MSCI - Climate Change 2020

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 performance measurement as well as risk management data and analytics for the global investment community. We create innovative products and services that power better investment decisions 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. As of June 2020, MSCI ESG Research delivered in-depth research, ratings, and analysis of the ESG-related business practices of over 8,500 companies (approximately 14,000 issuers including subsidiaries) and more than 680,000 equity and fixed income securities worldwide.

Climate change is an important element of our ESG strategy and a key issue for many investors. Our climate change team supports clients by publishing research and providing products that help them measure and report on climate risk exposure, including climate stress testing, implement climate change risk mitigating strategies, including low carbon and fossil-fuel-free investment strategies, and integrate climate change criteria into their investment processes. These products include climate metrics, Climate Value-at-Risk (VAR), carbon portfolio reporting, low carbon, and climate change indexes as well as tools to identify clean-tech and environmentally oriented companies.

MSCI acquired Zurich-based environmental fintech and data analytics firm Carbon Delta AG (Carbon Delta) in 2019. Carbon Delta expands 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 Value-at-Risk, 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. 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 Value-at-Risk a forward-looking and return-based valuation assessment for individual assets and portfolios.

MSCI’s ESG and Climate data are available in MSCI Analytics applications to facilitate risk exposure, portfolio reporting, and construction. They are also used to construct MSCI ESG and Climate Indexes including MSCI Climate Change Indexes, MSCI Low Carbon Indexes, MSCI ex Fossil Fuel Indexes, MSCI Provisional Climate Change EU Climate Transition, EU Paris-Aligned Indexes, and MSCI Global Environmental Indexes.   The MSCI Fixed Income ESG Indexes were launched in January 2020 and are designed to help institutional investors benchmark to ESG investment performance, as well as manage, measure and report on ESG mandates. MSCI’s Fixed Income Indexes also provide institutional investors with transparency into ESG sustainability and values alignment, together with the ability to compare holdings. The indexes include ESG Fixed Income Universal Index, ESG Fixed Income Leaders Index. MSCI is working on developing Climate and Paris Aligned Fixed Income indexes.

In 2019, MSCI ESG Research publicly released the MSCI ESG ratings of over 2,800 companies in the MSCI All Country World Index (ACWI) via a search tool on msci.com. In May 2020, MSCI ESG Research made public the MSCI ESG ratings for 36,000 multi-asset class mutual funds and ETFs, and MSCI Limited, an MSCI UK subsidiary, has made public ESG metrics for all of its indexes covered by the European Union Benchmark Regulation.

In 2020, MSCI published “The MSCI Principles of Sustainable Investing,” to illustrate specific, actionable steps investors can take to improve practices for ESG integration across the investment value chain. The framework includes three core pillars to full ESG integration: Investment Strategy, Portfolio Management, and Investment Research.

ESG ratings, research, and analysis are produced by MSCI ESG Research LLC. MSCI ESG Indexes and Analytics utilize 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).

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Australia
Brazil
Canada
China
China, Hong Kong Special Administrative Region
France
Germany
Hungary
India
Italy
Japan
Mexico
Netherlands
Philippines
Republic of Korea
Singapore
South Africa
Sweden
Switzerland
Taiwan, Greater 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

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(s)	Please explain
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, comprised of independent non-employee directors, other than our CEO. In this position, he is able to provide MSCI with unified leadership and direction and holds the highest position of accountability, responsibility, and oversight over MSCI's operations, including any associated climate-related issues that might arise from time to time.
Board-level committee	The Nominating and Corporate Governance Committee of the Board ("NCG Committee") is a standing committee of the Board comprised of all independent non-employee directors. As stated in its Charter, the NCG Committee is responsible for, among other things, overseeing environmental, social, and governance matters as they pertain to MSCI's business and long-term strategy. The Chair of the NCG Committee provides a report each quarter to the full Board, including any material ESG matters. The NCG Committee receives quarterly updates from MSCI's Chief Responsibility Officer ("CRO"), who is also Head of Index, which includes MSCI's ESG Indexes, leads the Corporate Responsibility Committee ("CRC"), a management-level committee responsible for ESG disclosures and management practices. . In November 2019, the CRO reviewed with the NCG Committee the findings of MSCI's TCFD Scenario Analysis, as well as MSCI's carbon footprint.
Board-level committee	The Audit Committee, a standing committee of the Board comprised of all independent non-employee directors, is responsible for reviewing (i) MSCI's key business risks, (ii) policies and practices for risk governance, risk assessment, and risk management, and (iii) steps taken to monitor and mitigate such risks. In conducting its review of MSCI's material risks, it is expected that the Audit Committee would be informed of climate-related risks impacting MSCI's operations if such risks ever reached the level of materiality that would result in a significant impact to MSCI's operations or financial results (e.g. impact of climate disasters on IT infrastructure/business continuity, etc.).
Board-level committee	The Strategy and Finance Committee, a standing committee of the Board comprised mostly of independent non-employee directors, provides management with guidance on MSCI's business strategy, which may include sustainability-related opportunities (e.g. climate-related products/services). For example, the Strategy and Finance Committee advised management with respect to MSCI's acquisition of Carbon Delta which allows MSCI to expand its 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.

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	Scope of board-level oversight	Please explain
Scheduled – some meetings	Setting performance objectives	<Not Applicable>	The Compensation & Talent Management Committee ("C&TM"), a standing committee of the Board comprised of independent non-employee directors, is responsible for reviewing, approving, and assessing the attainment of corporate goals and objectives to be used in setting the compensation for our Company's Executive Committee members, which includes our CEO and CRO. Annually, the C&TM meets to set such goals and again to evaluate their achievement. Under our Company's annual cash incentive plan, executives receive cash bonuses based on the attainment of the level of financial performance metrics (weighted at 70%) and individual key performance indicators ("KPIs") (weighted at 30%). For 2020, our CEO, CHRO and CRO have incorporated into their KPIs the goal of championing a strong ESG / corporate responsibility platform throughout MSCI within which corporate climate action may be contained. The results are reported back to the C&TM.
Scheduled – some meetings	Reviewing and guiding major plans of action Reviewing and guiding risk management policies	<Not Applicable>	The Audit Committee oversees MSCI's key business risks, which could include climate-related risks if such risks ever reached the level of materiality that would result in a significant impact to MSCI's operations or financial results (e.g. impact of climate disasters on IT infrastructure / business continuity, etc.). The Audit Committee receives a quarterly report from MSCI's Enterprise Risk Management ("ERM") Officer on the work of MSCI's Enterprise Risk Management Oversight Committee ("EROC"), a management-level committee tasked with overseeing MSCI's risk management activities. The Audit Committee also receives a quarterly report from MSCI's Chief Information Security Officer ("CISO") on the work of MSCI's IT risk management function. The Chair of the Audit Committee then provides a quarterly report to the Board, which could include climate-related risks if they are likely to have significant impact to MSCI's operations or financial results.
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies	<Not Applicable>	The CRO provides written quarterly updates and reports semi-annually to the NCG Committee. These updates and reports include progress on the execution of the operating plan. The operating plan provides a framework for executing on high impact areas for improvement of MSCI's practices and disclosures, and for developing and implementing short and long-term plans to address key areas and gaps which may include items related to climate risks and opportunities. The written quarterly updates are made available to the full Board and the Chair of the NCG Committee summarizes key elements of the CRO's reports to the full Board.
Scheduled – some meetings	Reviewing and guiding strategy Overseeing major capital expenditures, acquisitions and divestitures	<Not Applicable>	The Strategy & Finance Committee, a standing committee of the Board comprised mostly of independent non-employee directors in 2019, provides management with guidance on MSCI's business strategy, which may include sustainability-related opportunities (e.g. climate-related products/services). As of April 2020, this committee is fully independent. This Committee also reviews and provides recommendations to the Board on acquisitions and divestitures. Through its strategy and budgeting approval process, the Board is presented with investment opportunities that include initiatives that, among other things, allow MSCI to further establish itself as a leading provider of ESG products including climate related products and services. For example, the Strategy and Finance Committee advised management with respect to MSCI's acquisition of Carbon Delta which has allowed us MSCI to expand its market opportunities related to climate change.

C1.2

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

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Chief Responsibility Officer)	<Not Applicable>	Assessing climate-related risks and opportunities	<Not Applicable>	As important matters arise
Other C-Suite Officer, please specify (Global Head of Corporate Services (GHCS))	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

1. At the Board level, the NCG Committee is responsible for overseeing ESG matters pertaining to MSCI's business operations, and the Audit Committee oversees MSCI's key business risks, which could include climate-related risks if such risks would result in a significant impact to MSCI's operations or financial results. Such committees report to the full Board on matters discussed during committee meetings, and if climate-related issues were to become a material topic of discussion, they would be discussed with the full Board. The full Board reviews and approves the annual operating budget, which includes investments in ESG-related opportunities. The full Board and Strategy and Finance Committee also advise management on partnership and acquisition opportunities related to MSCI's ESG strategic objectives. At the management level, there are two committees responsible for monitoring risks, including climate-related risks if such risks were would result in a significant impact on MSCI's operations or financials results - the EROC (Risk Committee) and the CRC, respectively. The EROC is comprised of the President, the Chief Financial Officer (CFO), the General Counsel, the Chief Human Resources Officer ("CHRO"), the Chief Technology Officer ("CTO"), the Head of Investor Relations, and the Enterprise Risk Management Officer ("ERMO)" to ensure well rounded representation of potential risk exposure. The EROC oversees MSCI's risk management activities to ensure that MSCI is identifying, evaluating, and managing risks that may have an adverse impact on MSCI's ability to achieve its operational and strategic objectives. To the extent that climate-related issues may impact our operations or financial results, such issues would be escalated, as needed, to the EROC. For example, climate change may exacerbate extreme weather events and other natural disasters, which could interrupt the continuity of our operations and may have the potential to impact MSCI's ability to provide clients with access to products and services. The Audit Committee receives a quarterly update from the ERMO on, among other things, the work of the EROC. In addition, from time to time, the CISO will provide an update to the Audit Committee on MSCI's business continuity plans and IT disaster recovery planning efforts designed to mitigate the impact of such potential disruptions, including those that could be caused by climate and extreme weather events. The CRC is led by the CRO who is also Head of Index, including MSCI's ESG Indexes. The CRC coordinates efforts to implement sound ESG policies and practices. The CRO provides quarterly updates to the NCG Committee on the work of the CRC. The CRO reports to the CEO in relation to the CRO function. In addition to the CRO, the CRC is also comprised of a cross-functional team of senior leaders including two C-Suite members, CHRO: An Executive Committee level officer, who provides insight on ESG matters from a Human Resources perspective and input on resources that might be available to improve MSCI's ESG practices; reports to MSCI's CEO.
2. Corporate Secretary and Securities Counsel: provides insight into the applicable regulatory and governance frameworks impacting ESG practices and disclosures; reports to MSCI's General Counsel.
3. Head of Global Communications: assists in framing the messaging around MSCI's ESG practices to both internal and external stakeholders; reports to MSCI's President
4. Head of Investor Relations: liaises with investors on ESG matters, including climate change, and communicates to the CRC investors' expectations with respect to MSCI's ESG practices; reports to MSCI's CFO.
5. Global Head of Research for MSCI's ESG Research business who leads one of the largest teams of research analysts in the world dedicated to identifying risks and opportunities arising from significant ESG issues and provides insight into the ESG practices of companies around the world and is thus best positioned to provide substantive expertise to the CRC's own processes and decision; reports to MSCI's Global Head of Research.
6. GHCS: oversees MSCI's Corporate Real Estate and Procurement Department, recommends and oversees initiatives to reduce MSCI's and MSCI's vendors' impact on the environment, and collaborates with the IT function to ensure business continuity during extreme climate events. Responsibilities include understanding climate change risks and opportunities for MSCI's office facilities; reports to MSCI's CHRO.
7. Corporate Responsibility Business Manager: drives the direction and strategy of and execution of the CRC framework and initiatives; reports to the CRO. Climate-related policies implemented at MSCI would be reviewed by the CRC. The CRC would then provide oversight to these policies. In 2020 MSCI issued an Environmental Policy.

As of December 2019, local Eco groups had been established in 15 offices and aim to increase awareness and manage, over time, regional environmental 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	

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	Type of incentive	Activity inventivized	Comment
Corporate executive team	Monetary reward	Emissions reduction project	The GHCS, who reports to the CHRO, is incentivized through compensation for the advancement of energy reduction projects amongst other environmental and sustainability initiatives as well as the actions of the Facility Managers detailed below In addition, when selecting new office space, the GHCS also considers a property's vulnerability to extreme weather events and natural disasters.
Facilities manager	Monetary reward	Emissions reduction project Energy reduction project	The GHCS incentivizes his employees such as Facilities Managers (and is in turn incentivized through his compensation) to consider various environmental factors. These include the existence of landlord-driven or local recycling initiatives, the use of sustainable and energy-efficient materials, elimination of the use of single-use plates, flatware and cups globally, control systems enabling the efficient use of power, and availability of public transport for employees. The practices of the Corporate Services have led to the purchase of energy-efficient products for MSCI's offices and the wide use of sustainable products including recycled and low environmental impact materials and the elimination of single-use plastic items. This should contribute to an emissions reduction trend and MSCI expects the continued selection of lower-impact equipment and materials to result in a reduction in MSCI's emissions. MSCI reduces its environmental impact linked to physical travel through business travel policies that encourage employees to plan trips well in advance, to bundle short duration trips into fewer longer-term trips, and to take fewer physical trips by holding virtual meetings supported by conferencing technologies. MSCI averages over 13,000 virtual meetings monthly. In response to COVID-19, a majority of MSCI's employees are working from home and the number of virtual meetings has increased to about 41,000 per month.
Executive officer	Monetary reward	Other (please specify) (Environmentally focused products)	Executive Officer: The Heads of MSCI's ESG, Index, and Analytics product lines are members of MSCI's Executive Committee and report to the President of MSCI. The product line heads are responsible for enhancing MSCI's current ESG product offerings, integrating new and current ESG capabilities into existing products, and providing platforms and flexible technologies that enable users to access to ESG products and services. MSCI seeks to drive growth in use and subscriptions by our end clients in ESG products (products that help clients to integrate ESG considerations into clients' investment processes). Additionally, the Global Head of Research and Product Development is also a member of the MSCI Executive Committee and oversees the publication of ESG-related research and participation in conferences to further global understanding of sustainability issues. Finally, the Chief Strategy Officer is also a member of MSCI's Executive Committee and helps to coordinate the efforts of the individuals described above, including initiatives related to ESG, to help ensure that MSCI's business activities promote its mission to power better investment decisions for a better world. Under MSCI's pay-for-performance compensation program, the compensation paid to each Executive Committee member described above is comprised of a base salary, equity awards, and annual cash bonus. These three components are determined by both MSCI's overall financial performance during the year and the executive's individual performance. A part of this performance is determined by the extent to which MSCI is successful in launching ESG offerings and expanding existing ones.
President	Monetary reward	Other (please specify) (Environmentally focused products)	MSCI's President's compensation is linked to, amongst other things, the management and development ESG related products which include climate-related products and service offerings. The President is incentivized based on the financial performance of MSCI including the impact on share price and the achievement of sales targets including the ESG product line and Climate Indexes. MSCI's climate-related solutions include:1) MSCI ESG Analytics: allows clients to integrate ESG into portfolio construction and risk management using MSCI's Multi-Asset Class risk and performance analytics systems. 2) Climate Change Metrics: carbon management assessment, carbon, and cleantech metrics and fossil fuel screens for portfolio construction. 3) Carbon Portfolio Analytics: helps clients understand, measure, and manage carbon risk at the portfolio, sector, and company level. 4) MSCI Climate Value-at-Risk calculates the impact of climate change on a company's market value and helps investors understand and quantify these risks within their portfolio. 5) MSCI Climate Change Indexes designed to enable investors to holistically integrate climate risk considerations in their global equity investment process while increasing diversification through a simple, rules-based reweighting methodology. 6) MSCI Low Carbon Indexes the first index series designed to address two dimensions of carbon risks: long term risk by reducing the index's exposure to not only carbon emissions but also fossil fuel reserves and short-term risk by aiming to have a low tracking error compared to the parent index. 7) MSCI Global Environmental Indexes designed to maximize exposure to clean technologies. They include companies that generate 50% or more revenues from products and services that contribute to a more environmentally sustainable economy. The index stock selection process utilizes MSCI ESG Sustainable Impact Metrics. 8) MSCI ex Fossil Fuel Indexes exclude companies that own oil, gas or coal reserves. 9) In 2019, MSCI launched the MSCI Provisional Climate Change EU Climate Transition and EU Paris-Aligned Indexes which are constructed from the MSCI Climate Change Index and are designed to reflect the minimum requirements for the EU climate benchmarks contained in the final TEG report on a provisional basis. 10) MSCI Fixed Income ESG Indexes were launched in 2020.

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 defines substantive strategic or financial impact from climate change as an impact that 1) requires a significant change in our operations and/or how we deliver our products to our clients, 2) the need to make an extended or permanent change in location of a facility or implement our BCP beyond current scenarios 3) results in a significant change to our business strategy. At this time there are no impacts that meet this definition.

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

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
To assess MSCI's most probable climate-related facility-level physical and enterprise-level transition risks, MSCI conducted a climate-related scenario analysis (in alignment with the TCFD Recommendations) in early 2019. Drawing from the findings of this analysis and given MSCI's mission, operations, and locations worldwide, overall, the top three climate-related financial risks currently are temperature extremes, storm damage, and litigation under both the "business as usual" (RCP8.5) and "two-degree" (RCP4.5) scenarios. By 2040, MSCI's top three climate-related financial risks change slightly to include coastal flooding. This report was shared with the CRC, the CEO, the President, the IT Risk Oversight Committee and the NCG in 2019. To the extent that climate-related issues may impact MSCI's operations or financial results (e.g. extreme weather events or natural disasters could potentially impact MSCI's IT and physical infrastructure's ability to provide clients with products and services), such issues are addressed as part of MSCI's overall business continuity and IT disaster recovery planning. MSCI's Business Resiliency team assesses the severity, probability, and scale of extreme climate events in geographies that it operates within and develops implements and tests technology systems to support MSCI's business continuity plans. MSCI's business continuity and IT disaster recovery plans are tested periodically, and results are reported to MSCI's IT Risk Oversight Committee on a quarterly basis. MSCI's Crisis Management Team and Technology Service Operations Service Management Team are responsible for all aspects of disaster response and recovery response efforts. Disaster recovery planning and testing encompass protecting the general welfare and safety of MSCI's employees, data centers, networks, applications supporting business operations, communications systems, and general technology recovery following an extreme weather incident or natural disaster. At the management level, there are two committees responsible for monitoring risks, including climate-related risks if such risks were would result in a significant impact to MSCI's operations or financial results - the EROC (Risk Committee) and the CRC, respectively. To the extent that climate-related issues may impact our operations or financial results, such issues would be escalated, as needed, to the EROC. For example, climate change may exacerbate extreme weather events and other natural disasters, which could interrupt the continuity of our operations and may have the potential to impact MSCI's ability to provide clients with access to products and services. The Audit Committee receives a quarterly update from the ERMO on, among things, the work of the EROC. In addition, from time to time, the CISO will provide an update to the Audit Committee on MSCI's business continuity plans and IT disaster recovery planning efforts designed to mitigate the impact of such potential disruptions, including those that could be caused by climate and extreme weather events. The CRC identifies ESG initiatives that promote sustainability. The initiatives are informed by the members of the CRC. For example, as a member of the CRC, the Head of Investor Relations informs the CRC of ESG-related matters that are important to MSCI's investors (including climate change). In 2019, the CRO also participated in a number of investor meetings to directly address ESG-related matters that are important to our investors. The process for managing climate-related commercial opportunities is done 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. For example, our climate change team within MSCI ESG Research supports our clients by providing products that help them measure and report on climate risk exposure, implement low carbon and fossil-fuel-free investment strategies, and factor climate change research into their risk management processes. There is the ongoing development of new models that are used by our clients in combination with the risk analytical tools developed within our Analytics product line to manage climate risk exposure.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, sometimes included	MSCI is currently not subject to extensive climate-related regulations. We strive to comply with relevant environmental regulations as a baseline for our operations: 1. Corporate Services is responsible for complying with environmental regulations 2. Given that MSCI leases space, the Corporate Services department manages the relationships and contracts with local landlords to identify and manage local regulations The product groups for ESG Research and Index track and comply with product regulations
Emerging regulation	Relevant, sometimes included	We strive to comply with relevant environmental regulations as a baseline for our operations. We monitor emerging regulation to determine possible impact as follows: 1. Corporate Services is responsible for complying with environmental regulations 2. Given that MSCI leases space, the Corporate Services department manages the relationships and contracts with local landlords to identify and manage local regulations. The product groups for ESG Research and Index track and comply with product regulations
Technology	Relevant, always included	MSCI's IT Disaster Recovery Planning aims to mitigate key risks to its IT infrastructure resulting from climate and extreme weather events, amongst other disasters. Historically, MSCI has directly experienced the impact of extreme weather in Mumbai (our largest production office) Norman, Oklahoma (a key data and technology office) as well as our New York Office due to Hurricane Sandy. We successfully mitigated the impact of these events by activating our business resiliency program. MSCI routinely conducts table-top disaster simulation events, including extreme weather events, for every office. A recent and highly illustrative example of our investment into and, the robustness of, our business continuity plan was our ability to quickly move a majority of our global staff to work from home during the Coronavirus pandemic.
Legal	Not relevant, explanation provided	Due to the nature of our business and the products and services we provide, we do not consider legal risks arising out of climate-related matters to be material. We structure our client and vendor contracts to minimize exposure to liability (including that which may arise from climate-related events or patterns) and have robust business continuity processes in place.
Market	Relevant, always included	MSCI conducts consultations with the global investment community and we engage with clients through regular meetings and events such as client advisory panels, so that we can build changes in client needs into our products including those related to climate risk. MSCI has low carbon indexes and in 2019 launched Climate Change indexes.
Reputation	Relevant, always included	Climate-related risks could disrupt our ability to provide products and services to clients (e.g. loss of a key supplier due to an acute weather event), which could also negatively impact MSCI's reputation. Another example of climate-related reputational risk is in the event that MSCI fails to adequately or timely respond to a stakeholder's request for climate-related disclosure or action (e.g., request for additional information regarding our greenhouse gas emissions).
Acute physical	Relevant, always included	The most significant potential impact from an acute physical risk event would be to MSCI's IT Infrastructure. MSCI's IT Disaster Recovery Planning aims to mitigate key risks to its IT infrastructure resulting from climate and extreme weather events, amongst other disasters. Historically, MSCI has directly experienced the impact of extreme weather in Mumbai (our largest production office) and in Norman, Oklahoma (a key data and technology office) and our New York office due to Hurricane Sandy. We successfully mitigated the impact of these events by activating our business resiliency program. MSCI routinely conducts tabletop disaster simulation events, including extreme weather events, for every office. A recent and highly illustrative example of our investment into and, the robustness of, our business resilience program was our ability to quickly move a majority of our global staff to work from home during the Coronavirus pandemic. To further assess its climate-related risks, in 2019, the CRC had a climate-related scenario analysis performed. The analysis is intended to help MSCI in its ongoing efforts to build upon the processes and frameworks for managing climate-related risks and opportunities and improving its communications around these efforts, including those related to lowering its environmental impact and achieving energy efficiency. These risks include the physical risks of temperature extremes, storm damage and coastal flooding. These risks are addressed within the business resiliency plan and through insurance.
Chronic physical	Relevant, always included	The most significant potential impact from chronic physical risk events would be to MSCI's IT Infrastructure. MSCI's IT Disaster Recovery Planning aims to mitigate key risks to the firm including chronic weather and climate related risks. To further assess its climate-related risks, in 2019, the CRC had a climate-related scenario analysis performed. The analysis is intended to help MSCI in its ongoing efforts to build upon the processes and frameworks for managing climate-related risks and opportunities and improving its communications around these efforts, including those related to lowering its environmental impact and achieving energy efficiency. These risks include the physical risks of temperature extremes, storm damage, and coastal flooding. These risks are addressed within the business resiliency plan as well as MSCI's location strategy.

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	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

While MSCI's primary business of providing financial products and services does not expose us directly to climate-related risks, we may experience increased severity and frequency of extreme weather events, such as a heatwave, hurricane, or flood resulting in power loss or telecommunications failure. 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. Historically, MSCI has directly experienced the impact of extreme weather in Mumbai, our largest production office and in Norman, Oklahoma, a key data and technology office. These impacts may pose health/safety concerns for employees to commute, operate, live in these geographies or it may increase healthcare premiums or may raise MSCI's facility operating costs. We successfully mitigated the impact of these events by activating our business resiliency plans.

Time horizon

Short-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)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1

Potential financial impact figure – maximum (currency)
100000

Explanation of financial impact figure
Per our TCFD scenario analysis, our greatest vulnerability is in Mumbai. In the case of an acute, climate-related event occurring in this location, as an example, the types of financial impacts would include, but would not be limited to, losses associated with our physical facility in Mumbai, loss of productivity, and costs to restore the business, including purchase of hardware. The range of the impact depends on the severity of the event but could be as high as $100,000 which is our deductible. MSCI maintains comprehensive, all peril insurance coverage to help mitigate the simultaneous loss (temporary or permanent) of several major MSCI facilities with a deductible of a $100,000. Without insurance, the potential inherent financial impact of an acute, climate-related event for a location such as Mumbai could be much higher. MSCI has protected itself from extreme financial impact by purchasing insurance and developing sound business resilience plans which would mitigate the upper limit of the financial impact to us.

Cost of response to risk
1000000

Description of response and explanation of cost calculation
This the total estimated cost of the response to protect MSCI, globally, from acute, local or regional climate-related issues. This is based on two key components: 1. MSCI's cost to maintain third-party insurance coverage to protect our business from various damages. MSCI annually assesses and obtains comprehensive third-party insurance to mitigate the impact, including climate-related, of damage to its physical facilities and business disruptions. The cost of our Insurance Premium is approximately $200,000. 2. MSCI's cost in maintaining a dedicated Business Continuity Planning team, business continuity planning software, and ongoing IT and project management costs to manage plans, testing, and communication. An estimate of this cost is up to $800,000 which helps us reduce the cost of insurance and mitigate the need to make claims. In total, this amounts to be $1,000,000 in management costs. In this example, we have utilized Mumbai as an example, as it is considered the location with the highest climate-risk for MSCI. Therefore, the specific cost of the response to Mumbai would be a portion of this overall, total cost to protect MSCI from acute, climate-related events. While not all disasters can be fully anticipated, we regularly assess and take steps to improve our existing business continuity plans, including establishing and maintaining state of the art computational facilities and employing a geographically diverse operational workforce and leadership team. MSCI's dedicated business continuity team issues plans and undertakes IT disaster recovery planning efforts that have aided MSCI's ability to operate in a "business as usual" fashion in the face of climate-related events such as Superstorm Sandy in the Northeast US, droughts in South Africa, monsoons in Mumbai, flooding in Budapest, extreme heat in Western Europe, tornados in Oklahoma and typhoons in Manila and Hong Kong. The effectiveness and comprehensiveness of planning was demonstrated when we moved a majority of our employees to work from home because of COVID-19 without a notable impact on our productivity, connectiveness, production or delivery. MSCI reviews, updates and tests our business continuity plans regularly. As part this ongoing evaluation, climate change impacts are considered along with various other potential events, which can impact MSCI locations. MSCI regularly conducts tabletop disaster simulation events, including extreme weather events, for every office.

Comment
We maintain a dedicated Business Continuity Plan group as well as business continuity planning software to manage plans, testing, and communication.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact
Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
This risk pertains to MSCI's sustainability throughout longer-term/chronic global climate changes (e.g. rising water levels in Mumbai). In the long-term, environmental factors may disrupt MSCI's business strategy and financial plans (e.g. supply chain disruption, location strategy, etc.) Put simply, increased severity of longer-term/chronic extreme weather puts MSCI's physical locations at risk. For example, the Mumbai office (our largest office) has experienced episodes of extreme weather in recent years, including longer monsoon seasons. Based on our TCFD scenario analysis of MSCI's offices and data centers, the Mumbai location has the greatest absolute risk, driven by its asset value and its exposure to temperature extremes. These temperature extremes can increase cooling costs, reduce the quantity of water availability, and affect employee productivity. Our other offices may also experience weather-related damage (e.g., flooding in Manila, Budapest or New York), that could increase our costs of operations, maintenance, and disaster response and recovery. Per the TCFD Scenario Analysis, the greatest climate-related impacts to MSCI are at the following four MSCI office locations: • Mumbai, India • Manila, Philippines • New York, New York • Budapest, Hungary Longer-term/chronic global climate changes may potentially require a change in our location strategy.

Time horizon
Long-term

Likelihood
About as likely as not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)
1

Potential financial impact figure – maximum (currency)
21600000

Explanation of financial impact figure
Per the TCFD Analysis prepared for MSCI in 2019, environmental factors may disrupt MSCI's longer-term business strategy and financial plans (e.g., location strategy, etc.) The value at risk has grown 1.5x in the past decade. It is projected to grow 1.4x in the next decade under a "two-degree" (RCP4.5) scenario and 1.5x under a "business as usual" (RCP8.5) scenario. These ratios are based on total risk estimates of: • $9.5M for the 2010 period • $13.6M and $19.5M for the 2020 and 2030 periods under RCP4.5 ("two-degree" low emission scenario) • $14.6M and $21.6M for the 2020 and 2030 periods under RCP8.5 ("business as usual" high emission scenario)

Cost of response to risk
1000000

Description of response and explanation of cost calculation
This is the total estimated cost of response to protect MSCI. This is based on two key components: MSCI's cost to maintain third-party insurance coverage to protect our business from various damages including climate-related, of damage to its physical facilities and business disruptions. The cost of our Insurance Premium is approximately $200,000. MSCI's cost in maintaining a dedicated Business Continuity Planning team, business continuity planning software and ongoing IT and project management costs to manage plans, testing, and communication. An estimate of this cost is up to $800,000 which helps us reduce the cost of insurance and mitigate the need to make claims. This totals to a $1,000,000 in total costs. We regularly assess and improve our existing business continuity plans, including establishing and maintaining state of the art computational facilities and employing a geographically diverse operational workforce and leadership team. MSCI's business continuity plans and IT disaster recovery planning efforts boost MSCI's ability to operate in a "business as usual" fashion in the face of climate-related events such as Superstorm Sandy in the Northeast US, droughts in South Africa, Monsoons in Mumbai, flooding in Budapest, extreme heat in Western Europe, tornados in Oklahoma and typhoons in Manila and Hong Kong. An example of our investment into our business resilience program was our ability to quickly move a majority of our global staff to work from home during the Coronavirus pandemic crisis. MSCI reviews, updates and tests our business continuity plans routinely, which includes splitting the workforce of any one function to multiple locations. Climate change impacts are considered along with various other potential events, which can impact MSCI locations. MSCI routinely conducts table-top disaster simulation events, including extreme weather events, for every office. Examples include detailed preparedness drills in Mumbai and Manila to respond to Monsoons and other extreme weather and in Norman to respond to weather related events like tornados. We used the TCFD scenario analysis and other information to inform our office location strategy to mitigate the disruption to our business as a result of longer-term/chronic global climate changes. An example of how the results of this scenario analysis directly influenced MSCI's business objectives and strategy is our choice of a second location in Pune, India, which is at a higher elevation.

Comment
We continue to evaluate the adequacy of our insurance to mitigate longer-term/chronic climate-related risks.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
An increasing portion of our revenues comes from products that relate to certain investment trends, such as ESG, including climate-change. Our ESG products include Ratings, Screening, Indexes as well as climate products. At our current growth rate of roughly 30% to 40% on $147 million, we could realize up to $44 - $59 million annually in opportunities for ESG products. If we were not able to grow at this rate it would be a risk to the firm. An example of such an offering is our Ratings product, an innovative and pioneering risk metric that calculates the ratings on the compliance of a firm on ESG metrics, this metric helps investors understand and quantify the appropriate risks within their portfolio. A shift away from such investment trends, or a failure to adapt to client requirements, could decrease demand for our products, including those related to climate change, and could have an adverse financial impact on MSCI.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
4000000

Potential financial impact figure – maximum (currency)
6000000

Explanation of financial impact figure
An increasing portion of our revenues comes from products that relate to certain investment trends, such as ESG, including climate-change. We have an extensive suite of ESG products include Ratings, Screening, ESG- Related Indexes and Climate Products. At our current growth rate of roughly 30% to 40% on $147 million, we could realize up to $44 - $59 million annually in opportunities for ESG products. Because of this significant opportunity, our risk is framed by the size of the opportunity. If the growth rate

were to be reduced by 10% the financial impact would be $4 to $6 million.

Cost of response to risk
3000000

Description of response and explanation of cost calculation
Using a 48.5% margin (our publicly disclosed operating margin in our FY 2019 earnings release) on the $4 to $6 million in the potential impact we may assume an estimated cost of the response to be approximately $2 to $3 million annually. This estimated cost of response would include, but would not be limited to, the cost of building additional capabilities in our Product, Coverage, and Technology teams, enhancing our existing tools/capabilities, as well as potentially acquiring new data sets. Understanding industry trends and consumer demand is a key part of our response to this risk. MSCI and MSCI ESG Research continue to assess and develop a comprehensive portfolio of innovative solutions to respond to industry trends and consumer demand. For example, if clients' regulatory obligations change, we may consider changing our product offering. In addition, 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. This process aims for transparency when proposing methodology changes or, for example, adding new key issues to our ESG Rating model, and to help refine new product initiatives.

Comment
MSCI has been at the forefront of providing data, research and other tools to help enable ESG integration across the entire investment process. MSCI is committed to further advancing solutions to facilitate and accelerate sustainable investing. MSCI will continue to assess how to best serve our clients' needs through the expanded provision of ESG Research, ESG Indexes, and ESG Analytics as demand for ESG solutions continues to grow worldwide. Plans for 2020 include continued coverage expansion and enhancements to MSCI ESG Ratings, ESG Fund Metrics and Climate Change Solutions provided by MSCI ESG Research, and the introduction of additional ESG indexes.

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
Given the growing focus on climate change and the need for solutions, the market for products and services to help investors mitigate risk or adapt to climate change is increasing, and we see significant opportunities for climate-related products and services. Clients often use our ESG & Climate products and services for the following objectives: (1) investing with a systematic and explicit inclusion of ESG & Climate risks and opportunities in investment analysis, (2) investing with the intention to generate measurable positive social or environmental benefits alongside a financial return, and (3) investing in alignment with an organization or individual's values. MSCI ESG Research products are a key growth pillar for MSCI because of the growing Investor appetite for managing ESG & Climate Risks and Opportunities. MSCI provides a range of capabilities to clients whose focus is on ESG & Climate investing across our segments including ESG Index, Analytics, and a potential expansion to Real Estate. MSCI continues to invest extensively in organic product development around emerging segments and use cases by developing solutions for corporates, banking advisory as well as fixed income. In addition, we are focused on expanding our use of newer technologies such as Natural Language Processing and Artificial Intelligence to solve an increasing set of complex problems for our clients The MSCI Fixed Income ESG Indexes were launched in January 2020 and are designed to help institutional investors benchmark to ESG investment performance, as well as manage, measure and report on ESG mandates. MSCI's Fixed Income Indexes also provide institutional investors with transparency into ESG sustainability and values alignment, together with the ability to compare holdings. The indexes include ESG Fixed Income Universal Index, ESG Fixed Income Leaders Index. MSCI is working on developing Climate and Paris Aligned Fixed Income indexes.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
44000000

Potential financial impact figure – maximum (currency)
59000000

Explanation of financial impact figure
At our current growth rate of roughly 30% to 40% on $147 million, we could realize up to $44 - $59 million annually in opportunities for ESG products.

Cost to realize opportunity
30000000

Strategy to realize opportunity and explanation of cost calculation
MSCI continues to organically as well as deliberately develop and expand on the products/services to help investors make decisions based on a company's financial and ESG performance. We work with clients through consultations to understand their ESG investment objectives and incorporate their feedback into our products. An example of building our capabilities is MSCI's 2019 acquisition of 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 market. Additionally, the Carbon Delta office (Zurich) will act as MSCI's Climate Risk Center, the focal point for the development of climate change risk analytics and tools. Using a 48.5% margin (our publicly disclosed operating margin in our FY 2019 earnings release) on the $44 - 59 million opportunity, we may assume an estimated cost of the response to be approximately $23 to $30 million annually. This estimated cost of response to realize this opportunity would include, but would not be limited to, the cost of our Product and Coverage teams, enhancing our existing tools/capabilities, as well as acquiring new data sets.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of recycling

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
MSCI has eliminated the use of single-use plastics and other disposable kitchen items as well as office supplies. Programs are also in place to reduce and recycle paper throughout MSCI operations. We also are reducing print by delivering client publications electronically rather than printed.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
565000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
MSCI eliminated use of single use plastic items globally and other disposable kitchen items and office supplies in most offices, thereby reducing annual operating costs. The estimated savings of $565,000 are based on the elimination of the purchase of disposables in all offices except for Mumbai and an estimate of the cost savings of not printing the Red and Blue Books.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
As a leader in ESG research and applications, MSCI is committed to do its part to promote sustainability and to reduce consumption. The implementation and management of these policies is embedded within the facilities' operating plans and there is no ($0) incremental costs. MSCI has implemented processes across our offices to eliminate single-use plastic items, including water bottles, cutlery, straws, coffee stirrers and other disposable items. Where practical, we are replacing disposable water bottles with pitchers and glassware. We are also in the process of eliminating under-desk waste-paper baskets to focus efforts on recycling items rather than sending them to landfill. We participate in recycling programs and e-waste disposal. Another example of MSCI's efforts to reduce its impact on the environment is that on December 4, 2019 we started distributing digitalized version of the MSCI Blue and Red Books in parallel with the printed version. In March, we discontinued all activities related to the printed Books. From the end of March, only the digitized version remains. The benefits of this change are promotion of sustainable business practices and reduction of our environmental footprint. The change is estimated to save 60 trees per year and reduces the emissions associated with printing and shipping. We also eliminated paper statements for our stock plan. Further, employees in several of our major offices have set up local employee-driven committees that engage in a variety of initiatives, including promoting sustainable waste management and working practices, educating and increasing awareness of key environmental issues and challenges facing those offices, and running initiatives to engage employees on local environmental matters. All MSCI offices utilize energy star rated printers, environmentally friendly print inks, and have ID badges enabled to limit and/or eliminate unnecessary print jobs.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Other, please specify (Participation in renewable energy programs and adoption of energy-efficiency measures)

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
While the nature of MSCI's business means we have a relatively small carbon footprint, we believe there is still an opportunity to be more efficient in our office operations and reduce costs through the implementation of programs to reduce energy consumption and limit the volume of our business travel and thereby reduce our environmental impact.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
400000

Potential financial impact figure – maximum (currency)
600000

Explanation of financial impact figure
MSCI reduces its annual per capita utility and travel cost through a variety of strategies including technology to encourage virtual meetings and the use of energy-efficient office space. The estimated savings is based on MSCI's current number of offices and employees. We estimate we save 10% to 20% of our utility costs and we reduce our travel by several hundred trips each year. We estimate the savings is between $400,000 and $600,000 per year.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
The costs associated with this opportunity are variable and are already fully integrated into our occupancy and travel planning processes. 89% of our global staff are in offices with LEED, BREEAM or equivalent green building recognition thereby reducing annual utility costs per building. Our offices in Boston, Budapest, Chicago, Dubai, Frankfurt, Gaithersburg, Manila, Mumbai, New York, Norman, San Francisco and Seoul are all LEED-certified, our London and Paris offices are BREEAM-certified. We are seeking LEED certification for our Berkeley office and expect to receive it in 2020. Our offices in Monterrey, Singapore and Tokyo are in buildings which have received local awards for their environmental design and green building technology. Efficient light fixtures and smart lighting occupancy sensors are enabled in MSCI buildings to reduce electricity consumption. We have motion sensors and automated controls for lighting in offices which represent 95% of our global staff. Furniture with 70% to 90% recycled materials is used in all of our new and remodeled offices. The vendor has the highest recycled content on the market. Since 2016, MSCI's principal datacenters, located within the U.S., have been powered by 100% renewable energy; Since 2017, the renewable energy credits retired on behalf of MSCI were certified by our datacenter provider to comply with Greenpeace's principles of locality, additionality, and sustainability, and were generated by Nevada solar farms and geothermal power plants. Since 2019, our datacenters in Europe have been powered by 100% renewable energy. Our datacenters in APAC use renewable sources as one part of their overall energy usage. MSCI reduces our environmental impact linked to physical travel through business travel policies that encourage employees to plan trips well in advance, to bundle short duration trips into fewer longer term trips and to take fewer physical trips by holding virtual meetings supported by conferencing technologies. We seek to reduce paper usage by using electronic documents rather than paper and minimizing the volume of printing. In response to the COVID-19 pandemic MSCI shifted its employees to work in a virtual environment. As a consequence MSCI is averaging 41,000 virtual meetings per month and has reduced print volumes. It is expected these new practices of virtual meetings and less print will contribute to a long term improvement in resource efficiency.

Comment
MSCI takes various environmental factors, such as existence of landlord-driven or local recycling initiatives, use of sustainable and energy-efficient materials and control systems enabling the efficient power use, and public transport availability into consideration as part of our new office acquisition approach, and we implement our own office programs for low environmental impact product use as well. MSCI has personnel whose roles include coordination of activities to support our corporate environmental and carbon disclosure activities, and to oversee our global office practices and standards to ensure that we act in a consistent and environmentally conscious manner throughout our offices. An example of our efforts to reduce environmental impact is that we have begun to purchase paper made from Sugar Cane for our offices in the Americas. In response to the COVID-19 pandemic, MSCI moved a majority of its employees to work from home. MSCI is currently evaluating its future office space requirements as it anticipates leveraging alternate working arrangements more frequently in the future. It is expected that MSCI's need for office space will decline, thus reducing the level of Green House Gas Emissions due to employee commuting and electricity consumption within our offices.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?
Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative, but we plan to add quantitative in the next two years

C3.1b

(C3.1b) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 4.5 RCP 8.5	Given the growing emphasis of incorporating the TCFD recommendations for assessing and managing climate-related risks and opportunities, MSCI identified the need to conduct a climate scenario analysis to inform business strategy. In 2019, MSCI analyzed its 32 physical locations for acute and chronic physical and transitional risks and opportunities. The analysis was conducted by external climate experts using Climanomics®— a proprietary analytical software tool. To conduct the analysis, MSCI used the employee count in each office location to apportion company revenue by each location as a way to assess the magnitude on financial impact associated with the location and timeframe within which a potential risk may become reality. The analysis included two scenarios defined by the IPCC BREEAM's Representative Concentration Pathway (RCP)—namely RCP4.5 for years 2020 and 2040 and RCP8.5 for the year 2040—to assess physical risk exposure and the Shared Socioeconomic Pathways family of scenarios (SSP 1-5) for carbon-price effects or transitional risks and opportunities. The timeframes selected in MSCI's scenario analysis, 2020 and 2040, were chosen based on MSCI's desire to understand, plan for, and manage current (2020) and potential future (2040) climate-related risks and opportunities to its assets, operations, and services. The results of this analysis identified temperature extremes, storm damage, litigation, and coastal flooding risks to be of most relevance to MSCI's business, assets, operations, and strategy. Out of all MSCI's physical locations, its Mumbai location was found to carry the highest risk exposure from temperature extremes, followed by Manila, New York, and Budapest. The analysis also discovered that under the RCP8.5 scenario, it is likely that 60% of its assets will have 3% of their asset value at risk by 2040. An example of how the results of this scenario analysis directly influenced MSCI's business objectives and strategy may be illustrated by our choice of a second 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 that Pune was a more optimal location. MSCI is incorporating the findings in its broader business strategy and as a means to enhance our management of the climate-related risks and enhance opportunities. As MSCI continues to fully understand the financial and strategic impacts of temperature extremes, storm damage, litigation, and coastal flooding on its business, assets, operations, and strategy, we hope to introduce adaptation and resilience measures to manage and mitigate these risks within the next several years. Any updates concerning our management of climate-related risks and opportunities may be provided on our corporate responsibility webpage.

C3.1d

(C3.1d) 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	MSCI ESG Research's Research and Ratings and our MSCI Climate Metrics and Indexes are some of our most strategically important and highest growth product offerings with increasing demand to disclose data on the financial impacts of climate change. This demand influences MSCI's short term and long term business strategy, resulting in the diversification and expansion of our business offerings. Examples of how the demand for climate-related products has impacted MSCI's product strategy include the following: • In response to client demand for additional climate-risk capabilities, MSCI acquired Carbon Delta in 2019. This bolstered MSCI's long-term capabilities in providing products and services pertaining to climate-change impact assessments. • Following broad client consultation, MSCI launched the MSCI Climate Change Index in 2019. • MSCI completed an index consultation in 2019, resulting in proposed methodology changes aimed at enhancing the climate risk profile of MSCI's ESG indexes. • To further MSCI's capabilities in climate analysis, MSCI's ESG Research launched the Carbon Portfolio Analytics tool to help clients understand, measure, and manage carbon risk at the portfolio, sector, and company level. MSCI's strategy has also been influenced by shifting trends as it relates to climate change. For example, in 2019, MSCI launched the MSCI Provisional Climate Change EU Climate Transition and EU Paris-Aligned Indexes. These are constructed from the MSCI Climate Change Index and are designed to reflect the minimum requirements for EU climate benchmarks contained in the final Technical Expert Group on Sustainable Finance's report on a provisional basis. The MSCI Fixed Income ESG Indexes were launched in January 2020 and are designed to help institutional investors benchmark to ESG investment performance, as well as manage, measure and report on ESG mandates. MSCI's Fixed Income Indexes also provide institutional investors with transparency into ESG sustainability and values alignment, together with the ability to compare holdings. The indexes include ESG Fixed Income Universal Index, ESG Fixed Income Leaders Index. MSCI is working on developing Climate and Paris Aligned Fixed Income indexes.
Supply chain and/or value chain	Yes	MSCI regularly evaluates the potential for supply chain disruption, which would include climate-related changes over both short term and long term horizons. Physical climate risks, such as temperature extremes, storm damage, and coastal flooding have the potential to disrupt operations of MSCI's supply chain and value chain members, which in turn may directly or indirectly impact MSCI's operations and timely customer delivery. Whenever feasible, MSCI identifies multiple sourcing of critical services to reduce the impact of supply chain disruptions. A specific example of such duplicative services is MSCI's design of its data centers. MSCI has data centers located in both Europe and the United States that serve to mitigate impact to MSCI should a climate event impact one of the data centers. As such, the impact of climate change is one of many considerations in our supply chain strategy.
Investment in R&D	Yes	MSCI continues to invest in climate solutions to enhance MSCI's product line due to the ever-increasing demand for better data on the impacts of climate change on organizations globally. The demand for disclosure of timely, accurate, and reasonable data on climate change in business context had influenced MSCI's strategy for investment in R&D. MSCI seeks to continue being a leader in providing valuable insights pertaining to ESG and climate change impacts to the institutional investor community, now and in the long-term. Examples of our climate-related R&D investments include the following: •In early 2019 MSCI ESG Research launched the MSCI Low Climate Transition Score and Categories to help investors measure and manage companies' risk related to the transition to a low carbon economy. •Our recent purchase of Carbon Delta expands MSCI's robust suite of climate risk capabilities with state-of-the-art modeling technology that supports climate scenario analysis and forward-looking assessment of transition and physical risks. • MSCI's ESG Research produces extensive research to keep our clients appraised of climate-related topics and trends through the publication of company-specific research, industry reports, country-level reports and thematic research, as well as blogs, webinars, presentations and participation in industry events. • MSCI created a range of indexes for investors who seek to incorporate climate risks and opportunities into their investment process in order to: 1. Mitigate Risk 2. Capture Disruptive Opportunities 3. Promote Stewardship MSCI's range of climate indexes can be grouped into three categories: 1. MSCI Climate Change Indexes 2. MSCI Low Carbon Indexes 3. MSCI Global Environmental Indexes 4. MSCI ex Fossil Fuel Indexes which exclude companies that own oil, gas or coal reserves. In November 2019, MSCI launched the MSCI Provisional Climate Change EU Climate Transition and EU Paris-Aligned Indexes which are constructed from the MSCI Climate Change Index and are designed to reflect the minimum requirements for EU climate benchmarks contained in the final TEG report on a provisional basis. MSCI actively evaluates investment in climate related products as part of its strategy to capture growing client demand.
Operations	Yes	While our environmental impact as a financial services company is relatively small and comes mostly from office buildings and from business-related travel, we remain committed to limiting our environmental impact and have developed an Environmental Policy. MSCI monitors the policy through an environmental management system. MSCI's environmental policy outlines the environmental principles that help guide our company's strategic and operational business decisions. This policy underscores our commitment to limiting our environmental impact over time and encouraging our stakeholders to do the same. This policy will be revisited and refreshed as our environmental priorities evolve and we continue to achieve higher levels of corporate environmental stewardship. Examples of how climate has impacted our operational strategy include the following: • Our move to energy-efficient offices and use of recycling is of focus for MSCI. MSCI now has 89% of its employees working in LEED or BREEM offices and 95% are in offices with automatic lighting. Additionally, virtually 100% of our offices have met the strategic recycling standard. Also, MSCI chose a vendor, for new and remodeled offices, that uses 70% to 90% recycled materials. Our principal vendor has 100% of all furniture and components certified to a holistic environmental product standard (e.g. LEED). This commitment to limiting our environmental impact is integrated into MSCI's strategic planning process and is reviewed on a quarterly basis. • Any chronic or acute physical climate risks have the potential to disrupt MSCI's business operations for the short term and long term. MSCI's office selection process takes into consideration multiple factors including susceptibility to climate or severe weather events - MSCI leverages information contained within the TCFD scenario analysis to inform this office location strategy. An example of how climate change has impacted MSCI's operational strategy may be illustrated by our choice of a second location in Pune, India, which is approximately 100 miles inland from Mumbai and at a higher elevation.

C3.1e

(C3.1e) 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 Acquisitions and divestments Assets Liabilities	As part of MSCI's short, medium and long-term financial process and quarterly business reviews, senior management, including the Executive Committee, reviews business results and trends, including climate-related solutions. As part of this financial planning, MSCI evaluates changes in client demand for climate-related solutions. MSCI has had, and expects to continue to have, positive revenue growth from climate-related products. Examples of how climate related revenue has impacted financial planning revenue are: • Revenues from MSCI's climate center. • Revenues from MSCI's climate solutions, which include climate data and metrics, climate risk reporting scenario analysis, and climate indexes. As part of MSCI's short, medium and long-term financial process 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 financial planning, MSCI evaluates the impact of climate change on MSCI's direct costs. Examples of how climate related costs has impacted financial planning costs are: • Direct costs of investing in technology to reduce MSCI's Scope 3 GHG emissions by 1) automating labor-intensive processes and promoting virtual employee and client engagement, as well as 2) reducing business travel when possible. • Direct costs of developing policies and practices to promote sustainability and efficiencies, including prioritizing LEED and BREEAM-certified office space when entering into new leases. As part of MSCI's short, medium and long-term annual financial planning process and quarterly business reviews, senior management, including the Executive Committee, reviews 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 market. As part of MSCI's short, medium and long-term annual financial planning process, MSCI considers any climate-related impacts through our business resilience process and insurance coverage, including cost of premiums, etc. As part of MSCI's short, medium and long-term annual financial planning process, MSCI considers any climate-related impacts though our business resilience process and insurance coverage, including cost of premiums, etc.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Further examples of how climate has influenced MSCI's strategy include MSCI's suite of tools and data on carbon and fossil fuel exposure to help investors identify, measure and manage their exposure to carbon and climate change risk at the security, company, and portfolio levels are:

ESG Ratings: MSCI ESG Research evaluates the extent to which climate change poses material risks and opportunities to companies and industries. We take an industry-specific approach focusing on the key areas of risk and opportunity for each industry. Regarding climate risk, we assess regulatory costs and strategic risks facing high-emitting and energy-intensive industries (Carbon Emissions), regulatory and reputational risks facing industries with carbon-intensive supply chains or carbon-intensive products and services (Product Carbon Footprint), and financial exposure to climate-related risks and opportunities (Financing Environmental Impact). We also assess companies' exposure to physical risks of climate change and companies' strategies to manage these risks through Key Issues such as Water Stress and Climate Change Vulnerability.

Business Involvement Screening: MSCI ESG Research provides information on the extent of a company's involvement in activities with negative social and environmental implications (in accordance with our methodologies) to allow investors to apply mandates in portfolios. We offer a full range of carbon-related screens including fossil fuel reserves, revenue exposure, and energy generation.

Sustainable Impact Metrics: MSCI ESG Research identifies the extent of companies' involvement in activities with positive environmental impact, including Alternative Energy, Energy Efficiency and Green Building.

Climate Value at Risk is an innovative and pioneering climate risk metric that calculates the impact of climate change on a company's market value and is designed to help investors understand and quantify these risks within their portfolio.

MSCI Low Carbon Indexes are intended to help identify potential risks associated with the transition to a low carbon economy while representing the performance of the broad equity market. These are the first indexes designed to address two dimensions of carbon exposure: carbon emissions and fossil fuel reserves. **MSCI Global Low Carbon Target Indexes**, a part of this family, aim to reflect a lower carbon exposure than that of the broad market by overweighting companies with low carbon emissions (relative to sales) and those with low potential carbon emissions (per dollar of market capitalization). **MSCI offers ex Fossil Fuel Indexes which** exclude companies that own oil, gas or coal reserves.

Climate Change Indexes were launched in 2019 and are designed to enable investors to holistically integrate climate risk considerations in their investment process while increasing diversification through a simple, rules-based reweighting methodology. The Climate Change Indexes consider both the opportunities and risks associated with transition to a low carbon economy, enabling institutional investors and wealth managers to integrate climate risk considerations in their global equity investment process.

In 2019, MSCI introduced the **MSCI Provisional Climate Change EU Climate Transition Indexes** and **MSCI Provisional Climate Change EU Paris-Aligned Indexes** ("Provisional Indexes") which are constructed from the corresponding MSCI Climate Change Indexes, considering the minimum requirements recommended in the European Commission TEG Final Report

The MSCI Fixed Income ESG Indexes were launched in January 2020 and include ESG Fixed Income Universal Index, ESG Fixed Income Leaders Index. MSCI is developing Climate and Paris Aligned Fixed Income indexes.

MSCI Real Estate offers Green Property Indexes based on assets that have a green building certificate.

· **Australia Green Property Index** published in partnership with the Property Council of Australia and tracks the investment performance of commercial office buildings awarded an environmental rating from Green Star, NABERS Energy and NABERS Water

· **South Africa Annual Green Property Index** published in conjunction with the Green Buildings Council and tracks the performance of Green Star Certified Prime & Grade A Office properties to the rest of the MSCI Prime & Grade A Office Universe

· **Canada Quarterly Green Index** published in partnership with REALPAC and compares the financial performance of those properties with a BOMA BEST or LEED rating relative to the rest of the market

· **MSCI France Annual Green Property Index** measures the performance of directly held investment properties (without leverage) either labelled or certified green for two consecutive valuations.

ESG ratings, research and analysis are produced by MSCI ESG Research LLC. MSCI ESG Indexes and Analytics utilize 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).

C4. Targets and performance

C4.1

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

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	MSCI intends to set an emissions target within the next year. To build upon MSCI's existing practices of sustainable procurement, employee incentives, and wide use of sustainable products, MSCI intends to set an emissions intensity reduction target. This target will likely be implemented within the next year followed by three years of emissions efficiency measures to meet the commitments outlined in the intensity target. In the meantime, we will make emissions-aware decisions.	While the attainment of specific climate-related targets has not yet been incorporated into MSCI's long-term business strategy, MSCI has continued to implement emissions reduction practices within its operations. See "Additional Information" for a discussion of the integration of climate-related issues into MSCI's long-term business strategy. Under MSCI's compensation program, employees of the GCSD are incentivized to take various environmental factors (including the existence of landlord-driven or local recycling initiatives, use of sustainable and energy-efficient materials and control systems enabling the efficient use of power and availability of public transport for employees) into consideration as part of our approach to acquiring new office space. When selecting new office space, the GCSD also accounts for a property's vulnerability to extreme weather events and natural disasters. In addition, the practices of the GCSD have led to the purchase of energy-efficient products for MSCI's offices and wide use of sustainable products including recycled and low environmental impact materials. This has contributed to an emissions reduction trend and MSCI forecasts the continued selection of lower-impact equipment and materials to result in a further reduction in MSCI's emissions. MSCI intends to set an emissions target within the next year. To build upon MSCI's existing practices of sustainable procurement, employee incentives, and wide use of sustainable products, MSCI intends to set an emissions intensity reduction target. This target will likely be implemented within the next year, followed by three years of emissions efficiency measures to meet the commitments outlined in the intensity target. Once a target is in place, MSCI expects its emissions intensity to be lowered in the coming years. In 2020 MSCI, expanded its coverage of its Scope 3 emissions accounting boundary to understand the distribution of its Scope 1, 2, and 3 emissions.

C4.2

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

No other climate-related targets

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 CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	1	2.49
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

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
2.49

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
1540

Investment required (unit currency – as specified in C0.4)
80000

Payback period
4-10 years

Estimated lifetime of the initiative
16-20 years

Comment
In 2019, The Berkeley office downsized and underwent a lighting system upgrade. As a result of this remodel, the new lighting system yielded a total CY2019 savings of 11,001 kWh. Using the electricity rate of $0.14 /kWh and using the CO2, CH4, and N2O emission factors and applying AR-5 GWPs this yields an emissions reduction of 2.49 MT CO2e. LED Lighting has a use life of approximately 20 years.

C4.3c

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

Method	Comment
Dedicated budget for energy efficiency	MSCI has committed to having all its employees work in energy efficiency/ LEED / BREEAM certified offices. To stay aligned with this commitment, MSCI chooses to prioritize selection of energy efficient office locations and when feasible chooses to implement energy efficiency measures while remodeling existing office locations. MSCI has installed energy-efficient lighting, using motion sensors on lights in offices which represent 95% of our global headcount. In addition, 89% of our global headcount currently occupy space that is certified as LEED, BREEAM, Energy Star or recognized locally as equivalent. Our offices in Mumbai, Budapest, New York, Manila, Norman, Boston, Chicago, San Francisco, Frankfurt, Gaithersburg, Seoul and Dubai are LEED-certified and our London and Paris offices are BREEAM-certified. MSCI's offices in Tokyo, Singapore and Monterrey were also recognized locally for their environmental design and green building technology. MSCI's Tokyo facility was rated 5 Stars by DBJ Green Building in 2015 for its large-scale solar generation and MSCI's Singapore facility earned the Building & Construction Authority Green Mark Platinum Award in 2016 for its environmentally-friendly construction, design, and operation. For all future moves, employees of the Global Corporate Services Department are incentivized to take various environmental factors (including existence of landlord-driven or local recycling initiatives, use of sustainable and energy-efficient materials and control systems enabling the efficient use of power and availability of public transport for employees) into consideration as part of our approach to acquiring new office space. MSCI's U.S. based data centers follow best in class power usage effectiveness (PUE) practices, resulting in PUE that exceeds the industry average by nearly 34%.
Employee engagement	MSCI has also taken steps in prior years to reduce its carbon footprint, including by minimizing its use of paper by: changing the default on its printers across the globe to double-sided printing, using an electronic portal to make documents available for Board and certain senior management meetings in lieu of printing and shipping voluminous binders and adopting notice and access to minimize the delivery of materials related to its annual shareholders' meetings. MSCI has company-wide video and teleconferencing systems available to reduce travel-related emissions. As a firm, MSCI averages over 13,000 virtual meetings monthly. MSCI is also committed to doing its part to promote sustainability by reducing plastic consumption. MSCI has implemented processes across all offices to eliminate single-use plastic items, including water bottles, straws, coffee stirrers and other disposable items. Where practical, MSCI is replacing disposable water bottles with pitchers and glassware in offices with frequent client meetings and other visitor events. MSCI is also in the process of eliminating under-desk waste-paper baskets to focus efforts on recycling items where possible rather than sending them to a landfill. MSCI also encourages employees to commute to work by public transport by supporting commuter programs that allow them to pay for such transport with pre-tax dollars.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation
Group of products

Description of product/Group of products
Text field [maximum 2,400 characters] MSCI offers indexes for investors who seek to incorporate climate risks and opportunities into their investment process to Mitigate Risk, Capture Disruptive Opportunities and Promote Stewardship. MSCI's indexes include MSCI Climate Change Indexes: designed to enable investors to holistically integrate climate risk considerations in their global equity investment process, while increasing diversification through a simple, rules-based reweighting methodology. MSCI Low Carbon Indexes: designed to address two dimensions of carbon risks: long term risk by reducing the index's exposure to not only carbon emissions but also fossil fuel reserves and short-term risk by aiming to have a low tracking error compared to the parent index. This Index has Carbon emissions (CO_2e/$M invested) of 35 Compared to the MSCI World Index of 133, Carbon intensity (CO_2e/$M sales) of 53 compared to the MSCI World Index of 188, Wtd avg carbon intensity (CO_2e/$M sales) of 64 Compared to the MSCI World Index of 166 MSCI Global Environmental Indexes: designed to maximize exposure to clean technologies. They include companies that generate 50% or more revenues from products and services that contribute to a more environmentally sustainable economy. The index stock selection process utilizes MSCI ESG Sustainable Impact Metric. MSCI ex-Fossil Fuel indexes designed to eliminate or reduce some or all fossil fuel reserves exposure from their investments In November 2019, MSCI launched the MSCI Provisional Climate Change EU Climate Transition and EU Paris-Aligned Indexes which are constructed from the MSCI Climate Change Index and are designed to reflect the minimum requirements for EU climate benchmarks contained in the final TEG report on a provisional basis MSCI also offers clients a range of climate change-related data and tools, including Climate Change Metrics, Climate Value-at-Risk, and Climate Change Portfolio Analytics Climate Change Metrics data and Climate Portfolio Analytics Tools which can be used to construct low-carbon portfolios by helping investors to measure their risk exposure, avoid or underweight high emitting companies, and identify climate changes solutions companies.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Low-Carbon Investment (LCI) Registry Taxonomy

% revenue from low carbon product(s) in the reporting year
9

% of total portfolio value
<Not Applicable>

Asset classes/ product types
<Not Applicable>

Comment
MSCI does not disclose the revenue of these indexes. The size of our overall ESG business for 2019 as measured by run rate is $147 million which represents about 9% of MSCI run rate

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
419

Comment
Please note that the CY2018 emissions underwent revisions and have therefore been updated here. All year-over- year comparisons noted in this response uses these revised CY2018 emissions values noted in C5.1 of the 2020 CDP response.

Scope 2 (location-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
8391

Comment
Please note that the CY2018 emissions underwent revisions and have therefore been updated here. All year-over- year comparisons noted in this response uses these revised CY2018 emissions values noted in C5.1 of the 2020 CDP response.

Scope 2 (market-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
5246

Comment
Please note that the CY2018 emissions underwent revisions and have therefore been updated here. All year-over- year comparisons noted in this response uses these revised CY2018 emissions values noted in C5.1 of the 2020 CDP response.

C5.2

(C5.2) 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)
272.1

Start date
<Not Applicable>

End date
<Not Applicable>

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
7392.3

Scope 2, market-based (if applicable)
4089

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 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

Metric tonnes CO2e
411.5

Emissions calculation methodology
The methodology was taken from the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard; spend-based method. Emissions from purchased goods and services were calculated using a spend-based approach. Data about the total spend on office furniture at each facility was obtained and emissions factors from that purchase category were taken from the 2012 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting - Annex 13, Table 13. Because emissions factors were based on 2009 European pounds and furniture spend data was provided in terms of 2019 dollars, conversions between US dollars and pounds were made using historical exchange rate information and that number was adjusted for inflation using the US Bureau of Labor Statistics' Consumer Price Index. Global Warming Potentials were taken from the IPCC Fourth Assessment Report (AR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions represent supply cradle to gate emissions of purchased office furniture, approximately 3% of MSCI's total spend.

Capital goods

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI is a business services company. Therefore, capital goods are not used in the production of its products/services.

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

Evaluation status
Relevant, calculated

Metric tonnes CO2e
608.6

Emissions calculation methodology
The methodology was taken from the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. U.S. EPA emissions factors by sub-region were used to calculate transmission and distribution losses from the electric grid for U.S. facilities. EIA emissions factors were used to calculate losses from the electric grid for non-U.S. facilities. MSCI’s percent loss for U.S. facilities was based upon EIA’s U.S. average transmission and distribution loss rate. For non-U.S. locations, World Bank transmission and distribution loss factors were used. Global Warming Potentials were taken from the IPCC Fifth Assessment Report (AR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions represent upstream electric transmission and distribution losses.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any material purchases that have upstream transportation and distribution.

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
675.98

Emissions calculation methodology
The methodology was taken from the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard; average-data method. Emissions from waste were quantified for companies with similar operations (business service companies with only office-related waste) by the reporting company's consultant. An average per-employee emissions from waste figure was then used to estimate emissions from waste based on the number of employees at MSCI. For this calculation, no distinction was made between full time and part-time employees. Global Warming Potentials were taken from the IPCC Fifth Assessment Report (AR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Given logistical complications related to the global COVID-19 pandemic, MSCI was unable to perform waste audits at any of its global facilities in 2019.

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
4416.54

Emissions calculation methodology
The methodology was taken from the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard; a distance-based method. This approach consisted of multiplying vehicle-specific emissions factors by the sum of the travel distance of different vehicle types (Σ (distance traveled by vehicle type (vehicle-km or passenger-km) × vehicle-specific emission factor (kg CO2e/vehicle-km or kg CO2e/passenger-km)). Travel distance for flights, vehicles, and rail were provided by MSCI's third-party travel agent. Vehicle-specific emissions factors were taken from U.S. EPA Emissions Hub, Emission Factors for Greenhouse Gas Inventories 2020 edition. Global Warming Potentials were taken from the IPCC Fifth Assessment Report (AR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions represent air travel, rental vehicle travel and rail travel which represents approximately 100% of MSCI's total business travel.

Employee commuting

Evaluation status
Relevant, calculated

Metric tonnes CO2e
2567.6

Emissions calculation methodology
The methodology was taken from the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard; hybrid method. First, commute distance per employee was calculated using geographic information system (GIS) analysis in combination with information about employee's home addresses. Next, desk research was conducted to infer commuter mode share for five broad geographic locations: Asia, North America East, North America West, Europe East, and Europe West. Mode share was then applied to each facility depending on which geographic region it fell within. This information in combination with commuter distance resulted in a distance by mode share. Finally, a mode-share specific emissions factor was used to generate a final emissions figure. Mode share-specific emissions factors were taken from U.S. EPA Emissions Hub, Emission Factors for Greenhouse Gas Inventories 2020 edition. Global Warming Potentials were taken from the IPCC Fifth Assessment Report (AR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions represent approximately 100% of MSCI's total employee commute. The GIS analysis performed to estimate employee travel distance using employee zip codes and office location used proprietary software and underlying dataset. Desk research focused on finding mode share information for a sample of 5 offices that were considered representative of each predefined region (Mumbai - Asia; New York - North American East; Berkeley - North America West; Budapest - Europe East; London - Europe West). Sources for this research are listed below: - Mumbai: https://www2.deloitte.com/content/dam/insights/us/articles/4331_Deloitte-City-Mobility-Index/Mumbai_GlobalCityMobility_WEB.pdf - New York: https://data.census.gov/cedsci/table?d=ACS%205-Year%20Estimates%20Data%20Profiles&table=DP03&tid=ACSDP5Y2018.DP03&g=0400000US36_1600000US3651000 - Berkeley: https://data.census.gov/cedsci/table?d=ACS%205-Year%20Estimates%20Data%20Profiles&table=DP03&tid=ACSDP5Y2018.DP03&g=0400000US06_1600000US0606000 - Budapest: https://ec.europa.eu/eurostat/en/web/products-statistical-books/-/KS-HA-17-001 (Data Searcher: https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do) - London: https://ec.europa.eu/eurostat/en/web/products-statistical-books/-/KS-HA-17-001 (Data Searcher: https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do) Mode-share-specific emissions factors were taken from U.S. EPA Emissions Hub, Emission Factors for Greenhouse Gas Inventories 2020 edition.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any upstream leased assets therefore this emissions category is not applicable.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any downstream transportation and distribution emissions

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI's sold products are web-based and do not require processing therefore this category is not applicable.

Use of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
All of MSCI's products and services are virtual and therefore this emissions category does not apply.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have products that need end of life treatment and therefore this category is not applicable.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any downstream leased assets and therefore this category is not applicable

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any franchises and therefore this emissions category is not applicable.

Investments

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI currently does not have any investments that generate emissions and therefore this emissions category is not applicable to our business.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any other upstream emission sources and therefore this emissions category is not applicable.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
MSCI does not have any downstream emission sources and therefore this emissions category is not applicable.

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
0.0000028

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
4361.06

Metric denominator
unit total revenue

Metric denominator: Unit total
1557800000

Scope 2 figure used
Market-based

% change from previous year
29.13

Direction of change
Decreased

Reason for change
Last year’s (2018) Scope 1 and Scope 2 (Market based) emissions totaled to 5,664.52 mtCO2e. Therefore 5,664.52 / $1,433,984,000.00 = 0.0000040. This year’s (2019) Scope 1 and Scope 2 (market-based) emissions totaled to 4,361.06 mtCO2e. Therefore, 4,361.06 /$1,557,800,000.00 = 0.0000028. The reason for the change was primarily attributed to the greening of the grid, office consolidation, more efficient energy use and change in building occupancy rate at one of MSCI's major facilities (this increase in occupancy rate effectively caused a reduction in the emissions attributed to MSCI of the entire facility's emissions portfolio).

Intensity figure
1.2872071716

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
4361.06

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
3388

Scope 2 figure used
Market-based

% change from previous year
23.53

Direction of change
Decreased

Reason for change
Last year’s (2018) Scope 1 and Scope 2 (Market based) emissions totaled to 5,664.52 mtCO2e. Therefore 5,664.52 / 3365 = 1.6833635. This year’s (2019) Scope 1 and Scope 2 (market-based) emissions totaled to 4,361.06 mtCO2e. Therefore, 4,361.06 /3388 = 1.28721. The reason for the change was primarily attributed to the greening of the grid, office consolidation, more efficient energy use and change in building occupancy rate at one of MSCI's major facilities (this increase in occupancy rate effectively caused a reduction in the emissions attributed to MSCI of the entire facility's emissions portfolio).

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 CO2e)	GWP Reference
CO2	271.09	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	0.75	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	0.23	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	6.12
Brazil	1.53
Canada	5.85
France	8.81
Germany	0
China, Hong Kong Special Administrative Region *Please note that China and Hong Kong are included in this value.*	21.32
Hungary	2.3
India	21.28
Japan	21.82
Mexico	5.89
Philippines	7.5
Singapore	0.21
South Africa	0
Republic of Korea	0
Sweden	0.91
Switzerland	0
Taiwan, Greater China	0.15
United Arab Emirates	0.12
United Kingdom of Great Britain and Northern Ireland	15.63
United States of America	152.63
Italy	0
Spain	0

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 CO2e)	Latitude	Longitude
Norman	85.22	35.183722	-97.438125
Berkeley	40.36	37.870634	-122.271104
Tokyo	21.818	35.687156	139.765436
Mumbai	21.284	19.152551	72.855732
London	15.63	51.519746	-0.076135
Shanghai	14.396	31.236236	121.509694
Ann Arbor	11.399	42.289743	-83.746681
Boston	9.278	42.354995	-71.05682
Paris	8.81	48.873425	2.305674
Manila	7.497	14.558257	121.026136
Beijing	6.925	39.917795	116.361449
Sydney	6.121	-33.863898	151.209242
Monterrey	5.891	25.647099	-100.353654
Toronto	5.846	43.648743	-79.377488
San Francisco	3.665	37.792829	-122.39788
Budapest	2.297	47.520469	19.064355
Portland	1.832	43.657923	-70.257939
Sao Paulo	1.531	-23.584433	-46.681864
Stockholm	0.908	59.331556	18.06333
Chicago	0.731	41.877438	-87.635642
Singapore	0.208	1.281076	103.851788
Taipei	0.154	25.038619	121.566166
Gaithersburg	0.141	39.11486	-77.196231
Dubai	0.117	25.208478	55.276453
Frankfurt	0	50.118494	8.671857
Hong Kong	0	22.282582	114.272204
Seoul	0	37.57079	126.98356
Geneva	0	46.203361	6.145028
Milan	0	45.466646	9.184057
Cape Town	0	-33.979377	18.461181
Barcelona	0	41.23	2.154
Zurich	0	47.166168	8.515495
Potsdam	0	52.3906	13.0645
Hong Kong	0	22.282582	114.272204
Hong Kong	0	22.282582	114.272204
Geneva	0	46.203361	6.145028
Geneva	0	46.203361	6.14502
New York	0	40.713416	-74.011931
Las Vegas	0	36.143736	-115.076768
Las Vegas	0	36.143736	-115.076768

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Australia	65.95	65.95	88.39	0
Brazil	4.46	4.46	38.16	0
Canada	1.12	1.12	64.97	0
France	4.34	3.2	62.54	0
Germany	13.55	23.43	32.35	0
China, Hong Kong Special Administrative Region *Please note that China and Hong Kong are included in this value.*	261.23	261.23	396.53	0
Hungary	152.81	197.37	571.46	0
India	1042.72	1042.72	1442.41	0
Italy	8.24	12.18	25.21	0
Japan	36.02	36.02	68.69	0
Mexico	366.48	366.48	765.57	0
Philippines	469.74	469.74	698.91	0
Singapore	35.66	35.66	89.92	0
South Africa	34.06	34.06	37.67	0
Republic of Korea	9.98	9.98	18.49	0
Sweden	0.13	0.41	10.1	0
Switzerland	106.73	2.53	3693.25	0
Taiwan, Greater China	1.08	1.08	1.72	0
United Arab Emirates	23.67	23.67	35.92	0
United Kingdom of Great Britain and Northern Ireland	129.76	199.9	525.34	0
United States of America	4623.68	1296.38	10630.78	0
Spain	0.92	1.43	3.18	

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 CO2e)	Scope 2, market-based (metric tons CO2e)
Ann Arbor, 924 N.Main	6.9	6.9
Beijing, No. 6 Wudinghou Street	40.19	40.19
Berkeley, 2100 Milvia Street	57.14	57.14
Boston, 101 Federal Street	69.81	69.81
Budapest, Green house	152.81	197.37
Cape Town, Kildare House, The Oval, 1 Oakdale Road	34.06	34.06
Chicago, 311 S. Wacker Drive	29.74	29.74
Dubai, Sheikh Zayed Road, Plot No. 327-548	23.67	23.67
Frankfurt, AN DER WELLE 5	11.83	20.46
Gaithersburg, Washingtonian Centre	16.9	16.9
Geneva, Interoute Data Center, Chemin de l'Epinglier 2, Meyrin, Room B19, Floor B	54.42	0
Geneva, Place des Bergues 3	2.16	1.58
Geneva, Safe Host Data Center, 20, Chemin Du Pre-Fleuri 20 CP 259, Room S250	48.87	0
Hong Kong, 11 Chun Kwong Street, Tseung Kwan O Industrial Estate		
Hong Kong, 2 Ice House Street, St George Bldg, Marine Lot No. 286, Central	92.67	92.67
Hong Kong, Equinix Hong Kong Limited 17/f, Global Gateway 168 Yeung Uk Road Tsuen Wan	52.96	52.96
Hong Kong, NO. 41 Connaught Road Central	37.9	37.9
Las Vegas, Switch Communications Group (NAP4) 4495 E Sahara Avenue	1353.34	0
Las Vegas, Switch Communications Group (SuperNAP8) 5225 W.Capovilla Avenue	1973.96	0
London, 10 Bishop's Square	129.76	199.9
Manila, Zuellig Building	469.74	469.74
Milan, Via Dante No 9	8.24	12.18
Monterrey, Ricardo Margain Zozaya #444	366.48	366.48
Mumbai, Nesco IT park	1042.72	1042.72
New York, 7WTC, 250 Greenwich Street	338.59	338.59
Norman, 201 David L. Boren Boulevard	728.58	728.58
Paris, Rue de Berri	4.34	3.2
Portland, Two Monument Square	26.03	26.03
San Francisco, 101 California	22.71	22.71
Sao Paulo, Iguatemi Office Tower	4.46	4.46
Seoul, 33 Jong-Ro, Jongno-Gu	9.98	9.98
Shanghai, 166 Lujiazui Ring Road	37.51	37.51
Singapore, 1 Raffles Quay North Tower	35.66	35.66
Stockholm, Drottninggatan 33	0.13	0.41
Sydney, 56 Pitt Street	65.95	65.95
Taipei, 1 Songzhi Road	1.08	1.08
Tokyo, 1-7-2 Otemachi, Chiyoda-Ku	36.02	36.02
Toronto, 67 Yonge street	1.12	1.12
Zurich	1.29	0.94
Barcelona	0.92	1.43

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 CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	2.49	Decreased	0.19	In CY2018, the total Scope 1+Scope 2 (market-based) emissions were 5,664.52 MTCO2e. In CY2019, these emissions totaled to 4,361.06 MTCO2e. The Berkeley office lighting energy efficieicy retrofit project yielded savings of 11,001 kWh which is equivalent to 2.49 MTCO2e reduction. The reduction od 2.49 is 0.19% of the difference between CY2018 and CY2019 emissions.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions	366.54	Decreased	8.4	MSCI's emissions were reduced by 8.4% between 2018 and 2019 as a result of downsizing and/ or retirement of 9 of it's major facilities. Retired facilities include Almere and Conshohocken, which collectively represent a 19,594 decrease in square footage, a 79 mtCO2e reduction in Scope 2 market-based emissions and a 19 mtCO2e reduction in Scope 1 emissions. Downsized facilities include Ann Arbor, Sydney, Toronto, Stockholm, Beijing, and Geneva, which collectively represent a 24,982 decrease in square footage, a 202 mtCO2e reduction in Scope 2 market-based emissions and a 66 mtCO2e reduction in Scope 1 emissions.
Unidentified		<Not Applicable>		
Other	936.927	Decreased	14.4	Other reductions in MSCI's carbon footprint came from the greening of the grid and a change in occupancy rate at one of MSCI's major facilities. Change of occupancy rate leads to a significant decrease in emissions because that facility provides energy usage data at a whole building level, which means that energy usage for MSCI's portion of the building needs to be scaled down using MSCI's percentage of occupied space in combination with the total occupancy rate of the building. Based on this calculation methodology, the amount of emissions attributed to MSCI decreases as the total building occupancy decreases.

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	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

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	1351.94	1351.94
Consumption of purchased or acquired electricity	<Not Applicable>	3573.9	14684.25	18258.15
Consumption of purchased or acquired heat	<Not Applicable>	0	7.1	7.1
Consumption of purchased or acquired steam	<Not Applicable>	0	0	0
Consumption of purchased or acquired cooling	<Not Applicable>	0	1036.32	1036.32
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	3573.9	17079.61	20653.51

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.

Fuels (excluding feedstocks)
Diesel

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
229.18

MWh fuel consumed for self-generation of electricity
229.18

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Emission factor
0.07

Unit
metric tons CO2 per GJ

Emissions factor source
World Resources Institute (2015). GHG Protocol tool for stationary combustion. Version 4.1

Comment

Fuels (excluding feedstocks)
Natural Gas

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
1122.76

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
1122.76

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Emission factor
0.05049

Unit
metric tons CO2 per GJ

Emissions factor source
World Resources Institute (2015). GHG Protocol tool for stationary combustion. Version 4.1

Comment
LHV for natural gas was converted to HHV by using a conversion factor of 1.11

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	229.18	229.18	0	0
Heat	1122.76	1122.76	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

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

Sourcing method
Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type
Wind

Country/region of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
7139.7

Comment
Low-carbon energy accounted here represents the renewable energy procured by the Las Vegas data centers that MSCI leases space in.

Sourcing method
Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type
Hydropower

Country/region of consumption of low-carbon electricity, heat, steam or cooling
Europe

MWh consumed accounted for at a zero emission factor
3573.9

Comment
Low-carbon energy accounted here represents the renewable energy procured by the Geneva data centers that MSCI leases space in.

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/ section reference
Pg:2

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/ section reference
Pg 2

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/ section reference
Pg: 2

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

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/section reference
Pg2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

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

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/section reference
Pg:2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Business travel

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/section reference
Pg: 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Employee commuting

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
GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

Page/section reference
Pg: 2

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?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1)	ISO14064-3	Emissions decreased by 35% GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf
C6. Emissions data	Year on year change in emissions (Scope 2)	ISO14064-3	Emissions decreased by 11.9% GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf
C6. Emissions data	Year on year change in emissions (Scope 3)	ISO14064-3	Emissions decreased by 18.8% GHGVerificationStatement MSCI 2019_YoY_FINAL.pdf

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 originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

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

No, and we do not currently 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
Yes, other partners in the value chain

C12.1a

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

Type of engagement
Compliance & onboarding

Details of engagement
Other, please specify (MSCI expects all its vendors to follow the MSCI Supplier code of conduct which includes specific language related to environmental issues.)

% 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 is committed to protecting the environment and expects its suppliers to implement appropriate standards to do likewise in accordance with the MSCI Environmental Policy found at https://www.msci.com/corporate-responsibility. MSCI reserves the right to actively engage with its suppliers to improve their environmental and sustainability performance. As of the most recent version of the code dated, June 2020, MSCI expects suppliers to meet or exceed the below set of principles: • To develop, adopt, monitor and disclose climate and carbon-related policies and strategies – • Compliance with applicable environmental laws, regulations, and standards • SMART (specific, measurable, achievable, realistic, time-bound) environmental goals and reporting • Responsible stewardship of natural resources • Waste management – Suppliers are expected to handle waste in a responsible way and maintain separate hazardous and non-hazardous waste management processes. Failure to meet these principles and standards may be a cause for termination of a relationship or agreement with a supplier. MSCI includes climate-related information as one of several factors to inform our decision regarding the procurement of goods and services from suppliers. In 2020, MSCI will be conducting additional due diligence on our top suppliers as measured by the total spending. This assessment will include the use of MSCI's own proprietary ESG ratings, as well as those of independent, third-party service, Eco Vadis. MSCI will use Eco Vadis' platform to provide additional insight into our suppliers' ESG practices, including their climate-related activities. The results of this assessment will be provided to the CRC to consider supplier action if any.

Impact of engagement, including measures of success
N/A

Comment

C12.1b

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

Type of engagement
Collaboration & innovation

Details of engagement
Other, please specify (Collaborate with financial market participants in order to innovate and solve for climate risk in the investment process, by launching products, tools, services, publishing research)

% of customers by number
100

% of customer - related Scope 3 emissions as reported in C6.5
0

Portfolio coverage (total or outstanding)
<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement
Downstream Scope 3 emissions categories are not relevant to MSCI since our products and services are web-based, therefore the value in "% customer-related Scope 3 emissions as reported in C6.5" is 0. As stated in our Principles of Sustainable Investing, climate change is the clearest and most pressing illustration of this urgent reality today. In addition to the life and death risks of increasing temperatures and rising oceans, climate change also highlights the economic and investment risks and opportunities associated with the world's transition to a low carbon economy. Citizens are demanding action from companies and investors, because we face a catastrophic future unless remedial action is taken swiftly. Investors all over the world need to incorporate this new reality into their investment portfolios. We keep our clients apprised of climate issues through publication of company-specific research, industry reports, country-level reports and thematic research, blogs, webinars, presentations and participation in industry events. We support our clients by providing products that help measure and report on climate risk exposure, implement low carbon and fossil fuel-free investment strategies and factor climate change research into their risk management processes. Our toolkit includes climate risk metrics, carbon portfolio reporting, low carbon and climate indexes and tools to identify cleantech and environmentally-oriented companies. Our climate change working groups are continuously developing new models which are used by our clients in combination with the risk analytical tools developed within our Analytics segment to manage their climate risk exposure. We conduct formal consultations with clients to solicit their feedback on emerging trends and needs and to introduce proposed methodology enhancements, new solutions and tools.. A consultation was launched in December 2019 seeking feedback on a series of proposals aimed at improving the climate profile of ESG indexes, for example by removing companies involved in power generation based on Thermal Coal. The consultation concluded in Q1 2020. MSCI Climate Value-at-Risk (CVaR). CVaR supports our investors in their goals to report to TCFD including scenario analysis. During the launch we spoke with many firms about CVaR.

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 Index. Our ESG products include Ratings, Screening, ESG-Related Indexes as well as climate products. These are some of our most strategically important and highest growth product offerings. The run rate for this business in 2019 was $147 million compared to $108 million in 2018. One of MSCI ESG's senior executives was recently recognized as one of the 20 most influential people in ESG investing by Barron's Magazine (June 2018) as well as one of the 100 most influential women in US Finance. Other recent accolades include the Bloomberg Barclays MSCI Green Bond Index being voted "best index" at the Environmental Finance Green Bond Index Awards for the second year (April 2018). For the fourth year running, MSCI won "Best firm for Socially Responsible Investment (SRI) Research" and "Best Firm for Corporate Governance (CG) Research" in the Independent Research in Responsible Investment (IRRI) Survey. The most recent IRRI / EXTEL Survey was completed by more than 1,000 analysts, portfolio managers and companies from over 40 countries. MSCI won the Climate Index Provider of the Year award in Environmental Finance's Sustainable Investment Awards 2020. This win celebrates not only our Climate Change Indexes, but our overall commitment to creating solutions to support investors' decision-making in a transition to a net zero economy. There were 20 ESG related blogs and 13 ESG related papers published in 2019 For the blogs there were 57K unique page views. For the papers there were 18K unique downloads We also published 276 LinkedIn posts in 2019 with 1.2 Million impressions and 2.75% engagement rate. We hosted 72 climate and TCFD events in 2019 with 3,800 registrants and almost 3,000 attendees.

C12.1d

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

The investment community: MSCI has increased its communication and education programs to the global investment community to demonstrate our commitment to ESG and climate and encourage all investors to integrate these considerations throughout their investment processes. In January, we launched The MSCI Principles of Sustainable Investing, a framework designed to illustrate specific, actionable steps that investors can and should undertake to improve practices for ESG integration across the investment value chain. MSCI strongly believes that a systemic and large-scale integration of ESG and climate considerations throughout the entire investment process will enable a more efficient allocation of capital globally towards the most productive assets in the long term and will contribute to a more effective and balanced transition towards a sustainable and inclusive economy. Our chief executive officer Henry Fernandez also appeared on CNBC's "Squawk on the Street" show to discuss MSCI's call-to-action and why sustainable investing is a critical part of the long-term investment process.

MSCI strives to bring greater ESG and climate transparency to financial markets and support the evolving complex needs of the investment community. Over the last 12 months, we have launched three publicly available transparency tools to showcasing MSCI ESG and climate metrics for tens of thousands of funds, companies and indexes, helping to drive awareness, educate the market and raise ESG disclosure standards.

1. Corporate search tool: MSCI ESG Ratings for 2,800 companies, launched in November, 2019

2. Fund and ETF search tool: MSCI ESG Ratings for 36,000 mutual funds and ETFs launched in May, 2020

3. Index profile search tool: MSCI ESG metrics for all MSCI indexes regulated by the EU, launched in May, 2020

MSCI engages with our customers that span the investment ecosystem to understand their ESG and climate objectives, which informs our product and research agenda. We collaborate with leading institutions that are looking to integrate climate into their investment process to develop new climate solutions, including capturing new climate metrics, creating new signals to measure climate risk and impact, building new tools to enable portfolio reporting and launching new climate change indexes.

MSCI's employees: MSCI include its employees in the firm's executing climate-related engagement strategy. Specifically:

1. Local employee-driven focus groups have been established in MSCI's offices, As of December 2019, there were 15 of these groups representing 93% of our employee base. These Employee Resource Groups ("ERGs") aim to increase awareness of regional staff around environmental issues and manage them over time, including through behavior change. Achievements include replacing kitchen and shower supplies with sustainable alternatives, installing recycling and composting bins alongside the regular trash bins, with instructions as to how to dispose of waste correctly, distributing re-usable coffee cups amongst staff, and sharing information with staff on how to reduce plastic use both in and out of the office.

2. Global Corporate Services Department: The GCSD's employees are incentivized to take various environmental factors (including existence of landlord-driven or local recycling initiatives, use of sustainable and energy-efficient materials, and control systems enabling the efficient use of power and availability of public transport for employees) into consideration as part of MSCI's approach to acquiring new office space. In addition, the practices of the GCSD have led to the purchase of energy-efficient products for MSCI's offices and the wide use of sustainable products including recycled and low environmental impact materials and the elimination of single-use plastic items. We believe this has contributed to an emissions reduction trend and MSCI believes the continued selection of lower-impact equipment and materials will result in a further reduction in MSCI's emissions.

Facility managers and landlords: We also actively engage with facility managers and landlords of facilities that we occupy. Since January 1, 2016, MSCI's principal datacenters, located within the U.S., have been powered by 100% renewable energy; since 2017, the renewable energy credits retired on behalf of MSCI were certified by our datacenter provider to comply with Greenpeace's principles of locality, additionality, and sustainability, and were generated by Nevada solar farms and geothermal power plants. Since 2019, our datacenters in Europe have been powered by 100% renewable energy. Our datacenters in APAC use renewable sources as part of their overall energy usage.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (Sustainable Finance)	Support	MSCI engages with policymakers and regulators as an individual company providing relevant information and feedback on regulatory proposals affecting MSCI's products including in relation to Sustainable Finance.	Early in 2018, the EU Commission adopted the Action Plan on Sustainable Finance, which has three objectives: 1. Re-orient capital flows towards sustainable investment, in order to achieve sustainable and inclusive growth; 2. Manage financial risks stemming from climate change, natural disasters, environmental degradation and social issues; and 3. Foster transparency and long-termism in financial and economic activity. As part of this plan, the EU Commission created a Technical Expert Group (TEG) comprised of 35 experts in Europe to assist them in the following tasks: 1. an EU classification system – the so-called EU taxonomy – to determine whether an economic activity is environmentally sustainable; 2. an EU Green Bond Standard; 3. methodologies for EU climate benchmarks and disclosures for benchmarks; 4. guidance to improve corporate disclosure of climate-related information. MSCI has been appointed as part of the TEG. MSCI participates in the European Commission's Technical Expert Group ("TEG") on Sustainable Finance. The TEG is comprised of members from civil society, academia, the business and financial sector.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
Index Industry Association

Is your position on climate change consistent with theirs?
Unknown

Please explain the trade association's position
We do not disclose a third party's position.

How have you influenced, or are you attempting to influence their position?
MSCI participates in discussions on the regulatory proposals considered by the Index Industry Association.

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

UN PRI

Since 2010, MSCI has been a signatory of The Principles for Responsible Investment (PRI). The PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole. Prior to 2019, MSCI voluntarily submitted the annual PRI transparency report on behalf of MSCI ESG Research rather than MSCI Inc. Since the 2019 submission, the CRC chose to report on behalf of MSCI Inc. given the growing emphasis on ESG considerations in our own business practices as well as the ever-expanding range of ESG solutions from MSCI ESG Research, Index and Analytics.

Senior members of MSCI have participated in PRI Working groups. For example, our Global Head of ESG Research, has been a member of the PRI Investment Strategies Working Group. Other members of the ESG Research team have participated in the PRI Fixed Income and Passive Investing Working Groups.

We will continue to look at ways to join these groups and other collaborations when merited.

MSCI ESG Research and MSCI continue to work with PRI's policy and fiduciary duty team. In 2019, we supported a report which examines ESG and performance in China and Emerging Markets. MSCI has supplied analysis aimed to support the argument that stronger performing ESG companies can demonstrate better financial results.

We have also worked with the PRI policy team to provide financial support and data to the Global Guide to Responsible Investment Regulation. We have supported the PRI financially as a sponsor of the PRI in Person conference and other regional events and contributed to the PRI's landmark "Financial Performance of ESG Integration in US Investing" report.

We provide the PRI with unlimited access to the MSCI ESG Research data platform to support the PRI's engagement work. We expect to continue to support the work the PRI does to engage with signatories, raise awareness of the benefits of ESG integration, and grow the industry.

Other

Our client research includes company-specific, industry and country reports as well as thematic research. MSCI ESG Research continuously innovates and helps educate the public at large on ESG trends through a variety of channels, including by speaking at a large number of industry and MSCI-hosted events throughout the year and is often cited in news stories concerning ESG issues. MSCI ESG Research participates in ESG consultations, including the EC Public Consultation on Long-term and Sustainable Investment and the FSB Task Force on Climate-related Financial Disclosures Consultation.

MSCI's Index Client Advisory Panel is a forum organized by MSCI in Europe, Americas and the Asia-Pacific regions. Participants are invited to exchange ideas on investment problems and emerging trends such as ESG Investing and Factor investing.

MSCI facilitates a private roundtable discussion, which is led by MSCI ESG Research. This creates a platform to exchange ideas, innovate, share best practices and help produce standards that might benefit the industry.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

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. In order 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 is a member of the Corporate Responsibility Committee and involved in developing the messaging around MSCI's ESG practices for both internal and external purposes.

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 voluntary communications

Status
Underway – previous year attached

Attach the document
Corporate Responsibility_ Operate Sustainably - MSCI_2018 Emissios.pdf

Page/Section reference
Pg:2

Content elements
Emissions figures

Comment
MSCI voluntarily disclosed MSCI’s 2018 calculated Greenhouse Gas Emissions on our Corporate Responsibility Web Site at: https://www.msci.com/corporate-responsibility. MSCI intends to make its emissions data available on its website as annual verified emissions figures become available.

Publication
In voluntary communications

Status
Complete

Attach the document
MSCI-ESG-House-View-FINAL.pdf

Page/Section reference
Pg 1 - 8

Content elements
Strategy

Comment
We recently published “The MSCI Principles of Sustainable Investing”, on our website as well as releasing a press release announcing these principles. Our chief executive officer Henry Fernandez also appeared on CNBC’s “Squawk on the Street” show to discuss MSCI’s call-to-action and why sustainable investing is a critical part of the long-term investment process. We have also published a TCFD-Based Reporting guide which aims to support institutional investors who intend to follow the Task Force on Climate-related Financial Disclosures’ recommendations for reporting on their climate-related risk management processes.

Publication
In voluntary communications

Status
Complete

Attach the document
Corporate Responsibility_ Operate Sustainably - MSCI_EnvPolicy.pdf

Page/Section reference
Pg: 1,2

Content elements
Strategy

Comment
MSCI published its Environmental Policy to inform all aspects of its business decisions to align with environmentally responsible behavior. MSCI monitors the policy through an environmental management system with periodic updates to the CRC. MSCI expects all its staff, and its supply chain to abide by the principles outlined in this policy.

C15. 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.

As part of our desire to provide more transparency and to improve disclosures, we have used better calculation information, and expanded the reporting of our Scope 3 emissions resulting in higher GHG emissions reported in 2019 vs the prior year. We are not aware this higher emission number is reflective of an actual trend towards increased emissions.

C15.1

(C15.1) 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.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Please select

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

Please select

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

Please select

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

Please select

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Please select

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms