2022 TCFD REPORT

Our role in sustaining the planet

This report contains information about MSCI. This information may include estimates, projections and statements relating to our business plans, objectives or expected operating results and statements regarding corporate responsibility-related plans and goals that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential" or "continue," or the negative of these terms or other comparable terminology. In evaluating these statements, you should consider various factors, including the risks and uncertainties we describe in the "Risk Factors" sections of our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other reports we file with the Securities and Exchange Commission ("SEC"). You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially affect our actual results, levels of activity, performance or achievements.

You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update or revise any forward-looking statements except as required by law.

The inclusion of information in this report regarding climate opportunities and risks should not be construed as a characterization regarding the materiality or financial impact of that information with respect to MSCI. For additional information regarding MSCI, please see our current and periodic reports with SEC, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information provided.

Contents

MSCI: Committed to Climate Action

MSCI's approach to climate change reflects both the profound risks and numerous opportunities it presents for our society and economy.

Preventing the worst effects of a warming climate is the defining challenge of our time. While government action will be critical to reducing greenhouse gas emissions to net-zero, companies, investors and society at large will need to do their part as well.

This report, which adopts the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), details how MSCI takes climate change into account in managing our own company. It aims to provide visibility into our support for environmental sustainability and how we are working to address climate-related risks and opportunities.

As leaders of a public company that has called upon capital markets participants to help drive the transition to an economy that removes as much greenhouse gas from the atmosphere as it puts in, and that provides solutions designed to help investors make climate change part of their strategies, we strive to be transparent in how we seek to reduce our own carbon footprint. MSCI is determined to lead by example.

WHAT WE ARE DOING AS A COMPANY

We continue taking steps to further integrate climate-related risks and opportunities into our business. MSCI committed to reach net-zero emissions before 2040 throughout our value chain and filed an enhanced near-term target with the Science Based Targets initiative (SBTi), an independent arbiter of corporate climate pledges, for verification. The target is to reduce our Scope 1 and 2 emissions by 80% by 2030 and our Scope 3 emissions by 50% over the same period.

In the past year, MSCI accelerated initiatives to reduce our overall environmental impact. We have continued to increase the use of renewable energy at our offices and decrease our commuting footprint by moving to hybrid work and implementing policies to promote the use of rail and other environmentally friendly alternatives for business travel.

We intensified efforts to drive down emissions within our supply chain — the source of 78% of our greenhouse gas emissions in 2021— by developing a sustainable supplier management program to fully integrate climate considerations into our supplier selection and to prioritize our spend with supportive suppliers.

In September 2021, MSCI became a founding member of the Net Zero Financial Service Providers Alliance (NZFSPA), which unites leading index providers, credit rating agencies, accounting firms, financial exchanges and other suppliers of market infrastructure that have committed to align their products and services with the goal of global net-zero emissions by 2050 or sooner.

Our strategy is aligned with — and inspired by — our clients, shareholders, suppliers, employees and the communities in which we operate. Promoting a sustainable future is both the right thing to do and good business; we believe that our actions to reduce MSCI's carbon footprint help us strengthen relationships with clients and attract and retain top talent.

TOOLS FOR CLIMATE ACTION

We also offer an evolving array of tools, solutions and research-based insights to help investors, companies and intermediaries make climate change considerations part of financial decision-making. These products include: [1]

— MSCI ESG and Climate Indexes, which integrate environmental, social and governance (ESG) and climate criteria to facilitate sustainable investing strategies. MSCI Climate Indexes include Climate Change, Low Carbon Target, and Environment Indexes, as well as our Climate Paris Aligned Equity, Corporate Bond and High Yield Fixed Income Indexes.

— Climate Lab Enterprise, which combines a comprehensive set of climate data and analytics with powerful forecasting tools to help investors measure, manage and monitor net-zero commitments and climate exposure and risks across multiple portfolios and asset classes.

— Total Portfolio Footprinting, which draws on the depth of MSCI's climate data to provide a comprehensive view of financed emissions across asset classes.

— Implied Temperature Rise, a forward-looking metric designed to show the temperature alignment of companies, portfolios and funds with global climate targets.

— Analytical tools, including Climate Value-at-Risk (Climate VaR), which provides a forward-looking, return-based valuation assessment of how the physical and transition risks and opportunities related to climate change could affect company and portfolio valuations.

— Data sets such as Climate Targets and Commitments, and Carbon Footprinting of Private Equity and Debt Funds, which are designed to help investors evaluate companies' pledges to reduce carbon emissions, and to measure and monitor greenhouse gas emissions within private asset portfolios, respectively.

— Real Estate Climate Solutions, which help investors build more sustainable portfolios by integrating climate, performance and risk analytics.

— MSCI's Net-Zero in Practice, which is a series of workshops offering investors practical information and insights for implementing climate commitments and addressing both the risks and opportunities that come with the low-carbon transition.

To help educate the marketplace and promote transparency, we make our Implied Temperature Rise and corporate climate-target scorecards publicly available for more than 2,900 listed companies. We also expanded the public availability of data to include MSCI indexes and thousands of funds. Each of the models, tools and insights that we provide aims to bring greater clarity to climate considerations in investing and reflects our broader mission of helping investors build better portfolios.

Net-zero represents a critical objective for governments, industries and companies, and an existential imperative. MSCI is committed to doing our part.

Henry A. Fernandez
Chairman and Chief Executive Officer

Baer Pettit
President and Chief Operating Officer

Diana Tidd
Chief Responsibility Officer

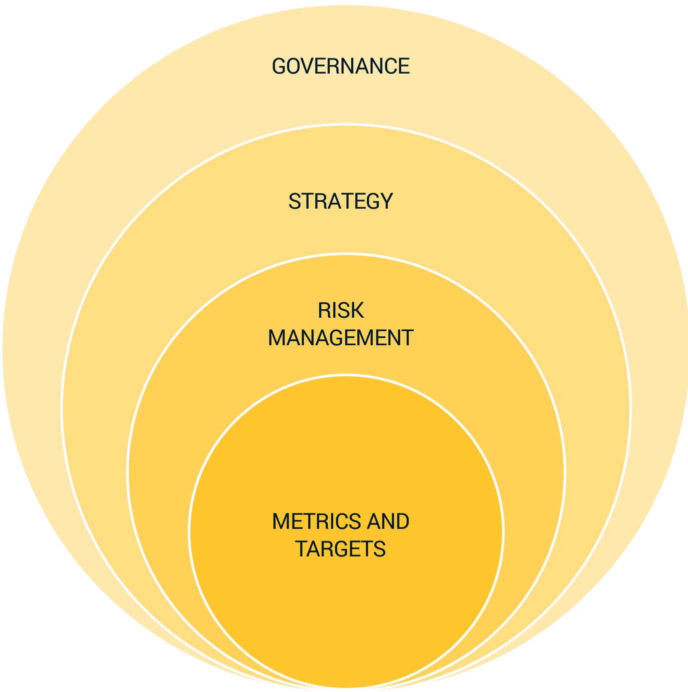
[1] MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC ("MSCI ESG Research"), a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate offerings are products of MSCI Inc. that use information from MSCI ESG Research. MSCI Indexes are administered by MSCI Limited (U.K.).

Background

The TCFD was created to improve and increase reporting of climate-related information to support investors in assessing climate change-related risks. As of June 2022, the TCFD had 3,400 organizations as supporters.[2]

The TCFD disclosure recommendations focus on a framework of four areas that are core to how companies operate:

In January 2021, we submitted a Statement of Support to formally declare our support for the TCFD and its recommendations to drive transparency in the financial markets. This Report[3] uses the TCFD framework to build on our prior TCFD Report and reinforce our commitment to provide clear, comprehensive and high-quality information on the impacts of climate change.



SOURCE: TCFD

GOVERNANCE

The organization’s governance around climate-related risks and opportunities

RISK MANAGEMENT

The process used by the organization to identify, assess and manage climated-related risks

STRATEGY

The actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.

METRICS AND TARGETS

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

2021-2022 MSCI HIGHLIGHTS

April 19, 2021
Committed to net-zero emissions throughout our value chain before 2040
https://www.msci.com/documents/10199/23032795/MSCI-commits+to-net-zero-commitment-before-2040-press-release.pdf

July 12, 2021
Introduced the MSCI Net-Zero Tracker, a quarterly report on the collective progress of listed companies toward curbing climate risk
https://www.businesswire.com/news/home/20210712005532/en/Listed-Companies-Have-Less-Than-Six-Years-to-Align-With-1.5%C2%B0C-Warming-Target-Inaugural-MSCI-Net-Zero-Tracker-Reveals

Sept. 14, 2021
Introduced new tools to support investment integration of climate considerations, including Implied Temperature Rise, Climate Lab Enterprise, and Climate Targets and Commitments scorecard and data set (For Implied Temperature Rise)
https://www.msci.com/documents/10199/4252afd2-3ccc-23f3-acd0-faede163464e

Sept. 24, 2021
Became a founding member of the NZFSPA
https://www.linkedin.com/pulse/msci-joins-net-zero-financial-services-providers-henry-fernandez/

Oct. 27, 2021
Helped educate the marketplace and promote transparency by making Implied Temperature Rise and corporate climate-target scorecards publicly available for thousands of companies, funds and MSCI indexes
https://www.businesswire.com/news/home/20211027005628/en/MSCI-Makes-Implied-Temperature-Rise-Data-of-Over-2900-Companies-Publicly-Available

April 28, 2022
Filed for Science Based Targets initiative (SBTi) verification of enhanced near-term target to reduce by 2030 our Scope 1 and 2 emissions by 80% and Scope 3 by 50%, aligning with a 1.5°C pathway
https://www.msci.com/who-we-are/corporate-responsibility/environmental-sustainability

June 13, 2022
Received limited assurance of 2021 emissions data
MSCI Inc - CY2021 CDP Verification Statement Final - issued 20220613.pdf

[2] See May 2022 “Task Force on Climate-related Financial Disclosures Overview.”
[3] The MSCI 2022 TCFD Report incorporates recent company data from 2022, as well as from 2021, to provide readers with the most updated look at how MSCI integrates climate-related disclosure into its financial decision-making process.

Governance

BOARD, EXECUTIVE AND MANAGEMENT OVERSIGHT

We are committed to maintaining governance structures that underscore the importance of ESG and climate-related issues, ensure effective oversight of those issues and promote transparency. Our management team has day-to-day responsibility for identifying, assessing and managing ESG and climate-related risks and opportunities. The MSCI Board of Directors (MSCI Board) oversees management's execution of these responsibilities.

The MSCI Board allocates responsibilities across its committees to ensure appropriate oversight of ESG and climate-related risks and opportunities. While the MSCI Board has delegated primary oversight of MSCI's corporate responsibility policies and initiatives to its Governance and Corporate Responsibility Committee, all of its committees receive regular corporate responsibility updates as they relate to their respective scopes of responsibility, including those on climate-related matters. See Figure 1 below and Appendix 1 for additional information on the MSCI Board's four standing committees, including illustrations of how climate-related risks and opportunities are allocated.

Several members of our management-level Executive Committee, which includes our most senior executives, lead, contribute to the development of, and oversee our overall strategy and approach to managing climate-related risks and opportunities. As the Chairman of the MSCI Board, our Chief Executive Officer (CEO) ensures, through continued and frequent communication, that management and the MSCI Board are aligned on key ESG and climate-related risks and opportunities. Our Chief Financial Officer (CFO), working with the Enterprise Risk Oversight Committee (EROC) he chairs and our Enterprise Risk Management Officer (ERMO), oversees our enterprise risk management program to ensure we are identifying, evaluating and managing risks that may impact our ability to achieve our operational objectives, including ongoing assessment of physical and transition climate-related risks. Additionally, our Chief Responsibility Officer (CRO), who sets the agenda for our Corporate Responsibility Policy Committee and is a member of our Corporate Responsibility Committee, is responsible for developing MSCI's corporate responsibility strategy and reporting to the MSCI Board and stakeholders on key initiatives across our organization. See Figure 1 below and Appendix 1 for additional information on the roles of our executives and management-level committees in managing climate-related risks and opportunities at MSCI.

The MSCI Board allocates responsibilities across its committees to ensure appropriate oversight of ESG and climate-related risks and opportunities

FIGURE 1
MSCI'S CLIMATE GOVERNANCE

BOARD, EXECUTIVE AND MANAGEMENT OVERSIGHT

Governance	Roles and Priorities
Board of Directors	Receives ongoing reports on ESG and climate-related risks and opportunities, including those related to physical and transition risks and MSCI's products and offerings. Coordinates across its four standing committees to ensure appropriate committee-level oversight of ESG and climate.
Governance and Corporate Responsibility Committee	Maintains primary responsibility for oversight of ESG and climate policies and initiatives, including environmental stewardship, and periodically reviews with management shareholder engagement practices and shareholder feedback related to climate practices.
Audit and Risk Committee	Reviews reports on our risk governance framework, risk management practices and emerging key risks, including climate-related risks such as the impact of natural disaster-related business disruptions.
Compensation, Talent and Culture Committee	Promotes accountability in its annual assessment of our senior-most executives' performance, including performance against ESG and climate-related goals. Oversees talent management, including talent acquisition and succession planning relating to our ESG and climate product line leaders.
Strategy and Finance Committee	Ensures material climate-related risks and opportunities are integrated into our strategy. Advises on key partnership and acquisition opportunities that promote sustainable operations, enhance our climate-related products and services, or support other strategic initiatives.
Chief Executive Officer (CEO)	MSCI Board Chairman and CEO ensures, through continuous communication, that management aligns with the MSCI Board on key ESG and climate-related risks and opportunities. Leads MSCI's pursuit of climate goals, such as our commitment to achieve net-zero carbon emissions throughout our value chain by 2040 and our becoming an NZFSPA founding member in 2021.
President and Chief Operating Officer (President)	Oversees, among others, our Chief Responsibility Officer, Chief Technology Officer and Chief Product Officer, who have varying responsibilities in assessing and managing ESG and climate-related risks and opportunities. The President also manages investments in key strategic growth and operational areas, including investments in ESG and climate-related opportunities and strategies.
Chief Human Resources Officer (CHRO)	Oversees our Head of Corporate Services, who manages climate-related matters that impact our supply chain, physical locations and environmental sustainability.

FIGURE 1
MSCI'S CLIMATE GOVERNANCE

Governance	Roles and Priorities
Chief Financial Officer (CFO)	Chairs EROC and works with our ERMO to oversee our enterprise risk management program to ensure we are identifying, evaluating and managing risks that may impact our ability to reach operational and strategic goals. Oversees the Strategy and Corporate Development functions, including assessment of acquisition and partnership opportunities that enhance our ESG and climate product capabilities.
General Counsel	Enhances MSCI's corporate governance and corporate responsibility practices and profile. Delivers periodic reports to the Governance and Corporate Responsibility Committee on evolving corporate governance practices and trends, as well as shareholder requests and expectations.
Chief Responsibility Officer (CRO)	Reports directly to President. Creates the annual Corporate Responsibility Operating Plan, engages key decision makers, internal experts and other stakeholders on corporate responsibility-related actions such as our net-zero and carbon-reduction targets. Updates Governance and Corporate Responsibility Committee quarterly; reports are made available to full MSCI Board.
Chief Technology Officer and Head of Engineering (CTO)	Oversees our Business Resiliency Team, which, for example, assesses the severity, probability and scale of potential extreme climate events in geographies where we operate. This team develops, implements and tests technology systems to support MSCI's business continuity plans. Oversees MSCI's CISO.
Corporate Responsibility Policy Committee (CRPC)	Cross-functional group of Executive Committee members who meet at least quarterly to discuss strategically significant proposals on corporate responsibility policies, commitments, actions and disclosures.
Corporate Responsibility Committee (CRC)	Cross-functional group that meets monthly to review corporate responsibility trends, share updates on implementation of our Corporate Responsibility Operating Plan, and review our corporate responsibility reports.
Enterprise Risk Oversight Committee (EROC)	MSCI's assessment and management of climate-related risks and opportunities, including transition and physical risks, is integrated into our firmwide risk management framework and reporting. The EROC receives reports at least semi-annually from the CRO on MSCI's progress on managing climate-related risks, including key efforts to meet carbon reduction targets. The ERMO provides quarterly updates to the Audit and Risk Committee, which periodically include assessment of climate-related risks.
Climate Action Networks	Local, employee-led groups at 24 MSCI offices as of June 2022, that aim to increase awareness, engagement and management of local and global environmental issues.

Strategy

1) MSCI'S CLIMATE-RELATED RISKS AND OPPORTUNITIES

We define our climate strategy in connection with our annual firmwide medium- and long-term strategy setting process. Through this process, as well as our short-term annual operating plan that formalizes our plans for the coming year, and our ongoing risk management processes, we identify climate-related risks and opportunities concerning our operations, products and services. Our operations include our products and business operations, our supply chain and our investment in research and development. Our products and services include the climate-related products and services we offer and develop for the investment industry.

CLIMATE RISKS

Since 2020, we have used the Climate VaR model from MSCI ESG Research to conduct a detailed climate-related scenario analysis that allows us to quantitatively analyze climate-related risks—both transition and physical—we may face in the coming years.

The Climate VaR model is designed to provide a forward-looking and return-based assessment to measure climate-related risks and opportunities in an investment portfolio. For example, extreme weather could damage assets at a company facility while new climate change regulation could require technological change. Both scenarios could impact a company's operations and financial results. By calculating the financial risks from climate change per security and per scenario, our Climate VaR model provides a framework that helps investors identify these risks and proactively optimize their portfolio performance, risk management and regulatory reporting.

The approach follows TCFD recommendations by assessing both transition and physical risks and opportunities. The Climate VaR metric provides insight into the climate-stressed valuation of assets based on specific scenarios such as those established by the Paris Agreement, which aims to limit the rise in average temperatures to well below 2°C, preferably to no more than 1.5°C, above preindustrial levels.

We have used the TCFD framework to categorize our climate-related risks and opportunities. We use both quantitative and qualitative measures to assess the potential for substantive strategic or financial impacts from climate change, consistent with how we evaluate the impact of other non-climate change risks to our firm. We also consider climate-related risks and opportunities in terms of the time horizon of such an impact—specifically, across the short- (less than one year), medium- (one to three years) and long-term (more than three years). These time horizons align with our business, strategy and financial planning.

FIGURE 2
MSCI CLIMATE VaR

Impact Modeling

Aims to measure impact of policy risks across the value chain, cleantech opportunites and physical climate risks, across different scenarios.

Cost / Green Profit Calculation

Calculate scenario-specific time series of costs / profits associated with:

- Reaching emissions-reduction targets (policy risk)
- Benefits from developing low-carbon technologies (technology opportunity)
- Financial consequences of changes in acute and chronic physical events (physical risks / opportunities)

Impact on Security Valuation

Translate climate-related costs into valuation impacts to provide a stressed market valuation of a security in relation to aggregated transition and physical cost and profit projections until the end of the century.

Portfolio Level

Aggregation at portfolio level available across different scenarios.

FIGURE 3
CLIMATE TRANSITION RISKS

POLICY & LEGAL

● Low ● Medium ● High

Examples of Risks	Potential Impact	Realization Strategy
Enhanced emissions-reporting obligations	● (Low)	We believe our policy and legal risk relating to emissions reporting is low overall as a company that provides data, tools and analysis to the investment community. Our Legal and Finance teams monitor existing and emerging emissions-reporting regulations, ensuring we have appropriate controls in place to meet emissions-reporting obligations. As part of our commitment to transparency, we provide details on climate-related risks and opportunities to shareholders using standards such as TCFD as well as responding annually to the CDP questionnaire. MSCI's Corporate Services team is responsible for ensuring compliance with environmental regulations. The team manages landlord relationships and contracts for our office leases to identify and manage local environmental regulations.
Mandates on and regulation of existing products and services	● (Low)	The Government and Regulatory Affairs team monitors regulatory developments that may affect our products and services, alerting internal groups to relevant changes. We regularly submit public comments to regulators on proposed regulation and track regulatory developments, equipping us with insights we use to improve our products and meet clients' evolving needs.
Exposure to litigation	● (Low)	Due to the nature of our business, and the products and services we offer, we do not consider climate transition-related litigation risk to be material. We structure our client contracts to limit our exposure to liability and adopt robust business continuity processes.
Increased pricing of greenhouse gas emissions	● (Low)	To mitigate risks regarding greenhouse gas emissions pricing, we have committed to reach net-zero emissions before 2040, set near-term carbon reduction targets and are taking steps to reduce our carbon footprint and increase our use of renewables.

FIGURE 3
CLIMATE TRANSITION RISKS

TECHNOLOGY

● Low ● Medium ● High

Examples of Risks	Potential Impact	Realization Strategy
Unsuccessful investment in new technologies	Low	We believe our technology-related risk relating to climate transition is low. Our IT team is responsible for monitoring the adoption of new technologies. All of MSCI's data centers are powered by renewables and employ leading energy consumption and heat management techniques. Since July 2020, MSCI has used Microsoft Azure as its strategic cloud services provider. Microsoft has publicly disclosed a commitment to being carbon-negative by 2030.
Costs to transition to lower-emissions technology	Low	We purchase energy-efficient products for our offices and rely heavily on sustainable products, including recycled and low-environmental-impact materials. We believe switching to more sustainable equipment will boost efficiency, resulting in lower costs over time. This practice has already contributed to reduced emissions, and we believe the continued use of lower-impact equipment and materials will further reduce our emissions and associated risks.

MARKET

Examples of Risks	Potential Impact	Realization Strategy
Changing customer behavior	High	We proactively educate investors on climate risks and opportunities, providing them with a full suite of tools and research to help better manage climate issues in their investments.
Uncertainty in market signals	High	MSCI consults with the global investment community and regularly engages with clients through meetings and events such as client advisory panels and surveys to enhance and keep current our climate risk-related and other products.
Increased cost of raw materials	Low	We believe climate-transition risks related to increased costs of raw materials are low for MSCI. We regularly look for ways to reduce the potential impact of supply-chain disruptions, identifying multiple sources of critical services wherever possible.

FIGURE 3
CLIMATE TRANSITION RISKS

● Low ● Medium ● High

REPUTATION

Examples of Risks	Potential Impact	Realization Strategy
Shifts in consumer preferences	●	MSCI proactively engages with the investment community through consultations, surveys and events to ensure we are well-positioned to meet client demands and minimize our market risk.
Increased stakeholder concern or negative feedback	●	MSCI could face reputational risk in the event of a perceived misalignment between our operations and our solutions. This could negatively impact our capital costs, long-term value creation and client satisfaction as well as our ability to attract and retain talent. We have set aggressive targets, expanded our initiatives and published new reports to serve as an industry leader and demonstrate leading corporate responsibility practices. We regularly monitor for potential gaps between our actions and our solutions and regularly engage with the MSCI ESG Research team to identify additional steps we can take. Failure to fulfill our commitments and reach our targets could result in reputational harm, such as a loss of credibility.
Stigmatization of sector	●	We are collaborating with our peers to reduce potential stigmatization of our sector. In 2021, we became a founding member of the NZFSPA, which includes major financial services providers committed to aligning all relevant products and services to achieve net-zero by 2050.

FIGURE 4
CLIMATE PHYSICAL RISKS

● Low ● Medium ● High

Risk Type	Risk Example	Potential Impact	Realization Strategy
Acute - Coastal Flooding Tropical Cyclones	Increased severity of extreme weather events such as tropical cyclones	●	We use our proprietary Climate VaR model to assess physical risks. In 2022, our scenario analysis revealed moderate exposure to tropical cyclones, extreme heat and coastal flooding in certain MSCI locations. Other physical risks were deemed low. (e.g., fluvial flooding, wildfire, extreme cold, etc.) See Strategy section 3 for more details on our physical risk exposure. We also use our Climate VaR model and other information to inform our office-location strategy to mitigate the disruption to our business as a result of longer-term global climate changes. When selecting new office space, we account for a property's vulnerability to extreme weather events and natural disasters. We maintain a dedicated Business Continuity Planning group as well as business continuity planning software to manage plans, testing and communication. MSCI's Business Resilience Strategy considers the extent to which the physical risks of climate change may impact MSCI's operations or financial results. That includes whether extreme weather events or natural disasters could potentially impact the capacity of our Information Technology (IT) and physical infrastructure or our ability to provide clients with products and services. We use business resilience as a framework for developing plans for business continuity and IT disaster recovery, as well as plans for minimizing business disruption and maintaining operations should a climate-related business or technology disruption occur. MSCI's Crisis Management and Technology Service Operations Service Management Teams are responsible for our company's disaster response and recovery efforts. Among the goals of disaster recovery planning and testing are safeguarding the welfare and safety of MSCI's employees, together with protecting and recovering our data centers, networks, business applications, communications systems and technology in the event of an extreme weather incident or natural disaster. The teams would escalate to the EROC climate-related physical risks that might have a significant impact on our operations or financial results. We regularly evaluate the potential for supply-chain disruption, which includes climate-related impacts over both short- and long-term horizons. Wherever possible, we identify multiple sources of critical services to reduce the potential impact of supply-chain disruptions. We also seek opportunities to reduce our reliance on supply chains, with the additional impact of potentially lowering operating costs. We regularly evaluate the adequacy of our insurance to mitigate longer-term/chronic climate-related risks.
Chronic - Extreme heat and others	Changes in precipitation patterns and extreme variability in weather patterns Rising mean temperatures Rising sea levels	●	

We believe that the nature of MSCI's business as a provider of tools and solutions to the investment industry helps limit many common physical risks of climate change.

The coronavirus pandemic highlighted MSCI's ability to rapidly transition to remote work, while maintaining the highest level of performance amid disruptions to the global economy. We believe this type of flexibility demonstrates an ability to continue to perform in other situations, including those resulting from climate-related impacts. Most of our office spaces are leased, which also allows flexibility and helps lower exposure to physical risks. As our response to the pandemic showed, MSCI has the flexibility to reduce reliance on any one of our office locations if necessary. We also have availed ourselves of the geographically diverse locations of data centers offered by our cloud computing partner Microsoft Azure. See Appendix 2 for a list of our data center locations.

CLIMATE OPPORTUNITIES

The global adoption of climate-focused investment considerations is rapidly accelerating. We provide critical tools and solutions that enable investors to understand how climate change could affect their portfolios, identify low-carbon investment opportunities and set net-zero targets. (See opening letter, "MSCI: Committed to Climate Action.") Because of the nature of our business as a provider of tools and solutions to the investment industry, we believe that we are able to adapt to changing client needs and launch products quickly, unlike companies with longer and more involved manufacturing and distribution processes.

As a founding member of the NZFSPA, we are committed to providing products and services that help clients align their portfolios with net-zero goals.

As demand from our clients for ESG and climate solutions increases, our research, tools and solutions will aim to provide the transparency our clients need to better integrate climate risks and opportunities into their investment processes. We are focused on being an influential thought leader on climate-related considerations for the investment industry. Recent examples of our published research include:

- The MSCI Net-Zero Tracker, a quarterly report on progress by the world's listed companies on curbing climate risk
- "Foundations of Climate Investing: How Equity Markets Price Climate Transition Risks," examining the financial impact of climate transition risk on global equity markets
- "Net-Zero Alignment: Objectives and Strategic Approaches for Investors," examining how three common approaches to net-zero investing may help investors reduce carbon emissions in their portfolios and the economy
- "Stress Testing Portfolios for Climate-Change Risk," examining how scenario analysis can be a powerful tool to help investors understand the implications of climate change for their portfolios
- "Net-Zero Now," a documentary that premiered in September 2021, showing how investors will play a critical role in lowering carbon emissions throughout the global economy and reviewing key metrics and portfolio-alignment tools

These and other MSCI insights are available at https://www.msci.com/research-and-insights?topic=esg.

We provide critical tools and solutions that enable investors to understand how climate change could affect their portfolios, identify low-carbon investment opportunities and set net-zero targets

FIGURE 5
CLIMATE OPPORTUNITIES

RESOURCE EFFICIENCY

● Low ● Medium ● High

Examples of Opportunities	Potential Impact	Realization Strategy
Use of more efficient buildings and systems	●	We have explored many opportunities related to resource efficiency, and we continually seek to do more, including by selecting office space in Leadership in Energy and Environmental Design (LEED), Building Research Establishment Environmental Assessment Methodology (BREEAM) or other highly efficient, green-certified buildings, implementing energy-efficient systems and equipment and utilizing automated lighting and air controls across our offices.
Use of recycling	●	MSCI maximizes recycling, including e-waste. During our office-selection process, we consider whether potential offices have landlord-driven or local recycling initiatives.
Use of more efficient modes of transport	●	Our business travel policies request employees to prioritize low-carbon travel options by selecting, for example, rail travel in lieu of air or economy class instead of business class. We aim to reduce our employees' commuting emissions by promoting teleworking and supporting climate-friendly commuting practices.

ENERGY SOURCE

Examples of Opportunities	Potential Impact	Realization Strategy
Use of lower-emission sources of energy	●	While MSCI has implemented a significant number of energy efficiency projects, we continue to adopt efficiency measures, and we are increasing our use of renewables as part of our carbon-reduction strategy. We consider the availability of renewable energy when selecting new office locations.
Use of new technologies-participation in carbon market	●	In 2021, we purchased Energy Attribute Certificates (EACs) to access renewable electricity across most of our offices. We plan to review our potential use of EACs each year as a means to green the electricity we use and to support the greening of local electricity grids.
Use of supportive policy incentives	●	We proactively support the implementation of local and governmental measures to increase renewable energy use where applicable.

FIGURE 5
CLIMATE OPPORTUNITIES

PRODUCTS & SERVICES

● Low ● Medium ● High

Examples of Opportunities	Potential Impact	Realization Strategy
Development of new products or services through research and development and innovation	High	We believe MSCI ESG and Climate solutions, a key component of our strategy, have great potential to generate business opportunities. MSCI provides a full suite of ESG and Climate solutions across asset classes to institutional investors globally. With our acquisition of Carbon Delta, we enhanced our climate expertise and expanded our range of solutions to include scenario analysis such as MSCI Climate VaR. We continue to invest in research and organic product development and expand our use of natural language processing and other artificial intelligence technologies to solve an increasingly complex set of problems for our clients.
Shift in consumer preferences	High	We annually review our forward-looking strategy with the MSCI Board and, through our operating plan process, review, rank and prioritize investments based on client demand and growth opportunity. We study the markets, compile extensive stakeholder input to stay abreast of market changes, and seek to ensure we are at the forefront of ESG and Climate solutions development.
Reputational benefits resulting in increased demand for products and services	High	As a provider of climate-related products, MSCI is part of our clients' supply chain. Combining robust climate targets with clear steps to reduce emissions to net-zero before 2040 illustrates that we also demonstrate the same leading practices as many of the companies we analyze and that we are a strong match for clients, including from a carbon perspective.

FIGURE 5
CLIMATE OPPORTUNITIES

MARKET

● Low ● Medium ● High

Examples of Opportunities	Potential Impact	Realization Strategy
Access to new markets	●	In addition to developing new solutions based on our clients' needs, we identify new markets or areas of opportunity. This could include expanding to new client segments, countries or asset classes. As ESG and Climate-focused strategies are more widely adopted, we can leverage our extensive expertise to build solutions for new segments such as corporates, bank advisory businesses, insurance providers and others. We also launch products in asset classes such as fixed income climate indexes and private asset class data to expand our presence. As new countries seek to address climate change, we can reach clients in those markets with our ESG and Climate solutions.

RESILIENCE

Examples of Opportunities	Potential Impact	Realization Strategy
Participation in renewable energy programs and adoption of energy efficiency measures	●	We are taking steps to reduce our energy use, such as by implementing hybrid work policies to enable us to shrink our office footprint. We accessed renewable electricity through market-based measures via the purchase of EACs in 2021.
Resource substitutes/diversification	●	MSCI has established a Sustainable Supplier Management team to fully integrate climate considerations into our supplier selection and prioritize our spend with highly resilient and sustainable suppliers.

2) THE IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

CLIMATE TRANSITION RISKS

We face climate transition risks related to our own management of climate change into our operations and while working to ensure our products continue to meet client demands as they relate to climate change.

Risks related to our operations:
To reduce climate transition risk related to our own operations, MSCI is aiming to align our strategic and operational decision-making with the long-term goal of achieving net-zero emissions and limiting average temperature rise to 1.5°C above preindustrial levels, and we are encouraging our suppliers to do the same.

Our efforts to lower our carbon emissions are guided by our near- and long-term science-based carbon-reduction targets. In April 2021, MSCI committed to reach net-zero emissions throughout our value chain before 2040. In April 2022, we submitted for verification by SBTi a near-term target to reduce Scope 1 and 2 emissions by 80% and Scope 3 emissions by 50%, each by 2030 from a 2019 baseline. Our Scope 3 emissions target includes all relevant Scope 3 emissions, i.e., purchased goods and services, fuel- and energy-related, waste, business travel, employee commuting and downstream leased assets.

We plan to authentically seek to reduce our greenhouse gas emissions to achieve our carbon emissions reduction targets and mitigate climate transition risk while being transparent about our plans and actions.

REDUCING SCOPE 1 AND 2 EMISSIONS

The main levers we aim to use to reduce our consumption of electricity, the main source of MSCI's Scope 1 and 2 emissions, are the following:

- Reducing the footprint of our existing offices wherever possible. The coronavirus pandemic has allowed us to reimagine the functions of our physical offices by fully supporting a hybrid work environment that fosters flexibility and innovation. This flexible approach allows us to adjust the size of existing offices.
- Improving energy efficiency. We will continue to identify new ways to use energy more efficiently such as

2030 GOALS

80%

Reduction in Scope 1 and 2 emissions from our 2019 baseline

50%

Reduction in Scope 3 emissions from our 2019 baseline through climate control setbacks, energy-efficient lighting, motion sensors and other technologies designed to conserve energy. We prioritize selecting buildings with green certification such as Leadership in Energy and Environmental Design (LEED) or Building Research Establishment Environmental Assessment Methodology (BREEAM), granted to buildings that have been designed, built and maintained using green building and energy efficiency best practices. At MSCI, 88% of our employees are based in office buildings that meet LEED or BREEAM certified energy efficiency standards. We also prioritize locations that use renewable electricity when we do seek to expand our office locations.

We intend to review annually the potential purchase of EACs to lower our unavoidable Scope 2 emissions. An EAC is the official documentation to prove renewable energy consumption. Each EAC represents proof that 1 MWh of renewable energy has been produced and added to the grid. We will consider purchasing EACs for the specific locations where we are using the electricity. In 2021, we purchased EACs for our major locations—India, United States, Europe, the United Kingdom, China, Singapore and the Philippines—at an average price of USD 6.40 per MWh. We used Green-e® Energy Certified EACs, of which we confirmed the retirement for 2021, to ensure high-quality certificates. This purchase allowed us to reach 94% renewable electricity.[4]

REDUCING SCOPE 3 EMISSIONS

We are taking steps in three areas that will be key to reducing our Scope 3 emissions in line with the targets we have established.

— Supply-chain emissions. Emissions across our supply chain accounted for 78% of our total carbon footprint in 2021. Our efforts to significantly reduce our supply-chain emissions represent a major commitment for MSCI. We are developing a program to engage with and influence our suppliers to reduce their emissions. We have created a dedicated Sustainable Supplier Management (SSM) team to spearhead this effort by helping to improve our understanding of our suppliers' carbon emissions reduction commitments and environmental practices. The SSM team collects information through online research and supplier self-reporting about suppliers' climate commitments to help us identify and engage with suppliers based on the strength of their climate commitments. Our engagement focuses on both the importance of setting carbon emissions reduction targets and our expectation that suppliers share our commitments (backed by clear actions) to support our efforts to reach our net-zero goal. We monitor metrics regarding the portion of our suppliers who have carbon commitments.

— Business travel. We continue to manage business travel emissions by maintaining policies that encourage employees to replace travel with virtual meetings where appropriate. When travel is necessary, we encourage the use of low-carbon alternatives, including rail instead of air, economy flights instead of business, and rental of electric or hybrid vehicles. In addition, we implemented a carbon-aware event strategy.

— Employee commute and impact. We are reducing the need for employees to commute by requiring less in-office work. We support flexible working, which encourages virtual meetings and work from home. When we evaluate potential new locations the availability of convenient, high- quality public transportation is part of our site selection criteria. As of June 2022, we had 24 Climate Action Network employee resources groups that lead discussions on local and at-home climate aware practices such as energy efficiency practices, renewable energy options and water conservation.

We anticipate that MSCI's trajectory of carbon reductions will not be fully linear, and our plan will evolve over time to align with the latest science, the emergence of new and greener technologies, and as new data becomes available. As we revise our plans, we are committed to making our approach clear and transparent by regularly reporting our progress.

In April 2021, MSCI committed to reach net-zero emissions throughout our value chain before 2040

[4] Green-e is a highly reputable green certification scheme for energy attribute certificates: Green-e | Powering a renewable future

Risks related to our solutions:
Any reputational harm or loss of credibility sustained by our operating segments, product lines or company as a whole could impact our business. That scenario could materialize if there is a perception our operations or the solutions we offer are misaligned with our sustainability and corporate responsibility policies or practices. Failure to meet publicly disclosed ESG and climate-related goals or to keep pace with evolving market standards or the methodologies and standards used in our products and ESG ratings could negatively impact our brand and hamper our ability to grow our ESG and Climate product lines. In some cases, our ESG and Climate offerings, such as our company ESG ratings and our Net-Zero Tracker, may thrust MSCI into a public spotlight regarding environmental, social or corporate responsibility issues. In addition, our position as a leading source of ESG research, ratings, data and assessments could result in disputes with stakeholders and generate negative media or regulatory attention. Our reputation could further be harmed as a result of competitors' errors or missteps that have ripple effects on our industry.

We work to demonstrate leading corporate responsibility practices, and regularly engage with our MSCI ESG Research Team to learn, identify and plan new initiatives. Both our Corporate Responsibility and Corporate Responsibility Policy Committees include representatives from MSCI ESG Research.

Additionally, MSCI regularly engages with clients to track their needs and minimize our market risk. We aim to identify shifts in client interest through global client consultations, annual client surveys, advisory panels, roundtables and other events. We also review questions included in clients' requests for proposal and study market trends to address the fast-changing needs of investors.

FINANCIAL PLANNING:

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. Climate-related costs that have impacted financial planning costs include:

- Direct costs of investing in technology to reduce MSCI's Scope 3 greenhouse gas emissions by:

  A) automating labor-intensive processes

  B) strengthening the firm's virtual meeting tools to minimize travel while maintaining high levels of client engagement

- Direct costs of developing policies and practices to promote environmental sustainability and efficiencies, including prioritizing LEED- and BREEAM-certified office space when entering into leases

We also regularly review opportunities for acquisitions and partnerships. In 2019, MSCI acquired Zurich-based environmental fintech and data analytics firm Carbon Delta to create an extensive climate risk assessment and reporting offering for the institutional investment market. We also consider any climate-related impacts through our business resilience process and insurance coverage, including the cost of premiums.

MSCI is currently not using an internal carbon price but anticipates doing so in the next two years.

In addition to climate-related costs, MSCI plans and investigates climate-related revenue opportunities as outlined within this section below and in Metrics and Targets section 1.

CLIMATE PHYSICAL RISKS

Though the physical risks of a warming climate affect all facilities to varying degrees, a scenario analysis using our Climate VaR model indicates MSCI faces risk of extreme heat, coastal flooding and tropical cyclones in certain locations. Refer to Appendix 3 for a description of the Climate VaR methodology and the next section for more detail about our exposure to extreme weather events.

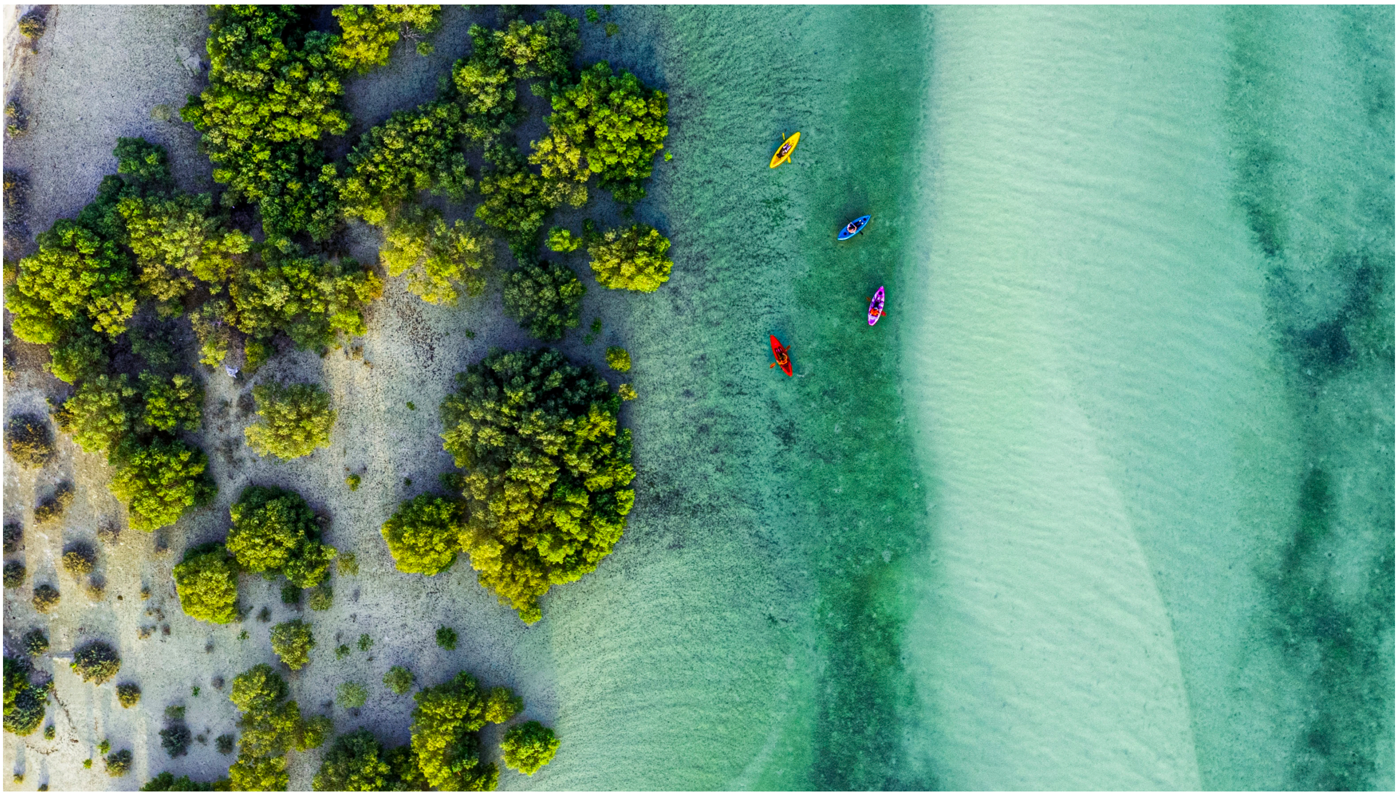
To enhance organizational resilience, we maintain a team of employees from diverse functions to lead and manage business continuity planning (BCP). The BCP team assesses the severity, probability and scale of extreme weather events in locations where we operate. It then develops, implements and tests systems to support business continuity. To facilitate management of potential risks, we monitor threats of extreme weather using both our Climate VaR analysis and Climate Risk Trend Report, which identifies natural disasters and other potential threats that may impact our offices. We perform frequent BCP and tabletop scenario planning exercises to rehearse and continually enhance the protocols of our business resilience strategy. We test our business continuity and IT disaster recovery plans periodically, and report results to MSCI's IT Risk Oversight Committee.

In addition, we regularly evaluate the potential for disruptions to our supply chain. New business-critical suppliers are evaluated by MSCI's Information Security, BCP and Sustainable Supplier Management teams and must pass rigorous onboarding requirements. Our objective is to understand the potential for disruption over the short, medium and long term due to various factors, including climate, weather and other physical impacts. We analyze our suppliers' resiliency and business continuity plans to determine their capacity to handle temperature extremes, storm damage, coastal flooding and other physical climate conditions that may disrupt their operations and, in turn, directly or indirectly impede our operations or ability to deliver products and services.

We perform frequent Business Continuity Planning and tabletop scenario planning exercises to rehearse and continually enhance the protocols of our business resilience strategy

We identify multiple sources of critical services to reduce the potential impact of supply-chain disruptions wherever possible. For example, MSCI maintains data centers in both Europe and the U.S. to enhance our ability to maintain continuity in the event either location was impacted by extreme weather or other climate-related events. Notably, MSCI partners with Microsoft Azure as a strategic cloud services provider. Azure provides MSCI geographically diverse data center locations, which allow us to minimize disruption at specific sites. Microsoft is committed to being carbon-negative by 2030. We work to reduce our reliance on extended supply chains with the goal of improving resilience and lowering costs. For example, we use regional and local re-distributers for technology hardware and software. We also consider the locations of prospective consultants and contingent workers before engaging them for business-critical operations, and emphasize local and regional sourcing for furniture, fixtures and office supplies for our offices around the world.

When selecting new office space, we follow a comprehensive checklist to determine a building's vulnerability to extreme weather events and natural disasters. We also consider other features such as its proximity to public transportation and energy efficiency of its core building systems and controls to reduce electricity consumption. We purchase energy-efficient and sustainable products for our offices, including supplies made from recycled and low-environmental-impact materials. These practices have contributed to reducing emissions company-wide.



The growing interest in climate change by investors has led to a strategic focus on climate in our product development. We offer climate solutions across product lines and asset classes, and to support a growing number of client types and use cases

CLIMATE OPPORTUNITIES

MSCI is a founding member of the NZFSPA, which unites leading index providers, credit rating agencies, accounting firms, financial exchanges and other suppliers of market infrastructure committed to providing products and services to support achieving global net-zero emissions by 2050, integrating into their core business the goal of limiting global temperature rise to 1.5°C.[5]

Members commit to setting an interim target to have offerings for relevant products and services that align with a 50% global reduction in carbon emissions by 2030 and updating such targets every five years, among other key actions. The NZFSPA is part of the Glasgow Financial Alliance for Net Zero (GFANZ), a global coalition of leading financial institutions in the U.N.'s Race to Zero campaign committed to accelerating the pace of reducing carbon emissions in the economy.

The growing interest in climate change by investors has led to a strategic focus on climate in our product development. We offer climate solutions across product lines and asset classes, and support a growing number of client types and use cases. Since launching an important climate product, the MSCI Low Carbon indexes, in 2014, we observed growing investor interest in climate-related issues. This demand, which influences MSCI's short- and long-term business strategy, resulted in the diversification and expansion of our offerings.

The emergence of climate-disclosure frameworks and climate-related financial and transparency regulation has also increased demand for climate-related stress testing and scenario analysis. Our Climate Risk Center, which we established following our acquisition of Carbon Delta in 2019, features specialists dedicated to developing intuitive, forward-looking tools to help investors measure and manage risks associated with climate change, identify climate-related opportunities for innovation and positive impact, and make environmental sustainability part of their long-term investment strategy. This team has doubled in the last two years.

We anticipate continuing to invest in expanding and enhancing our climate and ESG-related products and services. MSCI's climate indexes, metrics, data and analytical tools, together with our ESG research and ratings provided by MSCI ESG Research, are some of our most strategically important and highest-growth offerings in recent years. They address growing interest from investors, companies and financial intermediaries in integrating climate change into their investment decisions. We are focused on being an influential thought leader on climate-related considerations for the investment industry.

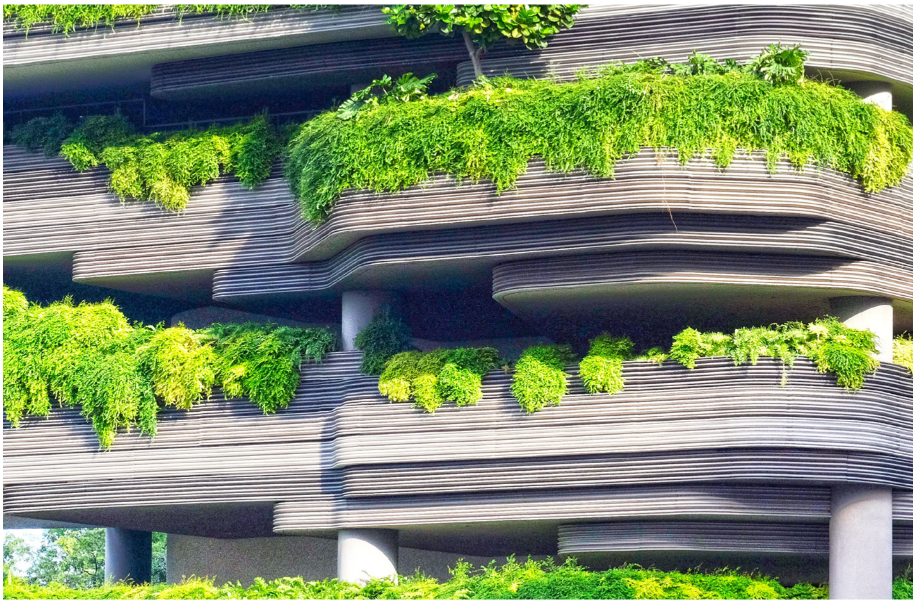
As an example, in 2021, we launched Climate Lab, a first-in-kind visualization dashboard that combines our climate data with our analytical risk and portfolio-management capabilities. Climate Lab combines comprehensive climate data, analytics and scenario analysis with powerful forecasting tools to help investors measure, monitor and manage climate risk and the shift to sustainable growth consistently across companies, portfolios and enterprises.

3) RESILIENCE OF MSCI'S STRATEGY UNDER DIFFERENT CLIMATE SCENARIOS

In 2022, we conducted a detailed climate-related scenario analysis using MSCI ESG Research's Climate VaR Model and information with respect to the year ended Dec. 31, 2021 to quantitatively analyze the climate-related risks and opportunities we face.[6] The model assesses potential future climate change risks and opportunities, which include transition risks and opportunities that may

[5] See "Committed to Net Zero," Net Zero Financial Service Providers Alliance, https://www.netzeroserviceproviders.com/

[6] IMPORTANT NOTICE: MSCI ESG Research has developed a fully automated and forward-looking financial climate risk model, Climate VaR, that was used to quantitatively analyze certain climate-related risks and opportunities included in this report for MSCI Inc. In addition, MSCI ESG Research has developed Implied Temperature Rise, a metric designed to show the temperature alignment of companies, portfolios and funds with global climate targets. MSCI Inc. is the ultimate parent company of MSCI ESG Research. The disclosure of the Climate VaR model and Implied Temperature Rise score included herein for MSCI Inc. was conducted in the same manner and based on the same information available for other companies not affiliated with MSCI Inc., but have not been independently reviewed or audited. Due to the affiliate relationship and the potential for a conflict of interest, this report should not be relied upon as an independent analysis of MSCI Inc. with respect to the use of the Climate VaR or Implied Temperature Rise.



arise from limitations on greenhouse gas emissions, as well as risks resulting from the physical effects of climate change.[7] More specifically, MSCI ESG Research calculates an aggregate Climate VaR that consists of the Transition Climate VaR and the Physical Climate VaR. The Transition Climate VaR captures both risks and opportunities using the downside Policy Climate VaR and the upside Technology Opportunities Climate VaR. See Appendix 3 for definitions and more details on our methodology.

This scenario analysis reported that MSCI's aggregate Climate VaR is -1.32%, which means the company's valuation can be reduced by -1.32% in a 2°C mid-range and aggressive physical risks scenario. Looking more closely at the Climate VaR result, we identified that the main contributor is Physical Climate VaR, as -0.05% of the Climate VaR, comes from Policy Climate VaR, while -1.27% comes from Physical Climate VaR. The analysis examines policy risks and technology opportunities under five different scenarios:

1. Integrated Model to Assess the Global Environment 2°C, Shared Socioeconomic Pathways 1 (IMAGE 2°C SSP1): Gradual action scenario relying on renewable power generation and the electrification of the transport sector with net-zero emissions achieved in 2090.
2. Asia-Pacific Integrated Assessment Model/Computable General Equilibrium 1.5° (AIM/CGE 1.5°C): Early ambitious action with emissions peaking in 2020 and net-zero achieved in 2055 limiting global warming to 1.3°C by the end of the century. Major emphasis on renewable energy with 85% of electricity generation coming from renewable sources in 2050.
3. AIM/CGE 2°C: Early action 2°C scenario with emissions peaking in 2020 and 90% reduction by 2090, but emission levels never reach net-zero. This results in a warming of 1.62°C in 2100.
4. AIM/CGE 2°C Late: Late action 2°C scenario with emissions peaking in 2020 but reductions not starting until 2030 and net-zero reached in 2060, resulting in warming of 1.8°C at the end of the century.
5. AIM/CGE 3°C: Limited policy action with emissions slowly decreasing over time but never reaching net-zero, limiting warming at the end of the century to 2.8°C.

Within the Policy Climate VaR analysis, the Direct Emissions Climate VaR captures future costs related to reducing direct (Scope 1) emissions and MSCI's direct (Scope 1) emissions are very low, the risk associated with these emissions are low. Therefore, MSCI's Direct Emission Climate VaR is zero.

In addition, MSCI does not have direct exposure to clean technologies and does not hold any low-carbon patents, so therefore the Technology Opportunity Climate VaR is zero for MSCI.

The analysis also considers two scenarios to assess the physical risk exposure of MSCI to determine an aggregated Physical Climate VaR. The scenario analysis factored the effects of extreme weather events into both aggressive and average physical-risk scenarios. This physical-risk scenario analysis reports an impact on valuation that would come mainly from tropical cyclones, extreme heat and coastal flooding, which, taken together, would lower MSCI's valuation by 1.27% in an aggressive scenario.

We believe that the nature of MSCI's business as a service provider of tools and solutions to the investment industry helps limit the impact of many common physical risks of climate change. We believe that our geographic flexibility, ability to adapt to potential climate shifts, and support of net-zero goals will help our efforts to limit the impact of transition and physical risks stemming from climate change.

Physical-risk scenarios are essential to projecting the potential impact of extreme weather caused by increased levels of greenhouse gas emissions in the atmosphere. Such scenarios model the physical effects of changes in the climate, including temperature and sea-level rise, as well as changes in the frequency and severity of specific extreme weather events. MSCI ESG Research has established the current level of climate-related physical risk from 10 distinct hazards to physical facilities, modeled how such risks may change

[7] See Appendix 4 for information on the office locations for our employee population. For the scenario analysis included in this report, these values were used by MSCI ESG Research as an indicator of the relative size of MSCI's global offices for purpose of the physical VaR assessment. This factor has resulted in a more tailored physical VaR assessment for MSCI Inc.

FIGURE 6
OVERVIEW OF CLIMATE VaR ANALYSIS FOR MSCI [8]
TRANSITION CLIMATE VaR

Policy Risk		Low IMAGE / SSP1	Mid-Range AIM CGE	High AIM CGE LATE
Direct Emissions	3.0°C Scenario		-0.00%	
	2.0°C Scenario	-0.00%	-0.00%	-0.00%
	1.5°C Scenario		-0.00%	
Electricity Use	3.0°C Scenario		-0.00%	
	2.0°C Scenario	-0.00%	-0.02%	-0.05%
	1.5°C Scenario		-0.04%	
Value Chain	3.0°C Scenario		-0.00%	
	2.0°C Scenario	-0.00%	-0.02%	-0.06%
	1.5°C Scenario		-0.07%	

Technology Opportunities		Low IMAGE / SSP1	Mid-Range AIM CGE	High AIM CGE LATE
	3.0°C Scenario		-0.00%	
	2.0°C Scenario	-0.00%	-0.00%	-0.00%
	1.5°C Scenario		-0.00%	

Physical Climate VaR	Aggressive	Average
Coastal Flooding	-0.18%	-0.12%
Extreme Cold	+0.00%	+0.01%
Fluvial Flooding	-0.01%	-0.01%
Extreme Heat	-0.26%	-0.22%
Precipitation	+0.00%	+0.01%
River Low Flow	-	-
Extreme Snowfall	-0.00%	+0.00%
Tropical Cyclones	-0.92%	-0.33%
Wildfires	-0.00%	-0.00%
Extreme Wind	-0.00%	-0.00%
Aggregated Physical Climare VaR	-1.27%	-0.66%
= Aggregated Climare VaR 2°C Mid-Range & Aggressive Physical Climate Risk Scenarios	-1.32%	

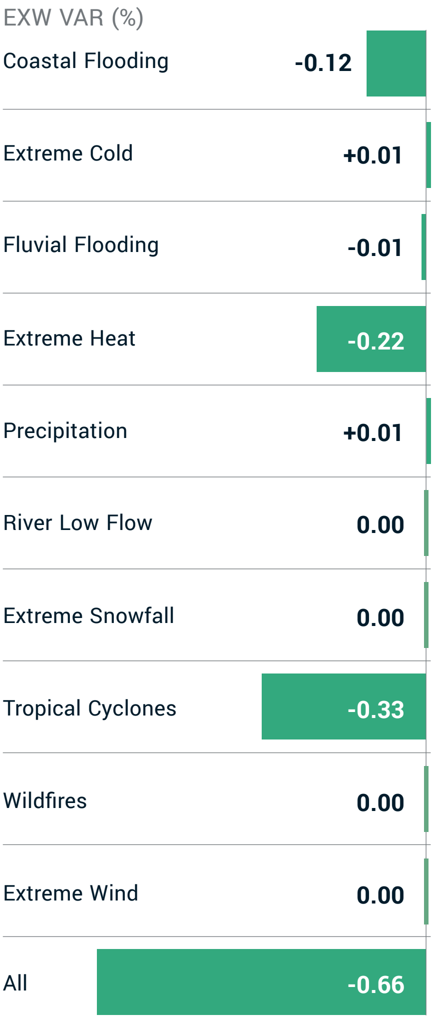
SOURCE: MSCI ESG RESEARCH, JUNE 2022

under different climate scenarios, and projected the impact of these hazards for each physical facility.

PHYSICAL CLIMATE RISK OF THE COMPANY BY HAZARD

The chart below illustrates the impact of physical risks expressed as a percentage change of the net present value of the affected company over the remainder of this century that could result from the aggregate effect of extreme weather events. It shows that tropical cyclones, extreme heat and coastal flooding present the greatest risk to our facilities.

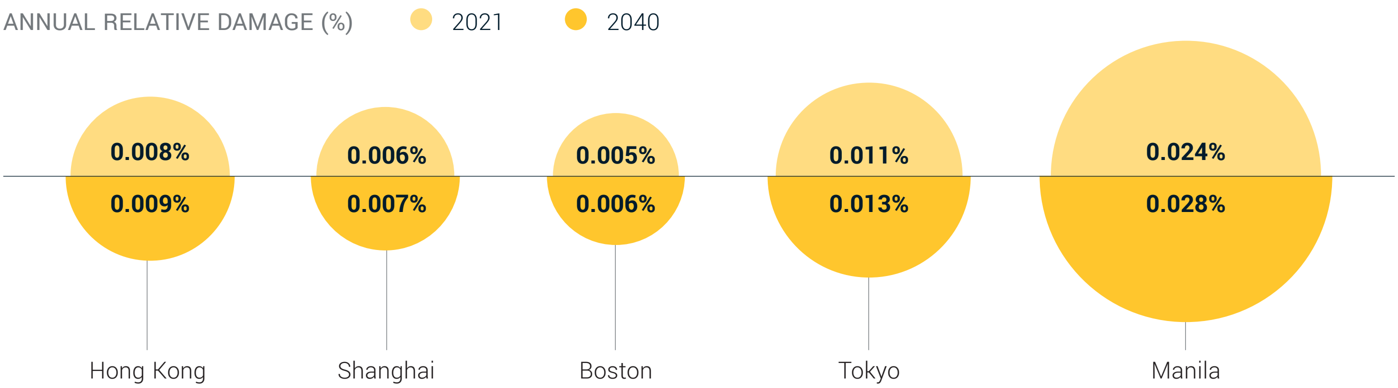
FIGURE 7
MSCI'S AVERAGE EXPOSURE TO PHYSICAL RISKS BY HAZARD



SOURCE: MSCI ESG RESEARCH, JUNE 2022

[8] IMAGE/SSP1: Integrated Model to Assess the Global Environment/ Shared Socioeconomic Pathways. AIM CGE: Asia-Pacific Integrated Assessment Model/Computable General Equilibrium. AIM CGE Late: Asia-Pacific Integrated Assessment Model/Computable General Equilibrium Late action. Average scenario: The average scenario is the probable change in physical climate risk and is calculated by considering the expected average value of the cost distribution. Aggressive scenario / Worst case scenario: This represents a more severe future physical climate and is derived from the 95th percentile of the cost distribution and explores the most serious downside risk within the distribution tail.

FIGURE 8
OVERVIEW OF MSCI'S MAJOR OFFICE LOCATIONS WITH THE BIGGEST CHANGE IN EXPOSURE TO TROPICAL CYCLONES



SOURCE: MSCI ESG RESEARCH, JUNE 2022

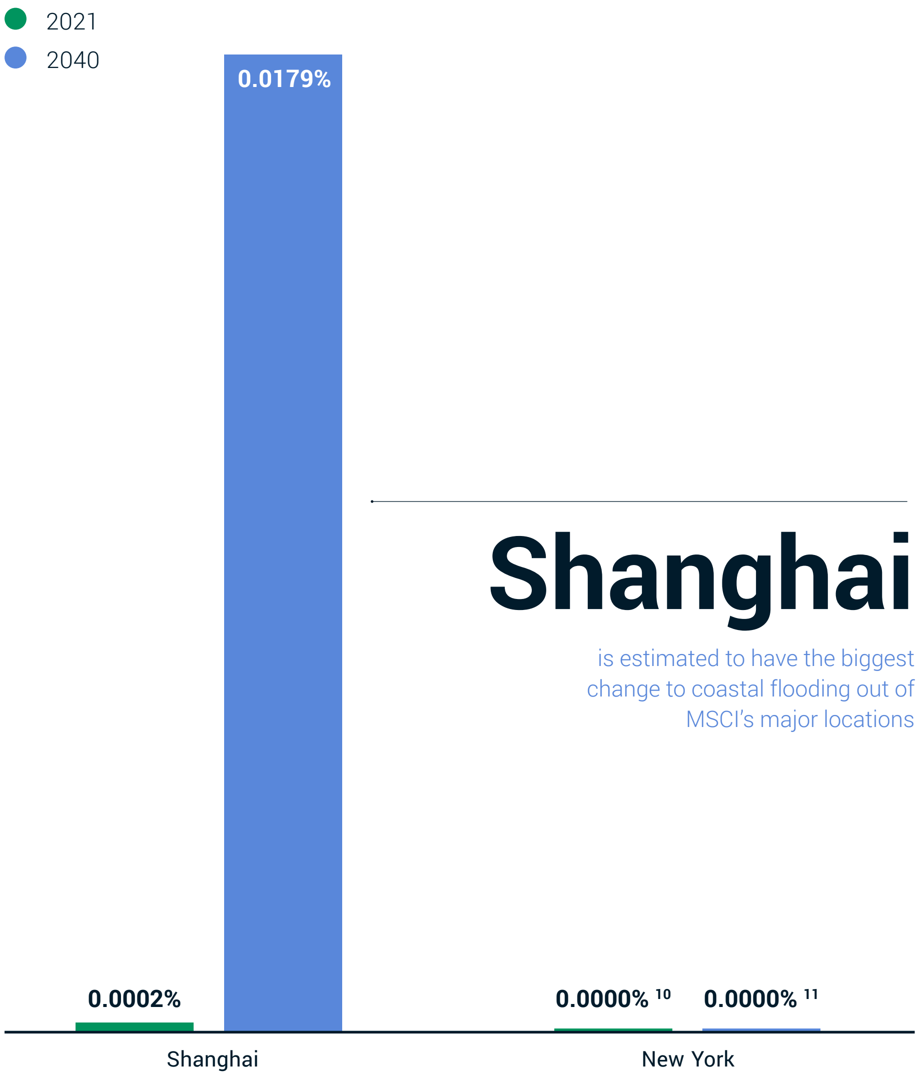
ACUTE PHYSICAL RISK EXPOSURE: TROPICAL CYCLONES

The graph above shows the major office locations with the biggest change in potential exposure to tropical cyclones.[9] The current exposure is a measure of today's average relative damage exposure to the asset caused by tropical cyclones in relation to the value of the asset. The future exposure is a measure of the average relative damage exposure to the asset (in relation to the value of the asset) in 2040 from tropical cyclones based on the average outcome of a future physical-risk scenario. If this value is higher than the current exposure to tropical cyclones, the asset is projected to be exposed to more frequent or intense tropical cyclone events. MSCI ESG Research models the risk based on the difference between the current exposure and future exposure.

ACUTE PHYSICAL RISK EXPOSURE: COASTAL FLOODING

The graph to the right shows major office locations with the biggest potential change in exposure due to coastal flooding. The current exposure is a measure of today's average relative damage exposure to the asset caused by coastal flooding (in relation to the value of the asset). The future exposure is a measure of potential average relative damage exposure to the asset (in relation to the value of the asset) in 2040 from coastal flooding based on the average outcome of a future physical-risk scenario.

FIGURE 9
OVERVIEW OF MSCI'S MAJOR OFFICE LOCATIONS WITH THE BIGGEST CHANGE IN EXPOSURE TO COASTAL FLOODING



Shanghai

is estimated to have the biggest change to coastal flooding out of MSCI's major locations

[9] Locations with more than 40 full-time employees (as of Dec. 31, 2021.) are classified as major assets.
[10] 0.0000000490
[11] 0.0000000498

SOURCE: MSCI ESG RESEARCH, JUNE 2022

If this value is higher than the current exposure to coastal flooding, the asset is projected to be exposed to more frequent or intense coastal flooding events. MSCI ESG Research models the risk based on the difference between the current exposure and future exposure.

CHRONIC PHYSICAL RISK EXPOSURE: EXTREME HEAT

The chart below shows the major office locations with the biggest potential change to exposure due to extreme heat. The current exposure is a measure of the estimated number of days per year in which the location may be exposed to extreme heat. The future exposure is a measure of the estimated number of days in 2036 that the location asset could be exposed to extreme heat based on the average outcome of a future physical-risk scenario. If this value is higher than the current exposure to extreme heat, the asset is projected to be exposed to more frequent extreme heat events in the future. MSCI ESG Research models the risk based on the difference between the current exposure and future exposure.

Our Business Continuity Planning and Crisis Management teams also monitor locations for their exposure to various physical hazards. Appendix 4 provides information on the locations which were most exposed to tropical cyclones, extreme heat and coastal flooding in 2021 according to the MSCI Climate VaR model.

In addition to the extreme climate events assessed by the model, we proactively monitor other issues that have the potential to impact our employees and our operations. For example, as of the date of this Report, employees in our Monterrey, Mexico, office are experiencing water shortages across the metropolitan area due to drought conditions and years of below-average rainfall.

While our commercial operations remain unimpacted by the water shortage, our Business Continuity Planning and Crisis Management teams are monitoring the situation and prioritizing actions to protect the health and safety of our employees.

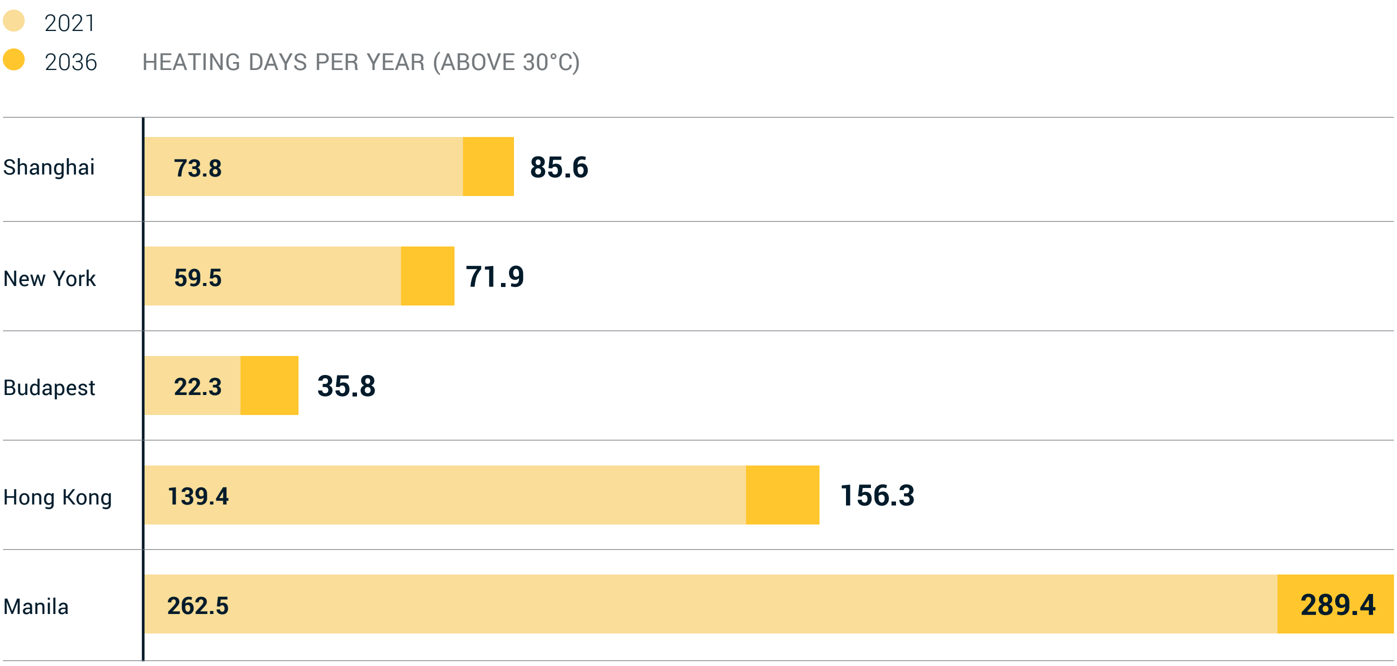
In addition, an example of how the Climate VaR results directly influenced MSCI's business objectives and strategy is our choice of a second location in Pune, India, which is approximately 100 miles inland from Mumbai and at a higher elevation. We considered other locations such as Hyderabad and Bangalore but decided on Pune for several reasons, including those related to longer-term climate risks.

16.3 days

average increase in days over 30°c in each of MSCI's major locations by 2036

FIGURE 10

OVERVIEW OF MSCI'S MAJOR OFFICE LOCATIONS WITH THE BIGGEST CHANGE IN EXPOSURE TO EXTREME HEAT



SOURCE: MSCI ESG RESEARCH, JUNE 2022

Risk Management

We are committed to ensuring that we are identifying, evaluating and managing climate-related risks that may directly or indirectly impact our operations or ability to deliver our products and services. Our management team has day-to-day responsibility for identifying, assessing and managing climate-related risks, while our Board oversees management's execution of those responsibilities.

1) MSCI'S PROCESSES FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS

Our processes for identifying and assessing climate-related risks are multi-pronged and seek to continuously capture insights on risks we may face in the coming years and decades.

We regularly engage with shareholders, clients and employees, and conduct benchmarking analysis to identify the most relevant risks to our business and industry. This includes an annual roadshow with our shareholders that focuses on corporate responsibility issues to help us better understand their areas of interest, including climate-related risks.

Our insights on climate-related risks are informed by the TCFD guidelines as well as the CDP climate questionnaire.

We use our Climate VaR model, which aligns with the TCFD's risk categories, to identify and assess MSCI's most probable climate-related facility-level and enterprise-level risks. The annual scenario analysis that we conduct as part of the Climate VaR analysis allows us to assess the impact of climate risks, including physical and transition risks. See Appendix 3 for additional details on the methodology and scope of the Climate VaR model.

We have categorized our climate-related risks using the TCFD framework, including Policy & Legal, Technology, Market, Reputation, Acute Physical and Chronic Physical risks. On a quarterly basis, we arrive at an overall risk level (e.g., high, medium, low) for our climate-related risks by considering these risks in terms of potential likelihood and potential impact. In this way, climate-related risks can be viewed relative to other risks that we manage and monitor as a firm.

We also consider climate-related risks in terms of the time horizon of such an impact—specifically, across the short (less than one year), medium (one to three years) and long term (more than three years). These time horizons align with our business, strategy and financial planning. Please refer to Figures 3 and 4 for more information on how risks outlined in the TCFD framework may impact our firm in the short, medium and long term.

We use our Climate VaR model, which aligns with the TCFD's risk categories, to identify and assess MSCI's most probable climate-related facility-level physical and enterprise-level risks

We have developed different types of mitigation strategies, involving different teams, to manage climate-related risks depending on the type of risks we face

We use both quantitative and qualitative measures to assess the potential for substantive strategic or financial impacts from climate change, consistent with how we evaluate the impact of other non-climate change risks to our firm. If there is the potential for a greater than USD $75 million USD annual impact to MSCI's Adjusted EBITDA, as defined in MSCI's financial statements, due to a climate issue, this would trigger a review of additional factors, including, but not limited to:

- whether the potential impact requires a significant change in our operations and/or how we deliver our products to our clients
- the need to make an extended or permanent change in location of a facility or implement our business continuity plans beyond current scenarios, and
- whether the potential impact results in a significant change to our, or our clients', business strategy.

We would deem a climate issue to have had a substantive financial or strategic impact if one or a combination of the qualitative factors met that threshold in addition to the quantitative factor. Currently, there are no impacts that meet this definition.

2) MSCI'S PROCESSES FOR MANAGING CLIMATE-RELATED RISKS

We have developed different types of mitigation strategies, involving different teams, to manage climate-related risks depending on the type of risks we face. Our Business Resiliency team, for example, assesses the severity, probability and scale of potential extreme climate events in geographies where we operate, and develops, implements and tests technology systems to support MSCI's business continuity plans. See Figures 3 and 4 for a comprehensive description of our mitigation strategy for each risk outlined in the TCFD framework.

3) HOW CLIMATE-RELATED RISKS ARE INTEGRATED INTO THE ORGANIZATION'S OVERALL RISK MANAGEMENT

Our processes for identifying, assessing and managing climate-related risks are integrated into our firmwide risk management framework, thereby ensuring climate-related risks are treated with a high level of transparency, visibility and accountability. This framework includes both transition and physical risks.

As part of our firmwide risk management framework, we prepare a risk dashboard on a quarterly basis, which provides a high-level summary of our company's enterprise-level risks. This dashboard, which includes our climate-related risks (reflected in Figures 3 and 4) is shared with our EROC on a quarterly basis. We also provide the EROC with risk-specific details, such as assessments of impact and likelihood, key mitigating actions, and a set of metrics used to assess and measure our progress in managing climate-related risks (e.g., metrics on our carbon footprint, our use of renewables, and the percentage of our suppliers with climate commitments).

Our Board is responsible for overseeing the management of company risks, including those that are climate-related. The Audit and Risk Committee receives a quarterly update from the ERMO on, among other things, the work of the EROC. In addition, the CISO periodically updates the Audit and Risk Committee on MSCI's planning for business continuity and IT disaster recovery, which are designed to mitigate the impact of potential disruptions, including those that could be caused by extreme weather events and other effects of a changing climate. In addition, the Governance and Corporate Responsibility committee receives quarterly updates from the CRO, which include metrics and progress on our climate goals.

Metrics and Targets

1) METRICS USED TO ASSESS CLIMATE-RELATED RISKS AND OPPORTUNITIES

CLIMATE-TRANSITION RISKS:
MSCI is committed to paving the way toward a net-zero economy and believes that lowering our carbon emissions may reduce our exposure to transition risks and allow us to capitalize on climate-related opportunities. We measure our progress in meeting our climate commitments by monitoring a broad range of climate-related metrics.

To measure and mitigate our Scope 1 and 2 emissions, MSCI tracks key metrics associated with our energy consumption. These allow us to identify trends in the effectiveness of our actions and inform our ability to reduce our office footprint, choose energy-efficient buildings and increase the use of renewables.

Our supply chain constitutes the main source of MSCI's Scope 3 emissions. See Strategy section 2 for details our engagement with suppliers through our Sustainable Supplier Management team. We plan to use new sources of aggregated data as they become available to help us achieve a more complete understanding of our suppliers' corporate climate commitments.

Emissions from purchased goods and services (PG&S) are quantified using a spend-based approach. This approach, outlined in the GHG Protocol's Scope 3 Guidance, entails collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g., industry average) emission factors (e.g., average emissions per monetary value of goods).

FIGURE 11
KEY METRICS RELATED TO MSCI'S SCOPE 1 AND 2 EMISSIONS

	2019	2020	2021	2019 to 2021
Energy Consumption				
Percentage of Renewable Electricity	17%	53%	94%	77%
Carbon Emissions Reduction Plan Indicators				
Reduction of Scopes 1 & 2 (Market)	-21%	-16%	-70%	-75%
Reduction of Scopes 1 & 2 (Location)	-9%	-6%	-13%	-17%

Note: In September 2021, MSCI completed its acquisition of Real Capital Analytics, Inc. ("RCA"). All metrics detailed above have been re-baselined for the acquisition of RCA unless otherwise stated.

FIGURE 12
KEY METRICS RELATED TO MSCI SCOPE 3 EMISSIONS

	2019	2020	2021
Supplier's GHG Emissions (in metric tons of CO2e)			
Purchased goods and services	27,762	27,349	30,156
Decarbonization Plan Indicators			
Percentage of MSCI suppliers by spend that committed to have science-based carbon-reduction targets	-	29% [12]	44% [12]

FIGURE 13
MSCI SCOPE 3 EMISSIONS CHANGES

	2020	2021	2019 to 2021
MSCI's Scope 3 Emissions (MT C02e)[14] Changes			
Scope 3 Change	-11%	10%	-2%

The 10% YoY increase in Scope 3 emissions compared to 2020 was predominantly driven by a higher level of purchased goods and services as well as small contributions from other Scope 3 categories. These higher levels were somewhat mitigated by business travel reductions resulting from COVID-19 restrictions.

[12] This includes only those suppliers that had SBTi targets or commitments to setting such targets. For 2021, we additionally included any supplier that is also a member of GFANZ as they also have an implied commitment to set science-based targets.

CLIMATE PHYSICAL RISKS

MSCI's Climate Risk Center, part of MSCI ESG Research, annually runs a Climate VaR analysis indicating key physical risks. We use that analysis to monitor our exposure to physical-risks in our locations and to inform decision-making in connection with the location of new offices. The scenario analysis run in 2022 reported that MSCI's aggregate Climate VaR is -1.32%, which means the company's valuation can be reduced by -1.32% in a 2°C mid-range and aggressive physical-risks scenario. Please see MSCI's 2020 TCFD Report here, for prior Climate VaR analysis results.

CLIMATE OPPORTUNITIES

As a leading provider of ESG and Climate solutions, we play a role in supporting climate investing. We anticipate such investing will continue to grow in the coming years as investors sharpen their focus on the risks and opportunities of climate change. As the charts below show, the total assets in exchange traded funds (ETFs) link to MSCI ESG and Climate Equity Indexes grew to USD 227 billion as of Dec. 31, 2021, from USD 106 billion a year earlier. The Run Rate from ESG and Climate-related ESG Research and Index products rose 58%, to USD354 million over the same time period. Run Rate is a key operating metric and is important because an increase or decrease in our Run Rate ultimately impacts our future operating revenue over time. At the end of any period, we generally have subscription and investment product license agreements in place for a large portion of total revenue for the following 12 months. We measure the fees related to these agreements and refer to this as "Run Rate."

2) MSCI'S GREENHOUSE GAS (GHG) EMISSIONS

As part of our commitment to transparency, we continue to calculate and disclose MSCI's greenhouse gas emissions across all three emissions scopes. These values are informed by the Greenhouse Gas Protocol and we received third-party limited assurance of our 2018, 2019, 2020 and 2021 emissions.

FIGURE 14

KEY MEASUREMENT METRICS RELATED TO CLIMATE OPPORTUNITIES (US$ IN BILLIONS)

AUM: Assets under management   ETF: Exchange-Traded Fund

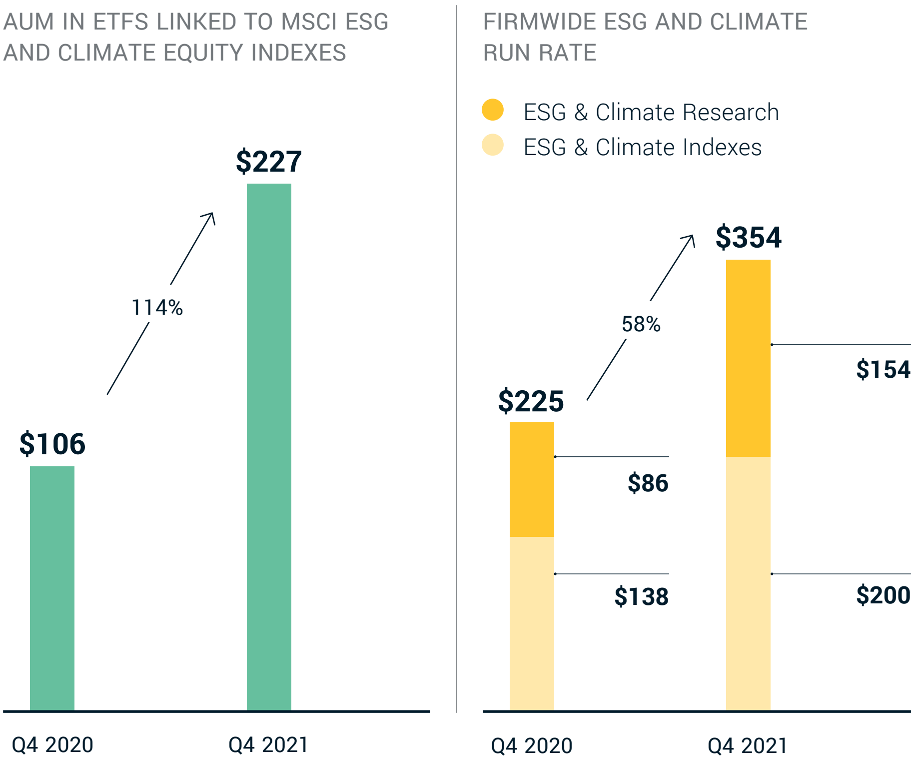


FIGURE 15

MSCI'S SCOPE 1, 2 AND 3 EMISSIONS IN 2021 (MT C02E)

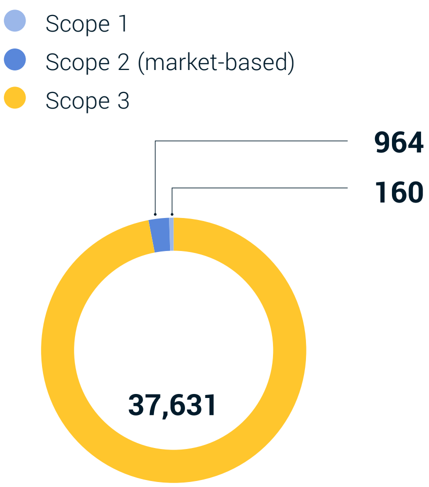


FIGURE 16

MSCI'S 2019-2021 SCOPE 1, 2 AND 3 EMISSIONS (MT C02E)[1]

1- Verified with limited assurance; 2019 and 2020 emissions have been re-baselined for the RCA acquisition.

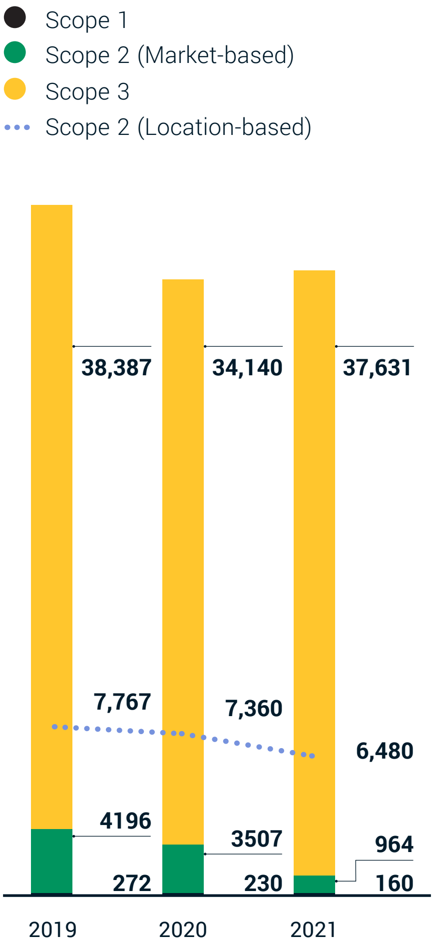
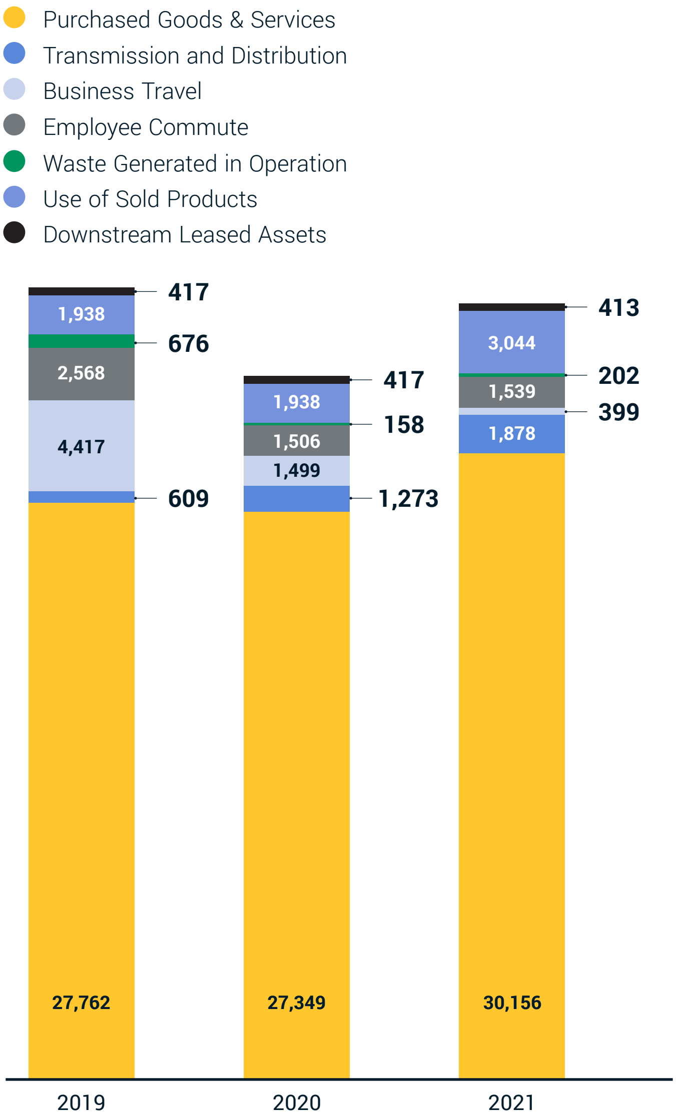


FIGURE 17
YEAR-OVER-YEAR CHANGE IN MSCI'S SCOPE 3 EMISSIONS (MT C02E)

We derived these values using the GHG Protocol's Scope 3 Evaluator tool. This tool generates high-level estimates using an underlying economic input-output model database and contains a relatively high degree of uncertainty. MSCI updated 2019 and 2020 Scope 3 carbon emissions calculation methodology to disclose more precise figures.



Scope 3 Categories Evaluated by MSCI That Are Not Relevant

Capital Goods	MSCI's internal databases do not differentiate between capital goods and purchased goods & services. All relevant emissions are accounted for in C1 - Purchased Goods & Services
Upstream Transport	Not relevant—no goods are transported to MSCI for creating products as we provide data and files to our clients
Upstream Leased Assets	Not relevant—MSCI does not have upstream leased assets
Downstream Transport	Not relevant—no goods are transported downstream to customers
Processing of Sold Products	Not relevant—MSCI does not sell products that require further processing downstream as we provide data and files to our clients
End of Life Treatment of Sold Products	Not relevant—no physical goods are sold that result in end of life emissions
Franchises	Not relevant—MSCI does not have franchises
Investments	Not relevant—MSCI is not a financial services institution

FIGURE 18
SCOPE 1 AND 2 EMISSIONS INTENSITY PER REVENUE $M

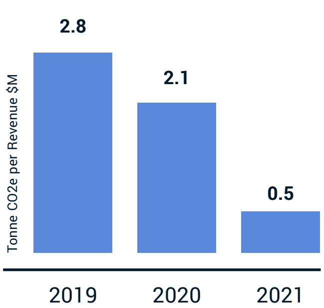


FIGURE 19
SCOPE 3 EMISSIONS INTENSITY PER REVENUE $M

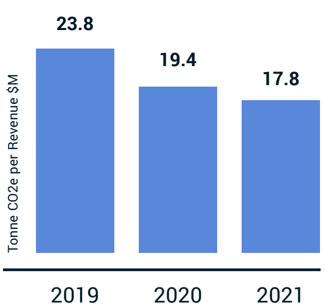


FIGURE 20
SCOPE 1 AND 2 EMISSIONS INTENSITY PER EMPLOYEE

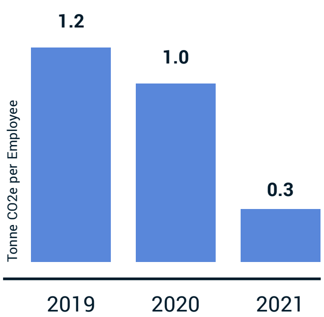


FIGURE 21
SCOPE 3 EMISSIONS INTENSITY PER EMPLOYEE

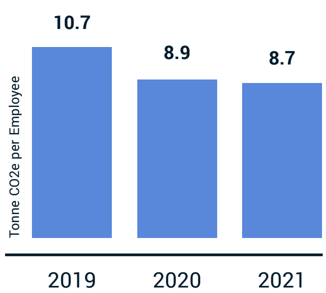


FIGURE 22:
MSCI CLIMATE COMMITMENTS

	Near-term Target	Long-term Target
Baseline	2019	2019
Target Date	2030	2040
Scope 1 & 2 Reduction	80%	Net-zero = at least 90% reduction of Scope 1, 2 & 3 emissions
Scope 3 Reduction	50%	
SBTi Verification	Pending	Pending

We have made progress against these commitments. (See "Tools for climate action," p.2)

3) MSCI'S CARBON-REDUCTION TARGETS

The disclosures and initiatives described in this Report aim to help stakeholders understand the plans and progress made by MSCI to achieve our goal of net-zero emissions across our value chain before 2040. That includes our commitment to aligning our climate trajectory with a 1.5°C pathway. In 2022, we filed for verification by the Science Based Target initiative (SBTi) of enhanced near-term targets, reducing our Scope 1 and 2 emissions by 80% and our absolute Scope 3 emissions by 50%, in each case by 2030 and from a 2019 baseline, and our long-term (net-zero) target by 2040. We used the absolute contraction method to set our science-based targets and included all relevant Scope 3 categories in our near- and long-term SBTi-aligned targets.

Also, MSCI ESG Research's Implied Temperature Rise tool models that our net-zero target and future emissions pathway would align with a temperature rise of 1.3°C. This measure estimates the global rise in average temperature this century if the global economy were to undershoot its remaining carbon budget to the same extent as MSCI.

We anticipate that we will continue to refine our strategy to meet our goals. As the targets detailed in this Report reflect, MSCI strives to review and update the ambition of our commitments to creating a more sustainable world.

75%

reduction of our Scope 1&2 market-based emissions compared to 2019

17%

reduction of our Scope 1&2 location-based emissions compared to 2019

94%

increased use of renewables to achieve 94% renewable electricity in 2021

Better understanding

of our suppliers' climate commitments

Fortifying our pledge; building tools for a sustainable future

As the world intensifies its focus on the effects of climate change, we are fortifying our pledge to shrink our own carbon footprint while driving industrywide change and playing an instrumental role in creating market tools critical to a global transition.

The coming years mark a pivotal time for action. The world's largest owners and managers of assets have committed to align their portfolios with the goal of limiting the global temperature rise to 1.5°C, to cut emissions by half in the next eight years and to reach net-zero in the decades that follow. Those commitments now cascade to companies. We have taken significant steps over the past year to achieve our goals and we plan to build on that momentum.

At MSCI, we embrace our dual role as a responsible corporate leader setting ambitious targets and as an innovator helping investors better assess risk and opportunities. We envision more responsive companies and more informed investors as we recalibrate our own policies, products and services to align with global reduction goals. Ultimately, we see an opportunity for more clarity and to arm clients with the lens to discover areas to drive change.

At MSCI, we embrace our dual role as a responsible corporate leader setting ambitious targets and as an innovator helping investors better assess risk and opportunities

TCFD Guidelines Index

Governance

Recommendation	Specific disclosure	Page
a) Describe the board's oversight of climate-related risks and opportunities	Processes and frequency by which the board and/or board committees (e.g., audit, risk or other committees) are informed about climate-related issues.	7-9, 39-40
	Whether the board and/or board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets and business plans as well as setting the organization's performance objectives, monitoring implementation and performance and overseeing major capital expenditures, acquisitions and divestitures.	
	How the board monitors and oversees progress against goals and targets for addressing climate-related issues.	
b) Describe management's role in assessing and managing climate-related risks and opportunities	Whether the organization has assigned climate-related responsibilities to management-level positions or committees; and if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues.	7-9, 40-41
	Description of the associated organizational structure(s).	
	Processes by which management is informed about climate-related issues.	
	How management (through specific positions and/or management committees) monitors climate-related issues.	

Strategy

Recommendation	Specific disclosure	Page
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	Description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organization's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms.	10-18
	Description of the specific climate-related issues potentially arising in each time horizon (short-, medium- and long-term) that could have a material financial impact on the organization	
	Description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organization.	
	Description of their risks and opportunities by sector and/or geography, as appropriate.	
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	Include the impact on their businesses and strategy in the following areas: — Products and services — Supply chain and/or value chain — Adaptation and mitigation activities — Investment in research and development — Operations (including types of operations and location of facilities)	19-23
	Describe how climate-related issues serve as an input to their financial planning process, the time period(s) used and how these risks and opportunities are prioritized. Organizations' disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time.	
	Organizations should also consider including in their disclosures the impact on financial planning in the following areas: — Operating costs and revenue — Capital expenditures and capital allocation — Acquisitions or divestments — Access to capital	
	If climate-related scenarios were used to inform the organization's strategy and financial planning, such scenarios should be described.	23-27, 44-47
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a lower-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks.	23-27, 44-47
	Where they believe their strategies may be affected by climate-related risks and opportunities.	
	How their strategies might change to address such potential risks and opportunities.	

Risk Management

Recommendation	Specific disclosure	Page
a) Describe the organization's processes for identifying and assessing climate-related risks.	Describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks.	28-29
	Describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.	
	Processes for assessing the potential size and scope of identified climate-related risks.	
	Definitions of risk terminology used or references to existing risk classification frameworks used.	
b) Describe the organization's processes for managing climate-related risks.	Describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept or control those risks.	29
	Describe their processes for prioritizing climate-related risks, including how materiality determinations are made within their organizations.	
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Describe how their processes for identifying, assessing and managing climate-related risks are integrated into their overall risk management.	29

Metrics & Targets

Recommendation	Specific disclosure	Page
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Provide the key metrics used to measure and manage climate-related risks and opportunities.	30-31
	Describe whether and how related performance metrics are incorporated into remuneration policies for material climate-related issues.	
	Provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a lower-carbon economy.	
	Metrics should be provided for historical periods to allow for trend analysis.	
	Describe the methodologies used to calculate or estimate climate-related metrics, where not apparent.	
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Provide their Scope 1 and 2 GHG emissions and if appropriate, Scope 3 GHG emissions and the related risks.	31-33
	Related, generally accepted industry-specific GHG efficiency ratios.	
	GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis.	
	Describe methodologies used to calculate or estimate the metrics, where not apparent.	
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle or net revenue goals for products and services designed for a lower-carbon economy.	33
	Whether the target is absolute or intensity-based.	
	Time frames over which the target applies.	
	Key performance indicators used to assess progress against targets.	
	Describe the methodologies used to calculate targets and measures, where not apparent.	

Appendix 1

BOARD OVERSIGHT

Our Board works closely with management to provide oversight, review and counsel relating to long-term strategy, risks and opportunities. In this role, the Board is responsible for ensuring that the risk management processes designed and implemented by management are functioning as intended and that necessary steps are taken to assess, monitor and control key business risks. The Board performs these functions as part of its regularly scheduled meetings and through its four standing committees, each of which examines various components of risk, including climate-related risk, as part of its assigned responsibilities. The Board's four standing committees and the climate-related oversight responsibilities of each of these committees are the following:

GOVERNANCE AND CORPORATE RESPONSIBILITY COMMITTEE

Among its other responsibilities, the Governance and Corporate Responsibility Committee (Governance Committee) is responsible for overseeing MSCI's policies and initiatives related to corporate responsibility matters, including those related to climate change. Our Chief Responsibility Officer (CRO) provides written updates to the Governance Committee in advance of each quarterly meeting on MSCI's corporate responsibility efforts. These updates include dashboards that illustrate our progress against our climate targets and include metrics related to greenhouse gas emissions, renewable electricity usage and our suppliers' climate commitments. The MSCI Board also has access to these updates. In addition, at least twice per year, the CRO presents to the Governance Committee on key initiatives and management's performance against our annual Corporate Responsibility Operating Plan. In 2021, for example, she presented to the Governance Committee MSCI's net-zero commitment and related target-setting and proposed plan of action to reduce carbon emissions. In 2022, she reviewed updated interim carbon-reduction targets and related SBTi verification plans with the Governance Committee. Following input from the Governance Committee, the MSCI Board was updated on these matters. The Governance Committee also oversees shareholder engagement on corporate responsibility matters, including participation by its members in MSCI's annual Corporate Responsibility Roadshow. During the 2021 Corporate Responsibility Roadshow, our shareholders focused the discussions on, among other things, our corporate responsibility practices and disclosures in light of being a leader in ESG ratings and data, and on our climate initiatives.

The Governance Committee also oversees the MSCI Board Education Program. In response to feedback from the MSCI Board and to help the MSCI Board perform its oversight function, in 2021, MSCI conducted board education sessions to strengthen the Board's expertise on climate, including sessions on climate science, climate investing, climate reporting solutions and net-zero commitments.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (Audit Committee) reviews MSCI's enterprise risk management program, including its risk governance framework and risk management practices that facilitate the identification, assessment, mitigation and public reporting of risks that may affect the company. On a quarterly basis, the Audit Committee is updated on MSCI's enterprise risk management program by our Enterprise Risk Management Officer. The update includes an overview of risks and emerging trends and is also made available to the MSCI Board. In 2021, these discussions included, among other things, consideration of initiatives and actions to improve business resiliency, address climate change and acquire and manage key talent for our ESG and Climate offerings. The Audit Committee is also updated quarterly on the Company's IT risk program by our Chief Information Security Officer. As part of this review, the Audit Committee receives updates about the results of assessments conducted by outside advisors who provide independent assessments of our IT risk program and our response preparedness, including those that could be caused by extreme weather events.

STRATEGY AND FINANCE COMMITTEE

The Strategy and Finance Committee (Strategy Committee) monitors and provides guidance on our strategic objectives. These may include sustainability-related partnerships and acquisition opportunities, including those involving climate-related products

CORPORATE RESPONSIBILITY POLICY COMMITTEE

Chief Responsibility Officer
Chief Financial Officer
General Counsel
Chief Human Resources Officer
Chief Product Officer
Global Head of ESG Research

and services. On a quarterly basis, MSCI's senior management and Strategy and Corporate Development Team discuss partnership and acquisition opportunities with the Strategy Committee. This discussion focuses on MSCI's strategic growth areas and regularly includes review of opportunities for climate-focused products, data and services. As part of these efforts, in October 2021, MSCI announced the launch of an analytical tool in partnership with Burgiss, a global, market-leading provider of data and analytics, that enables institutional asset owners and managers to better understand the impact of climate change on private asset portfolios. This tool, the Carbon Footprinting of Private Equity and Debt Funds, covered over 15,000 private companies in nearly 4,000 active private equity and debt funds as of April 30, 2022.

The Strategy Committee also collaborates with the Board and management team to set the agenda for the Board's annual two-day strategy session and to help identify strategic areas of focus for quarterly strategy discussions. During these discussions, the senior leaders outline multi-year strategic priorities. In 2021 and 2022, the annual two-day strategy session included discussion of opportunities relating to our ESG and Climate business. In 2022, a quarterly strategy discussion was dedicated to the multi-year strategy for our corporate responsibility initiatives, including meeting our near- and long-term carbon-reduction targets. The strategy sessions culminate in the approval by the MSCI Board of an annual operating plan, which includes climate-related product and infrastructure plans and investments and is subject to ongoing monitoring by senior management, the MSCI Board and Strategy Committee.

COMPENSATION, TALENT AND CULTURE COMMITTEE

The Compensation, Talent and Culture Committee (Compensation Committee) is responsible for regularly reviewing and annually approving the compensation awarded to our executive officers and other members of senior management. The Compensation Committee also oversees plans for talent management, including talent acquisition and development, progression planning and career progression, to guide management on the company policies relating to diversity, equity and inclusion, corporate culture, resource allocation, resiliency and employee engagement.

In 2022, MSCI introduced climate-specific goals for each of our Executive Committee members that are aligned with our commitment to climate change. We believe that the achievement of these goals will help us to reduce our carbon footprint and make progress against our stated goal to achieve net-zero before 2040, as well as deliver on the climate commitments made in connection with our role as a founding member of the NZFSPA. The Compensation Committee annually reviews the achievement of goals by our executive officers, including our CEO, President and COO, CFO, General Counsel and Chief Human Resources Officer.

MANAGEMENT RESPONSIBILITIES

The following members of our management and management-level committees are responsible for the day-to-day management of climate-related risks and opportunities. We are committed to a governance structure at the management level that promotes transparency and ensures proper escalation procedures with respect to climate-related issues.

CORPORATE RESPONSIBILITY COMMITTEES

Corporate Responsibility Policy Committee

In 2021, we restructured the governance of our management-level committees focused on corporate responsibility. We created the Corporate Responsibility Policy Committee (the CRPC) to review strategically significant proposals on corporate responsibility policies, actions and disclosures. Our CRO sets the CRPC agenda and members include our CFO, General Counsel, Chief Human Resources Officer, Chief Product Officer and Global Head of ESG Research – all members of the CRPC are members of MSCI's Executive Committee. Several members of the CRPC have extensive climate-related product and research expertise in the financial services industry. The CRPC meets at least quarterly and in 2021 made recommendations to our CEO around company-wide climate commitments, such as our net-zero and carbon-reduction targets. The recommendations were also prepared and reviewed in consultation with the Governance Committee and the MSCI Board.

In January 2022, our CRO relinquished her duties as Head of Index to fully dedicate herself to the CRO role, underscoring the firm's commitment to corporate responsibility efforts, including climate-related risks and opportunities. The experience attained in her role as Head of Index, where she worked extensively on our ESG and Climate index products, positions her well to engage MSCI's key decision-makers and various stakeholders on corporate responsibility-related actions, some of which may ultimately be recommended to our CEO, President and COO and/or the MSCI Board. As a member of the Executive Committee, she also brings corporate responsibility considerations to senior leadership discussions on MSCI's business strategy and operations. She reports directly to our President and COO, who oversees investment in key strategic growth and operational areas, including investments in climate-related opportunities and strategies to mitigate climate-related risks.

Corporate Responsibility Committee

The Corporate Responsibility Committee (CRC) meets monthly to consider trends, share updates on the implementation of MSCI's Corporate Responsibility Operating Plan and review MSCI's corporate responsibility metrics that monitor progress on goals such as carbon reduction. The CRC includes representatives from relevant functions, including Corporate Responsibility, MSCI ESG Research, Information Technology (IT), Data Management, Client Coverage, Corporate Services, Finance, Legal, Human Resources and Diversity, Equity and Inclusion.

ENTERPRISE RISK OVERSIGHT COMMITTEE

Our assessment and management of climate-related risks and opportunities, including transition and physical risks, is integrated into our firmwide risk management framework and reporting. The Enterprise Risk Oversight Committee, (EROC) chaired by our CFO, provides oversight of MSCI's risk management activities to ensure that we are identifying, evaluating and managing risks that may have an adverse impact on our ability to achieve operational and strategic objectives. The EROC comprises several Executive Commitee members, including MSCI's President and COO, CFO, General Counsel, Chief Human Resources Officer, Chief Technology Officer, and the committee includes our Head of Internal Audit and Enterprise Risk Management Officer, to help ensure well-rounded consideration of potential exposures.

Our CRO regularly updates the EROC on our progress in managing climate-related risks, including key efforts to reach our carbon-reduction targets. The results of climate scenario analyses are also shared. Additionally, on a quarterly basis, the EROC is provided updates, via our firmwide risk dashboard, on a set of metrics used to assess and measure our progress in managing climate-related risks (e.g., metrics surrounding our carbon footprint, our use of renewables, the proportion of our suppliers with climate commitments, etc.).

The Enterprise Risk Management Officer updates the Audit Committee quarterly on the work of the EROC, including its consideration of climate-related risks.

BUSINESS RESILIENCY AND CRISIS MANAGEMENT

The Business Resiliency Team assesses the severity, probability and scale of climate-related events, and implements and tests technology systems to support our business continuity plans. The Chief Information Security Officer, a member of our Business Resiliency Team, periodically updates the Audit Committee on our business continuity and IT disaster recovery plans, which are designed to mitigate the impact of potential disruptions, including those that could be caused by climate and extreme weather events.

Our Crisis Management Team and Technology Services Operations Management Team oversee all aspects of our disaster and recovery response efforts, including protecting the general welfare and safety of our employees, data centers, networks, applications supporting business operations, communications systems and general technology recovery following extreme weather incidents or natural disaster. Our Internal Audit Team periodically reviews various aspects of these programs to provide independent assessment and assurance to management and the MSCI Board.

Our Head of Corporate Services, who reports directly to our Chief Human Resources Officer, partners with our IT Team on business resiliency and crisis management and assesses and manages climate-related issues that impact our supply chain, real estate and environmental sustainability.

The Corporate Real Estate, Facilities, Strategic Sourcing and Procurement, and Business Travel Management teams that report to the Head of Corporate Services have direct responsibility for monitoring climate-related issues associated with our day-to-day operations. Our Corporate Real Estate management team is responsible for monitoring and managing our energy use and efforts to reduce energy consumption, including through leasing office space in buildings with LEED, BREEAM or equivalent certifications that relate to the design, construction and operation of high-performance, environmentally sustainable buildings.

In 2021, we created a dedicated Sustainable Supplier Management team within our Global Strategic Sourcing Team to deepen our understanding of the carbon emissions reduction commitments, climate trajectories and environmental and social practices of MSCI's suppliers to further align our selection of suppliers with our own corporate responsibility commitments.

CLIMATE ACTION NETWORKS

Our Head of Corporate Services and our facilities management teams work with a series of employee Climate Action Networks established in 24 MSCI offices around the world as of June 2022. These local Climate Action Networks aim to increase awareness, engage local employees and manage local and regional environmental issues, including climate-related issues.

Appendix 2

MSCI OFFICE LOCATIONS

Country	City	State/Province (if applicable)	Building Address
USA	Berkeley	California	2100 Milvia Street, 94704
USA	Boston	Massachusetts	75 Federal Street, 02110
USA	Chicago	Illinois	311 S. Wacker Drive, 60606
Mexico	Monterrey	Nuevo Leon	Av. Ricardo Margain #444, 66265
USA	New York	New York	7 World Trade Center, 250 Greenwich Street, 10007
USA	Norman	Oklahoma	201 David L. Boren Boulevard, 73072
USA	San Francisco	California	221 Main Street, San Francisco, 94105
PRC	Beijing		No. 6 Wudinghou Street, 100033
Hong Kong	Hong Kong		Three Pacific Place, 1 Queens Road East
South Korea	Seoul		Gran Seoul, Tower 1, 33 Jong-Ro, 03159
Philippines	Manila		Zuellig Building, Makati Avenue, 1226
India	Mumbai		Nesco IT Park Building 3, Goregaon, 4000063
India	Pune		Panchshil Futura, Magarpatta City, 411028
PRC	Shanghai		166 Lu Jia Zui Ring Road, 200120
Singapore	Singapore		1 Raffles Quay North Tower, 048583
Japan	Tokyo		Sankei, 172 Otemachi, Chiyoda-Ku, 100-0004
Hungary	Budapest		Greenhouse, Kassak Lajos utca 19-25, 1134
Germany	Frankfurt am Main		An der Welle 5, D-60322
Switzerland	Geneva		3 Place des Bergues, 1201
Switzerland	Zurich		Prime Tower, Hardstrasse 201, 8005
UK	London		10 Bishops Square, Spitalfields, E1 6EG
France	Paris		Washington Plaza, 29 Rue de Berri, 75008
Sweden	Stockholm		Kungsbron 2, 111 22

MSCI DATA CENTER LOCATIONS

PRIMARY DATACENTERS:

Host	Country	City	State/Province (if applicable)	Address
EXA	Switzerland	Geneva		Chemin de l'Epinglier, CH-1217 Meyrin
STACK	Switzerland	Geneva		Chemin du Pré-Fleuri, CH-1228 Plan-les-Ouates
Switch	USA	Las Vegas	Nevada	5225 W. Capovilla Avenue, 89118
Switch	USA	Las Vegas	Nevada	4495 E Sahara Avenue, 89104

MICROSOFT AZURE DATACENTERS:

Country	City	State/Province (if applicable)	Building Address
USA	Boydton	Virginia	101 Herbert Dr, 23917
USA	Blue Ridge	Virginia	8217 Linton Hall Road, 20136
USA	W. Des Moines	Iowa	8855 Grand Ave, 50266
USA	Quincy	Washington	1515 Port Industrial Way, 98848
Singapore			1 Marina Boulevard, 018989
Japan East	Tokyo, Saitama		Saitama Prefecture
Ireland	Leopardstown	Dublin	South County Business Park, 18 D18 P521
Netherlands	Middenmeer		Agriport 601, 1775 TK

Appendix 3

MSCI ESG Research's Climate VaR Model aims to provide a quantitative, forward-looking analysis of how climate change may affect a company's market valuation. The Aggregated Climate VaR consists of the Transition Climate VaR and the Physical Climate VaR.

TRANSITION CLIMATE VaR

The Transition Climate VaR captures both risks and opportunities using the downside policy risk and the upside technology opportunity (Policy Climate VaR + Technology Opportunity Climate VaR). The Policy Climate VaR consists of three components, the Direct Emissions Climate VaR, Electricity Use Climate VaR and Value Chain Climate VaR.

POLICY CLIMATE VaR: RISKS

Direct Emissions Climate VaR (Scope 1)

MSCI ESG Research employs a top-down and bottom-up hybrid methodology to calculate potential risks from future climate-change policies coming from countries' nationally determined contributions pursuant to the Paris Agreement. To calculate a company's costs associated with reaching emission-reduction targets, the Policy Climate VaR risk methodology uses technology and policy-based carbon price estimates extracted from integrated assessment models. Each year, company- and location-specific GHG reduction requirements are multiplied with annual carbon price estimates that are scenario-specific. The model computes the "Direct Emissions Climate VaR," which identifies the companies that may be most at risk from the emissions-reduction requirements needed to reach long-term climate stabilization targets.

Electricity Use Climate VaR (Scope 2)

MSCI ESG Research has developed a model to calculate the potential risk that companies could face through their electricity consumption in a climate-transition scenario. The model uses scenario-specific electricity data obtained from IAMs and estimates of the costs, coming from our Direct Emissions (Scope 1) Climate VaR Model, passed through from electricity producers to final consumers, to compute an "Electricity Use Climate VaR" metric.

Value Chain Climate VaR (Scope 3)

MSCI ESG Research has developed a model to calculate the potential risk a company faces from activities embedded within its value chain. A company's Scope 3 footprint is separated into upstream and downstream elements. A company's exposure to upstream emissions can add input costs whereas downstream emission exposure can lead to a company's loss in market share due to shifts in demand. The model assesses both sides of the supply chain independently to compute a company's "Value Chain Climate VaR."

TECHNOLOGY OPPORTUNITY CLIMATE VaR

MSCI ESG Research has developed a Low-Carbon Technology Opportunity model based on a company's current low-carbon revenue streams and company-specific patent data. Recently published patent databases allow an evidence-based view into the strategic investments in research and development by companies. Using granted, low-carbon patents as a proxy for low-carbon innovative capacity, the Technology Opportunity model computes a company's "Technology Opportunity Climate VaR" to identify which companies might benefit from the implementation of long-term climate stabilization targets on a global level.

PHYSICAL CLIMATE VaR

Physical climate scenarios define possible consequences from increased concentration of greenhouse gas emissions. The scenarios contemplate changes in global temperatures, precipitation levels and extreme weather events. MSCI ESG Research uses scenarios that consider current and future developments in extreme weather between now and the end of the century.

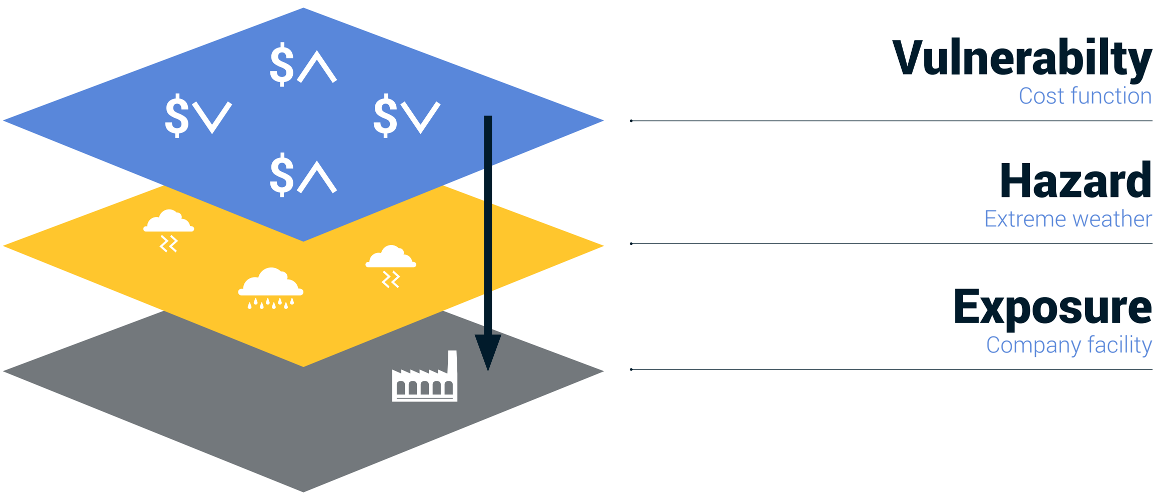
The physical climate scenarios modeled by MSCI ESG Research evolve over time and currently include the costs of extreme weather events relating to extreme heat and cold, heavy precipitation, heavy snowfall, wind gusts, tropical cyclones, coastal (from sea-level rise) and fluvial flooding, river low flow and wildfires.

Physical climate impacts vary greatly depending on geographical positioning. Hence, MSCI ESG Research employs global gridded data for assessing physical impacts. To model high-resolution spatial distributions of extreme weather impacts across the globe, MSCI ESG Research has produced a global Cartesian grid with a resolution of up to 3" x 3" (approx. 90 meters in mid-latitudes) for acute risks such as coastal and fluvial flooding. For chronic risks such as extreme heat, a grid resolution of 0.5° x 0.5° is used. The global coverage (reaching across all land covered area) has a cell width in mid-latitudes of around 50 kilometers.

COST MODELING

To quantify physical risks, MSCI ESG Research uses a risk assessment framework, which can be represented at a high level as follows:

EXPECTED COST = VULNERABILTY * HAZARD * EXPOSURE



IMPLIED TEMPERATURE RISE

A company's temperature is measured by starting with its 2°C-aligned carbon budget. A company's absolute carbon budget for Scope 1, 2 and 3 emissions is allocated based on global and sector budgets to companies and using revenue as a proxy for fair-allowance share. We assume that emissions need to be net-zero by 2070, based on the IPCC Special Report Global Warming of 1.5°C.[13]

To calculate Implied Temperature Rise, we project each company's annual emissions through 2070, including any reduction targets. For Scope 1 and 2, we use estimated emissions when reported emissions are not available. For Scope 3, we use estimated emissions to overcome inconsistencies in company reporting. For emissions not covered by publicly available climate-related targets, we assume a 1% annual emissions growth.

We then measure how much a company is projected to over- or undershoot the allocated emissions budget. We use the science-based metric known as Transient Climate Response to Cumulative Emissions (TCRE) to translate the relative budget overshoot which can be translated into a degree of temperature rise. The Implied Temperature Rise assesses the rise in average temperatures were the entire global economy to have the same carbon budget over- and undershoot as the company in question.

[13] Special Report on Global Warming of 1.5°C, IPCC, https://www.ipcc.ch/sr15/

Appendix 4

MSCI EMPLOYEE HEADCOUNT IN PHYSICAL OFFICES

As of Dec. 31, 2021, the total employee count at MSCI was 4,303. The tables below provide a breakdown of our employee count in physical offices by region and city with a 30-employee threshold. Please note the location noted at “other” for each region refers to employees in office locations below the 30-employee threshold as well as employees designated “remote” or part of a location that does not have a physical address.

Location	Employee Count
APAC	2,039
Mumbai	1,081
Manila	368
Pune	310
Hong Kong	67
Shanghai	52
Singapore	45
Tokyo	42
Beijing	30
Other	44

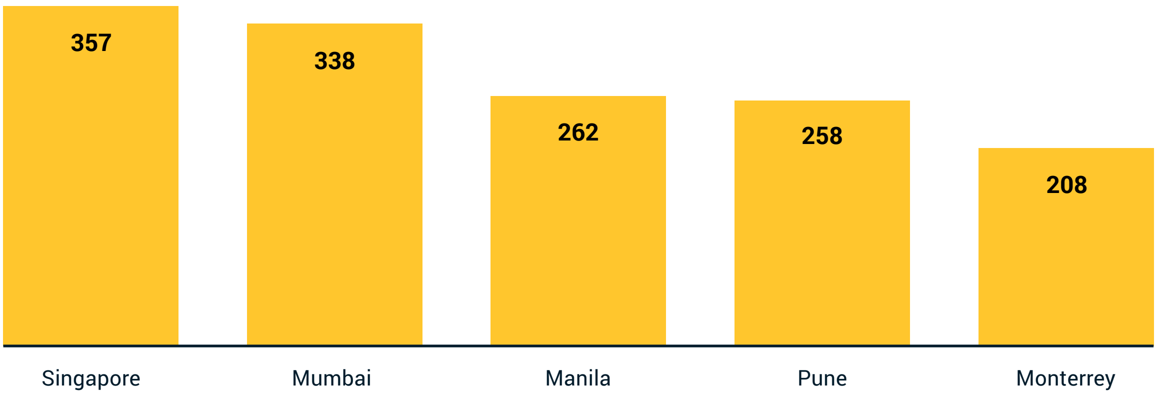
Location	Employee Count
Americas	1,263
New York	422
Monterrey	370
Norman	106
Berkeley	76
Boston	50
Chicago	38
San Francisco	36
Other	165

Location	Employee Count
EMEA	1,001
Budapest	478
London	273
Stockholm	52
Frankfurt	37
Geneva	37
Paris	36
Zurich	30
Other	58

Appendix 5

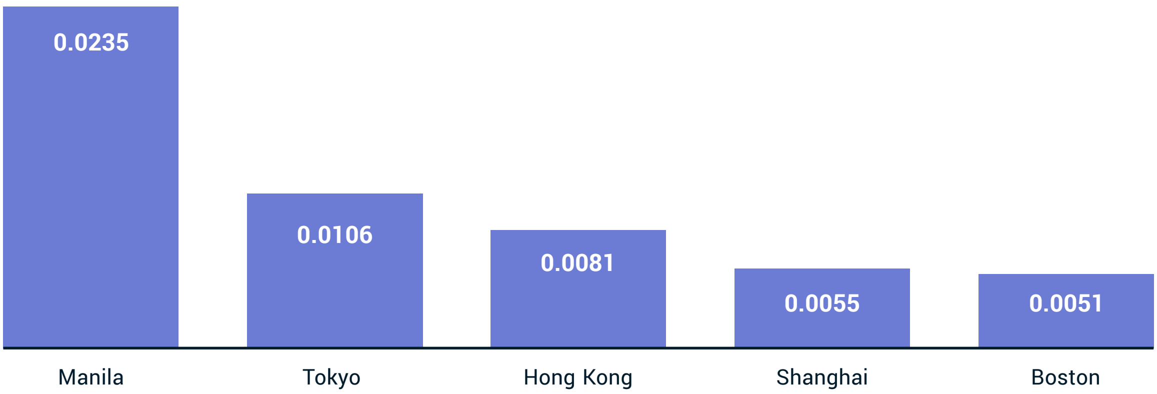
MSCI'S MOST-EXPOSED OFFICES TO EXTREME HEAT IN 2021

HEATING DAYS (>30ºC) PER YEAR IN 2021



MSCI'S MOST-EXPOSED OFFICES TO TROPICAL CYCLONES IN 2021

ANNUAL RELATIVE DAMAGE (%) DUE TO TROPICAL CYCLONES



MSCI'S MOST-EXPOSED OFFICES TO COASTAL FLOODING IN 2021

ANNUAL RELATIVE DAMAGE (%) DUE TO COASTAL FLOODING

[14] 0.0000000490

ABOUT MSCI

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.

NOTES

Prior year emissions presented in this report may differ from those previously published due to retroactive recalculations made in accordance with the GHG Protocol. (Greenhouse Gas Protocol. A Corporate Accounting and Reporting Standard. REVISED EDITION. World Resources institute. Copyright © World Resources Institute and World Business Council for Sustainable Development, March 2004 ISBN 1-56973-568-9. Page 35-37. https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf#page=37)