a benchmark that is also referenced in MSCI’s quarterly Net-Zero Tracker.

Beginning today, global investors will be able to search a company’s name or ticker to access its Implied Temperature Rise, decarbonization target (through MSCI’s Target Scorecard), and its MSCI ESG Rating which has been available since 2019. The publicly available tools are available on MSCI’s website here.

Remy Briand, Global Head of ESG and Climate at MSCI, said: “At MSCI, we are staunch advocates of the need for greater transparency and consistent standards in ESG and Climate metrics. Publishing the Implied Temperature Rise data is a natural extension of the transparency work we started in 2019 when MSCI published our ESG Ratings. As COP26 fast approaches, we are confident this new data adds much-needed clarity to the discussion on the role of capital markets in combating climate change. We are proud to be a leader in driving ESG and Climate transparency, equipping investors with the data they need as they sharpen their focus on the financial impact of climate change, raising awareness of the value of ESG data and ratings, and improving disclosure standards.”

MSCI has and will continue to conduct proactive outreach to the nearly 10,000 publicly listed companies to call for increased climate disclosure by year end. MSCI invites all issuers to review and provide feedback on their climate targets and commitments through the MSCI ESG Issuer Communications Portal.
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.

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