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MSCI ESG Ratings: 2026 Model Updates Frequently Asked Questions (FAQs)



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Introduction

As part of MSCI's commitment to delivering transparent, financially relevant ESG insights, we plan to enhance the MSCI ESG Ratings model with a series of methodological and data improvements scheduled for implementation in the first half of 2026. These enhancements¹ are designed to better reflect companies' sustainability performance and risks, support investment decision-making, and improve issuer engagement.

This FAQ document aims to address common questions regarding the upcoming ESG Ratings model update, including key changes, impacts, resources available and how to prepare for the roll-out.

¹ All the proposals and enhancements outlined in the ESG Ratings Consultation Results document are subject to change. They may or may not lead to the implementation of any or all of the proposed changes.

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MSCI ESG Ratings 2026 Model Enhancement FAQs

1. When will MSCI ESG Ratings model version 5.0 be implemented?

The MSCI ESG Ratings model version 5.0 is scheduled for release in the first half of 2026. We will share a more precise timeline over the coming weeks.

2. What methodology enhancements do you plan to incorporate in the 2026 ESG Ratings model update?

Proposed enhancements are detailed in the [2025 ESG Ratings Consultation Results document](#)¹. They include:

- Enhanced scoring methodology for quantitative sustainability indicators
- Reduced impact of indirect and concluded controversies on ESG Ratings
- Standardized evaluation of sustainability targets
- Improved transparency to ESG Ratings through targeted indicator changes
- Supply chain risk model enhancements
- Updates to the MSCI ESG Industry Materiality Map and peer sets

3. What will be the impact of these changes?

We shared preliminary high level simulations as part of the consultation (please refer to [2025 ESG Ratings Model Consultation presentation](#)).

To help clients prepare for the roll-out of this new model version, we plan to provide issuer-level simulated ESG Ratings and scores on the full ESG Ratings coverage universe for a period of five to six months before the official release.

4. Will MSCI ESG Fund Ratings be impacted?

This model update may have an impact on fund level scores and ratings. We shared preliminary simulations as part of the consultation (please refer to [2025 ESG Ratings Model Consultation presentation](#)). At the time of the consultation, we estimated that 9.5% of Fund ESG Ratings could change ratings due to the proposed model changes affecting corporate holdings. We do not expect any funds to change by more than one letter rating.

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We plan to provide updated simulations over the coming months.

5. How will the new model version be rolled out?

On the release date (which will be communicated well in advance), the ratings of all issuers in the MSCI ESG Ratings coverage universe will be updated to reflect the new model version, and all ratings, scores, indicators and reports will reflect the enhancements¹.

6. How can clients prepare for the model transition?

We plan to provide a file with simulated ESG Ratings and scores well in advance of the roll out of model version 5.0, along with a detailed methodology note to help clients understand upcoming changes. We will also provide regular updates on the proposed timeline and transition plan.

The **monthly simulated ESG Ratings and scores files** will be made available on the MSCI Client Support site from mid-October through Q1 2026.

The simulations are intended to give clients a sense of potential changes at the investment universe or portfolio level but should not be used as an indication of expected changes at the individual issuer level.

7. Does MSCI expect to see changes in the simulations over the coming months? If so, why?

Yes, we expect to see changes in the monthly updates of the simulated ratings and scores, and we expect the overall number of simulated rating changes to gradually reduce over that period. These changes could be driven by:

- Data updates, as updated (FY 2024 vs. FY 2023) input data is used; and/or
- Analyst review

8. Will there be any changes to the ESG Ratings data delivered on MSCI platforms and via APIs, Snowflake and data feeds on or after the release of the new model version?

The updated ratings, scores and data will be visible across all of our data distribution channels on the day of the release.

As part of this model update, we plan on adding a number of new underlying indicators, and removing others from the model (please see detailed list available via this [link](#)). We will provide additional information over the coming months on the timing of the removal of these indicators from distribution

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platforms and data feeds and will provide a minimum of three months' notice before implementing the removal.

9. Where can clients find detailed information about the methodology and indicator changes?

Methodology documents will be published on the MSCI website and client support site concurrent with the model rollout. A full list of indicators is available [here](#).

10. Who should clients contact for assistance or questions during this transition?

Please reach out to your MSCI client representative or the ESG client service team via your standard communication channels.

11. How is MSCI supporting issuers during this transition period?

We aim to support issuers at each step throughout this transition. Issuers in our global MSCI ESG Ratings coverage universe were included in the annual consultation period, and they have already received multiple communications about this model update, such as the consultation results and the indicators which we anticipate adding and removing.

Throughout the coming quarters, we will continue to share proactive updates with issuers to help support their understanding of what's ahead. For example, we plan to share a full list of the data points that we intend to add to the model as part of this update; this will include detailed definitions to help issuers prepare for the new information which they should expect to see in their ESG Ratings report when this model update takes effect.

As with all issuer communications, these have been shared via email with all the company contacts listed in our database, and we also provide these on demand via our Issuer Academy on MSCI ONE. Issuers are welcome to share data feedback at any time throughout the year via our online issuer portal on MSCI ONE, and to email our global Issuer Communications team at esgissuercomm@msci.com with questions at any time.

12. How is MSCI integrating feedback from issuers into this model update?

One consistent piece of feedback we've heard from issuers is an interest in greater transparency on the publication timing of ESG Ratings reports. We are planning to take this opportunity to address that feedback by evolving towards accommodating more dynamic updates based on the volume and content of publicly disclosed data, as and when it becomes available throughout the year.

We plan to shift to a more rapidly integrated data update cycle for ESG Ratings, meaning that letter rating changes reflected in ESG Rating actions could occur more frequently than the historically typically

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annual cycle. Our aim is to enable all users of MSCI ESG Ratings reports, including issuers, to better anticipate when report updates could be published throughout the year, based on factors such as the timing, content, and relevance of public disclosures.

Any data feedback submitted by issuers via our online issuer portal is systematically reviewed as part of our standard, rules-based review processes. Data updates will continue to flow into reports up to the Weighted Average Key Issue Score (WAKIS); letter rating changes could be triggered more frequently depending on when these pre-defined triggers are met.

We plan to include more detail in our updated methodology documents in the first half of 2026 for all issuers about these pre-defined criteria so that all market participants are better able to anticipate when these updates may occur across both more-frequent data updates as well as letter rating reviews.

13. Can I speak to MSCI about my own simulated scores or rating? What if I'm a client of MSCI's and working on behalf of a corporate issuer who wants to speak to MSCI about this?

No. We do not discuss an issuer's own simulated scores or rating as these are not necessarily representative of current or future published MSCI ESG Ratings.

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