

Explainer - What are the MSCI Climate Action Indexes?

Transcript

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MSCI's Climate Action indexes help align global asset owners with an economy-wide climate transition path that suits their investment views.

The indexes are broad, sector balanced and use a bottom-up approach to tilt weights toward companies in every GICS sector that are effectively tackling their emissions, based on current and forward-looking climate indicators.

Baseline filters remove controversial companies and companies engaged in controversial business activities. And high-carbon-emitting companies are only eligible if they have an SBTi-approved target.

The indexes are suitable for investors who are looking to finance companies' emission reductions in order to drive change in the real economy...

...augmenting MSCI's Climate Paris Aligned and Low Carbon Target indexes to capture a broader set of economy-wide views of potential climate transition pathways.

The result is a series of indexes for global investors who wish to support companies leading the net-zero transition.

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MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

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