

# 2020 Corporate Responsibility Roadshow

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November/December 2020

# Forward-looking statements

- This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to future events or to future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these statements. 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. 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 MSCI’s control and that could materially affect actual results, levels of activity, performance or achievements.
- Other factors that could materially affect actual results, levels of activity, performance or achievements can be found in MSCI’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019 filed with the Securities and Exchange Commission (“SEC”) on February 18, 2020 and in quarterly reports on Form 10-Q and current reports on Form 8-K filed or furnished with the SEC. If any of these risks or uncertainties materialize, or if MSCI’s underlying assumptions prove to be incorrect, actual results may vary significantly from what MSCI projected. Any forward-looking statement in this earnings presentation reflects MSCI’s current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to MSCI’s operations, results of operations, growth strategy and liquidity. MSCI assumes no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise, except as required by law.

# Table of contents

1 Company overview & select highlights

2 Our strategy

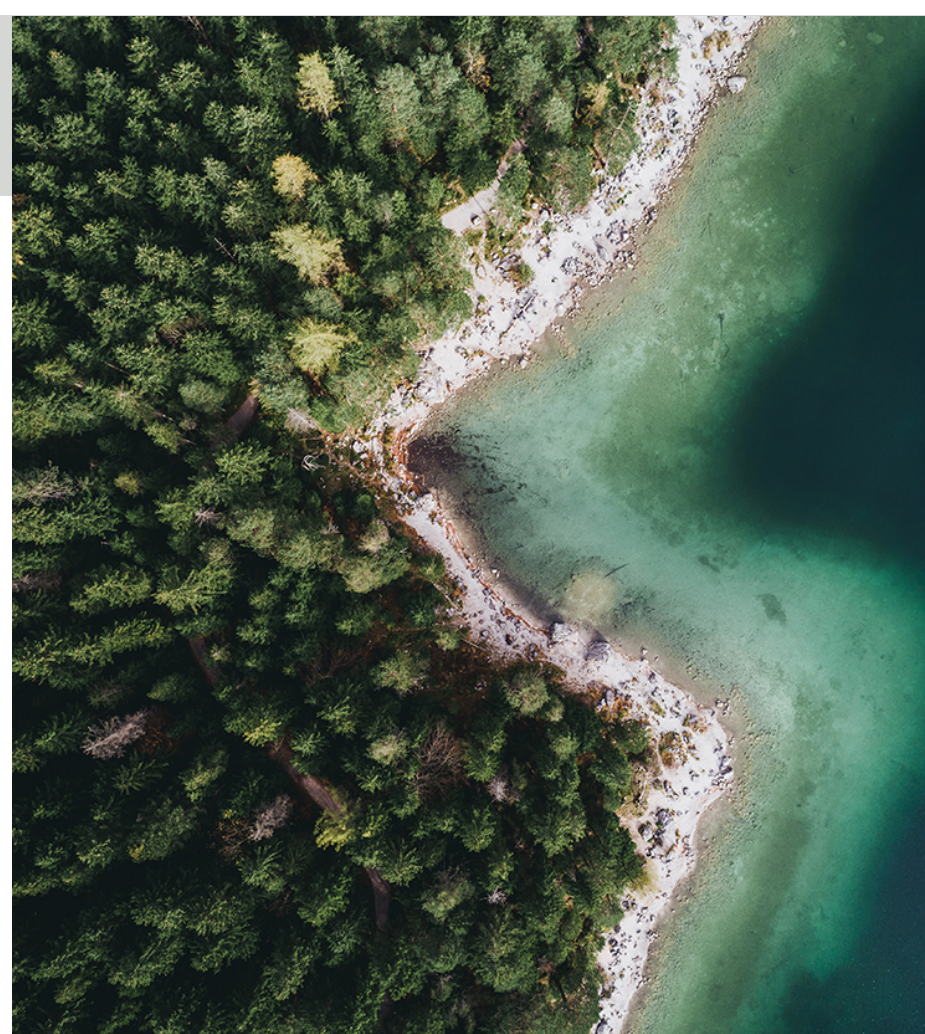
3 Our people

4 Corporate responsibility

5 Executive compensation

6 Our governance

7 Appendix



# Company overview & select highlights

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# MSCI at a glance

## WHO WE ARE

### Must-have products and services

- Across asset classes for performance and risk
- \$1.7B+ Run Rate as of September 30, 2020
- 10%+ YoY subscription Run Rate growth in 3Q20

### 7,900+ blue-chip clients<sup>1</sup> in 90+ countries as of 9/30/2020

- Across investment and trading spectrum
- World's most sophisticated investors use our products and services

### Strong performance and inclusive culture

- Global, multi-cultural workforce
- Driving innovation for industry-leading solutions<sup>2</sup>

### 3,545 talented employees globally as of 9/30/2020

- 30+ MSCI locations in 20+ countries
- 64% and 36% of employees located in emerging market and developed market centers, respectively
- Extensive knowledge of the investment process

## WHAT WE DO

Provide products and services that global investors can use to build **better portfolios** for a better world



# Select highlights



## Our Human Capital Management Priority

- Strong commitment to the **well-being of our people** during COVID-19 pandemic
- Ongoing focus on **diversity and inclusion**, including developing a diverse pipeline at the junior level
- Ensuring long-term success through **senior talent progression planning and talent management**



## Sustainability: Our Approach and Opportunities

- **Oversight** by Chief Responsibility Officer, reporting to Nominating & Corporate Governance Committee
- Increased focus and reporting on **Environmental (including Climate) and Sustainability matters**, including adoption of Environmental Policy and increased GHG reporting
- Published "**The MSCI Principles of Sustainable Investing**" to help investors integrate ESG considerations across their investment processes; aligns with corporate mission to help investors build better portfolios for a better world



## Our Executive Compensation Program

- **Pay-for-Performance** compensation structure
- Long-term incentive plan that prioritizes **shareholder value creation**, commitment to ESG and facilitates an "**owner-operator**" mindset
- Increased the proportion of **5-year PSUs** to all Managing Directors, including the CEO and President

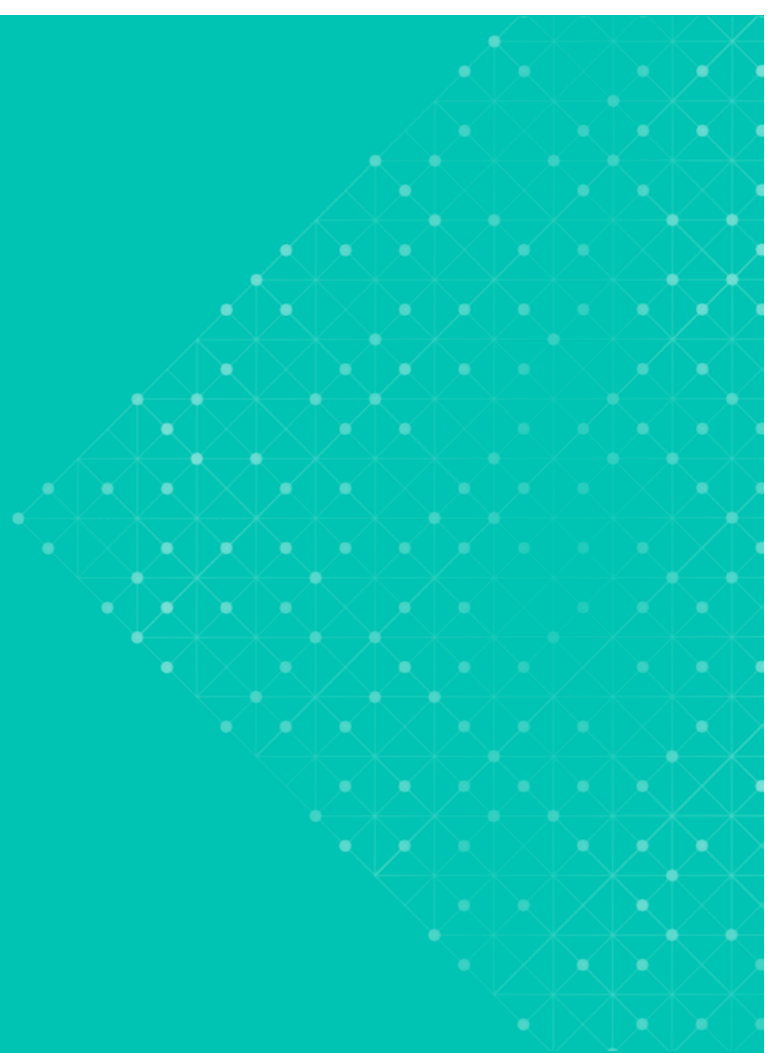


## Our Board and Governance

- **Highly experienced, diverse Board** integral to advising management on the execution of its growth strategy
- Focus on **Board refreshment**; appointed two new directors with experience that aligns with MSCI's client-centric strategy
- Exploring **enhancing governance profile** by adopting **proxy access** by-law provision

# Our strategy

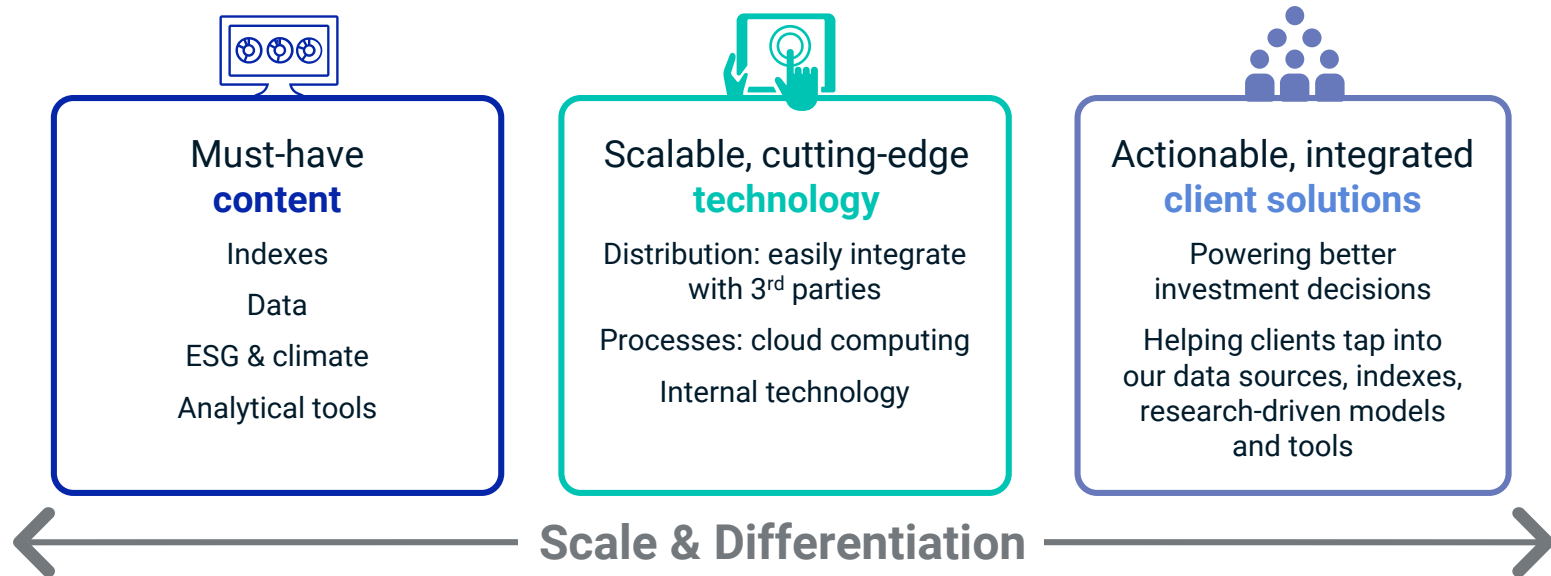
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# MSCI's business strategy

**Mission:** Better investments for a better world

**Strategy:** To help investors build *better* portfolios and transform for the future, **MSCI will deliver:**





# Clients turn to MSCI's tools to support their investment needs



## Client investment process



### MSCI tools to support:

- Defining investable universes
- Allocating assets sustainably
- Creating investment programs/products
- Benchmarking performance
- Understanding and managing risk and performance
- Reporting to constituents
- Complying with regulations
- Measuring climate related risks and opportunities

**> Solutions for the most critical investment activities**

# MSCI's strategic initiatives

## Product areas



- ESG and climate
- Fixed income and liquidity
- Thematics
- Derivatives
- Factors
- Private assets

## Client segments



- Broker-dealers
- Wealth managers
- Corporates
- Insurance companies
- Private asset managers

## Capabilities



- Technology and data
- Virtual and remote connectivity
- Distribution
- Partnerships

# Ongoing tailwinds from secular market trends



Increasing mandate for sustainable returns and **ESG integration**



Long-term shift from **home country bias to global**



Ongoing shift from active management to **index-enabled investing**



Increasing demands on institutional investors to be more efficient and differentiated and **navigate increase complexity**

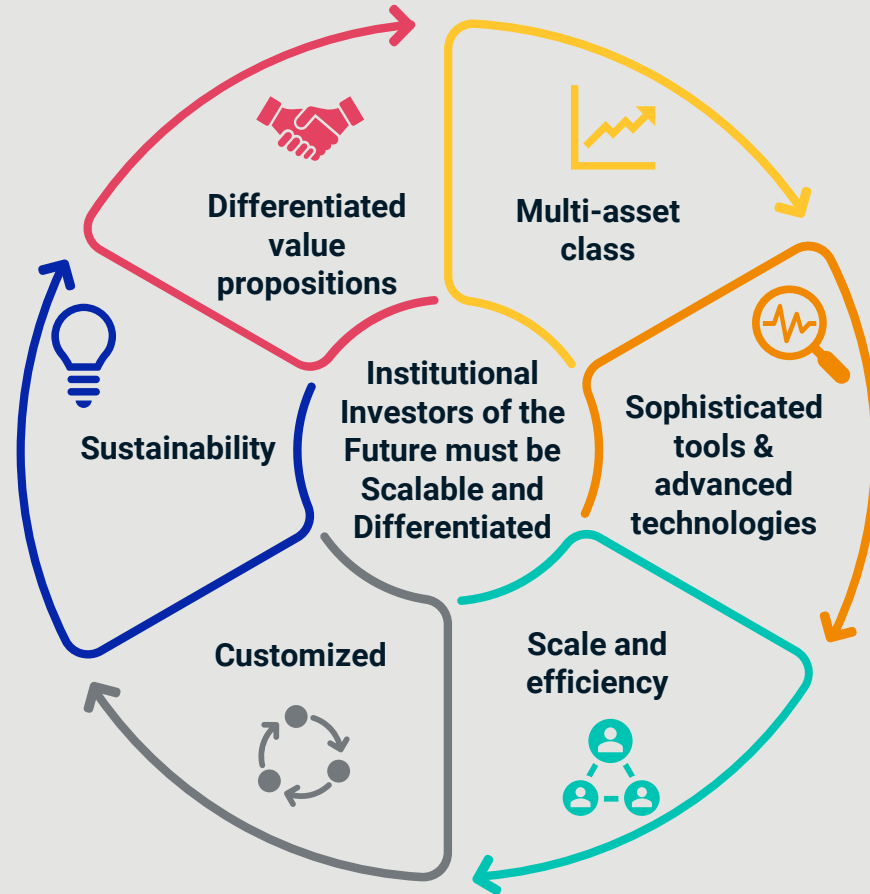


From manager selection to **internal management**



Continued allocation to **private asset classes**

# Impact of trends on investment industry



# Industry accolades

## PRI Awards 2020

- Winner of the 'ESG Research Report of the Year' award

## GlobalCapital Derivatives Awards 2020

- Winner of 'Index Product Creator and Developer of the Year' award

## Asia Risk Awards 2020

- Winner of 'Index Provider of the Year' award

## Environmental Finance Sustainable Investment Awards 2020

- Winner of 'Best Climate Index provider of the Year'

## Asian Investor Asset Management Awards 2019

- Winner of Best Global Index Provider

## Environmental Finance Green Bond Awards 2020 and 2019

- Winner of 'Best Green Bond Index'

## Risk Tech 100 2019

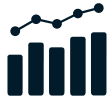
- Winner of Chartis RT100: Risk as a Service, Enterprise Stress Testing, Buy-Side

## Savvy Investors 2019

- Best Real Assets Paper Highly Commended 'Climate risk in private real estate portfolios: What's the exposure?'
- Winner of 'Best ESG Paper 2019' for 2019 ESG Trends to Watch



# Robust and compelling financial model



## Recurring, visible revenue model

~97% or higher recurring revenues<sup>1</sup> as percent of total revenue from 2015-TTM 9/30/20



## Operating efficiency strength

Disciplined operating expense management



## Triple-Crown investment opportunities to grow business

Investing in multiple strategic product areas, client segments and capabilities, including technology and partnerships, to drive growth



## Attractive cash generation profile

Our business is not highly capital intensive and, as such, we convert a high percentage of our profits into excess cash



## Strong balance sheet and liquidity

As of September 30, 2020, total cash and equivalents of \$1.3B and total debt of \$3.4B, with next maturity not until 2026



# Our people

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# Six workstreams

Continue to drive the performance & growth culture transformation

- 1 Drive a performance and growth culture transformation that builds a highly engaged, innovative and accountable workforce.** We will drive initiatives that, over time, will create higher employee engagement that correlates positively with growth, profitability and shareholder value creation.
- 2 Strengthen our senior talent pipeline** by identifying, selecting, assessing and accelerating the development of the next generation of senior leaders and provide premier, differentiated talent development experiences to our next generation of leaders at all levels.
- 3 Strengthen the link between pay and performance** by linking employee compensation to specific measurable personal, functional and company results and OneMSCI behaviors.
- 4 Create an environment where all MSCI colleagues can truly be their authentic selves and thus contribute at their maximum potential** by strengthening and promoting our culture of inclusion and diversity.
- 5 Design the MSCI Corporate workplace to enable strong OneMSCI collaboration and improved communication and productivity** by ensuring MSCI has the workspace capacity to fuel the company's growth and resiliency of its critical offices.
- 6 Continue to strengthen our innovative culture** through behaviors and practices that promote collaboration, feedback and a deep understanding of our internal/external customers, resulting in superior outcomes for MSCI.

# Progression planning & talent management

## Talent management is a top priority

- Annual review by the Board of talent management and progression plans.
- The CEO and President regularly meet with every function to review their talent plans.
- Discussions aim to identify top talent who have the most potential to progress to senior-most roles and enable MSCI to achieve its strategy.
- Appropriate action plans are created to ensure we are developing the next generation of leaders.

## Integrated talent management



# Progression planning at work

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Former Head of Client Coverage promoted to role of **Global Head of Client Coverage** upon predecessor's retirement in February 2020.

Former Deputy General Counsel promoted to role of **General Counsel** upon predecessor's retirement in March 2020.

Former Chief Strategy Officer promoted to role of **Chief Financial Officer** following predecessor stepping down.

Former Head of EMEA Real Estate and Analytics Coverage promoted to **Head of Real Estate Product Line** following predecessor's departure.

# Supporting our people during challenging times



## Direct and transparent communications

We immediately implemented an employee communication strategy that was direct, transparent and inclusive. Through townhalls, firmwide e-mail communications and broad cross-functional meetings, management delivered key messages around employee safety and wellbeing, leadership, remaining productive, engaging with clients, promoting community, and having empathy for others.



## Health and safety first

MSCI prioritized the well-being of its global workforce by increasing communications around employee assistance programs that provide mental health and emotional well-being support, and resources to help manage stress and care for individuals and their families. MSCI also offered ergonomics workshops that focused on how to configure home workspace for optimal health, comfort and performance.



## Thriving in a remote environment

With over 90% of our global workforce now working from home on a regular basis, MSCI created and delivered virtual training programs to quickly build remote capabilities, including Leading Virtually, Working Virtually and Building Resilience.



## Re-imagining goals

Employees were asked to examine their goals through a start, stop, delay and pivot lens. The “re-imagined” goals were intended to focus on the client and prioritize what was most critical to helping clients navigate the evolving and challenging circumstances.



## Innovation

MSCI’s Innovation Center of Excellence partnered with cross-functional groups throughout the Company to tackle challenges introduced by COVID-19, such as improving the client experience and re-imagining the future of work.



## Taking the pulse on engagement

An interim survey was conducted in June to measure employee response to MSCI’s handling of the pandemic. Results indicated positive views on leadership, cross-firm collaboration and in the aftermath of George Floyd’s death, diversity and inclusion. Management learned that areas it thought would suffer such as teamwork and trust improved and contributed to effective client delivery.

# From intent to action

## 1 Black Leadership Network (ERG) established

Launched on Juneteenth 2020, The mission of MSCI's Black Leadership Network (BLN) is to promote the recruitment, leadership, development and recognition of Black employees at MSCI. BLN will seek to attract and retain Black employees through increased and focused recruiting, mentorship, professional development and networking opportunities.

1



## 3 Eliminating bias in sourcing and recruiting

- Implementing blind resume review to remove unconscious bias in resume evaluation
- 100% of slates for all open roles will be diverse

3

2

## 2 Formed a Diversity Engagement & Sourcing team

To create a pipeline of diverse talent for MSCI and ensure the firm is positioned globally as a leading organization that puts diversity and inclusion at the center of its people strategy.

Specifically the team will:

- Engage, attract and develop diverse candidates for all roles
- Build early career and intern pipeline programs with a focus on diversity
- Forge relationships to help educate, support and recruit students
- Build relationships with external partners, universities and media to position MSCI's programs and opportunities to new networks

4

**Development of diversity recruitment campaigns & messaging framework** for use internally and externally to the firm



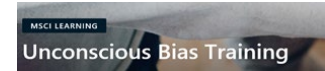
# Education, awareness, inclusion

## Unconscious bias training

- This training program is available Firm-wide, for both manager and employee populations. Training conducted by The Dagoba Group, a global consultant with focus in financial services clients.
- As of November 2020, over 30 sessions have been hosted with over 1000 employees having participated

## Employee Resource Groups and external affiliations

- The MSCI Women's Leadership Forum (WLF) was founded in 2013 to create awareness and provide tools and skills geared towards leadership development for women.
- Women's Leadership Forum has 48-chapter heads across 16 countries.
- WLF Focus on leadership visibility, leadership pipelines, external engagement, and education
- MSCI is a member of Catalyst, a global nonprofit working with CEOs and leading companies to build workplaces that work for women.
- MSCI is a Silver level corporate sponsor of Women in ETFs (WE)
- The Pride Forum's mission is to provide LGBT+ employees and allies with a group forum to help create an inclusive culture where all MSCI employees can be their authentic selves
- Allies program launched in 2019
- Women in Technology (WIT) ERG formed in 2020
- MSCI is a member of Out Leadership, the premier network for Out Leaders and companies
- MSCI actively participates with Out Leadership and hosted the Q1 2020 meeting
- MSCI is partnering both #100 Black Interns and #10,000 Black Interns in the development of their programs, providing resource and best practice consulting, as well as committing to hosting Interns 2021-2026
- MSCI is a partner of Rare Recruitment, the UK's leading Early Careers BAME coaching & recruitment organization



MSCI  Women's Leadership Forum



# Development & learning

## Women's Sponsorship/ Mentorship Program

- Our Women's Leadership Summit attendees participate in a formal sponsorship/mentorship program in which Executive Committee and Managing Directors at the firm participate as sponsors and mentors
- The program spans 9 months with 6-7 sessions held between mentor and mentee
- Mentees own the relationships and set defined goals for their development
- Women who attend the Summit are provided ongoing development by extending the learning throughout the following year via virtual training sessions.

## Premier Development Programs & Succession

- Increased diverse representation in premier leadership and management development programs in 2019 (including female and emerging market center representation)
- We continue to focus on increasing the number of diverse talent in our learning and development programs.
- As part of each EC member's annual scorecard, they are required to identify a minimum percentage of female successor candidates (internal and external) for every EC role in their organizations

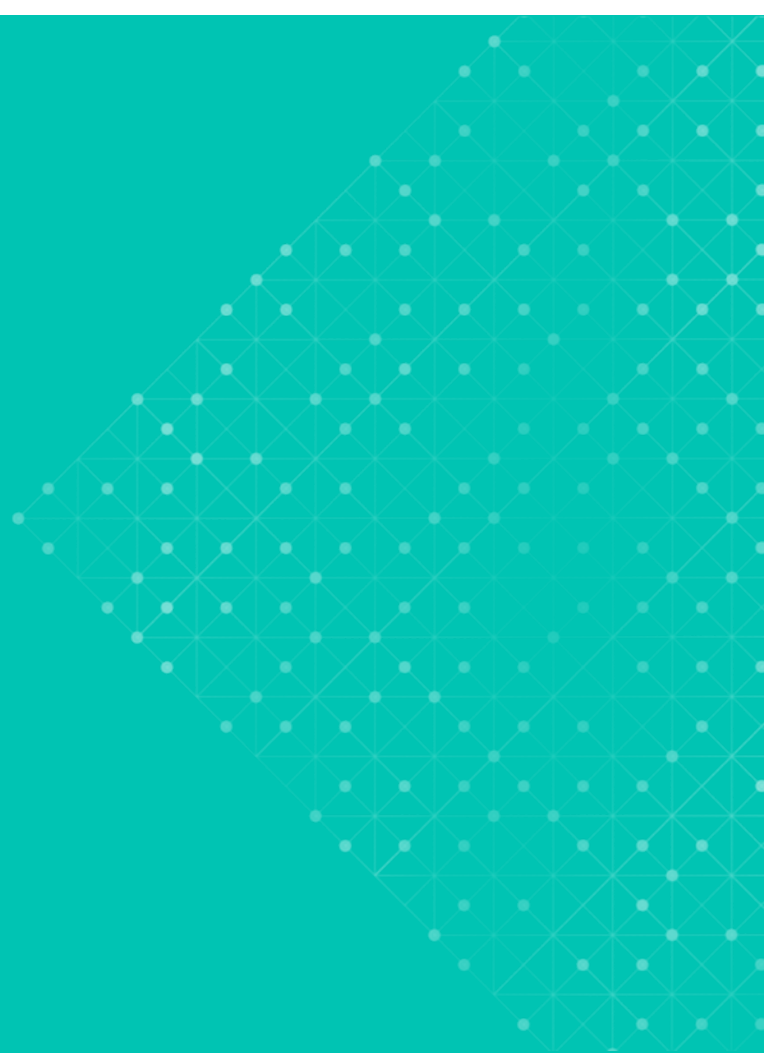
## Benchmarking

- In 2020, MSCI participated in the McKinsey Women in the Workplace Study to benchmark against other leading companies
- Participation will provide detailed data and reports
- Continued participation will allow year over year comparisons to measure progress

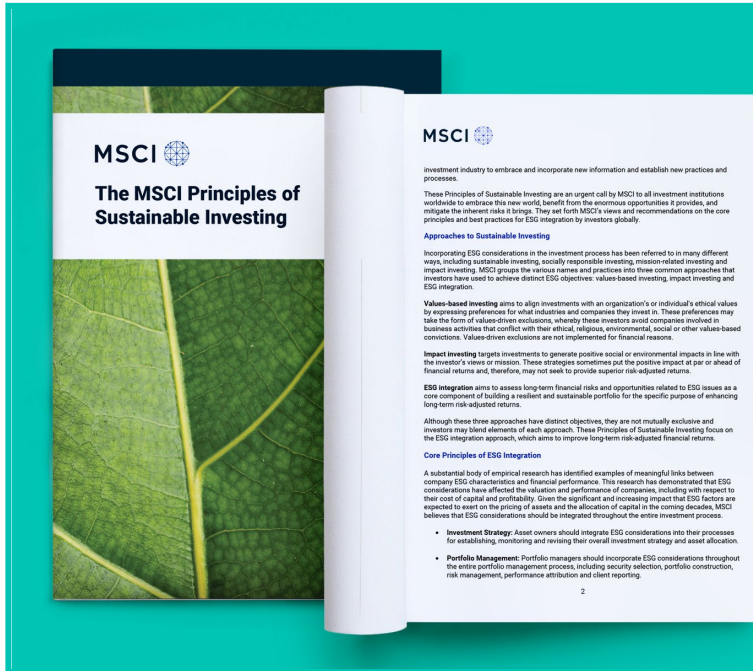
**At MSCI, diversity is at our core and inclusion defines our culture. Our people are empowered to maximize their potential in an environment where all individuals are respected and encouraged to bring their authentic selves to work. This culture drives us to innovate and provide industry-leading solutions that power better investment decisions.**

*Mission Statement developed by 2019 Executive Diversity Council*

# Corporate responsibility



# Our focus on Corporate Responsibility has a clear rationale



We firmly believe there will be a large-scale reallocation of capital and repricing of financial assets over the next few years.

Climate change, the move to a low-carbon economy, diversity and inclusion in the workplace and other environmental, social and governance shifts will deeply impact where capital is invested.

MSCI is uniquely positioned to deliver the solutions to navigate these massive shifts

# The MSCI approach

## A commitment to corporate responsibility is in our DNA at MSCI

As we strive to enable the investment community to make better decisions for a better world, we are dedicated to being a leader in corporate responsibility, which is embodied in the following framework



# Some key highlights and metrics from 2020

## Key enhancements made this year



### New policies and practices

Issued Environmental Policy, with increased focus on climate and our supply chain



### New filings & reporting

Principles for Responsible Investing  
Transparency Report; Carbon Disclosure Project



### Initiatives

Enhanced Corporate Responsibility website

## Selected metrics (Q3 YTD changes in brackets)



### Carbon emissions

16,344.6 GHGE in metric tons CO2E<sup>1</sup>



### Sustainability

17 Eco groups (+2)

99% Offices use recycling standard (+52%)

7 trees paper usage (-268 trees p.a.)



### Internal rating & transparency

75% employee CR engagement<sup>2</sup>



### Assets linked to MSCI ESG Indexes

1,854 clients managing 72T are served through our ESG products and services<sup>3</sup>

281B AuM benchmarked to our ESG indexes<sup>4</sup>

26 Climate ETFs tracking MSCI indexes<sup>5</sup>

1) CO2 equivalent; Green House Gas Emissions for fiscal year 2019

2) Percentage of employees responding positively to the statement: "Corporate Responsibility is an important part of my employee experience"

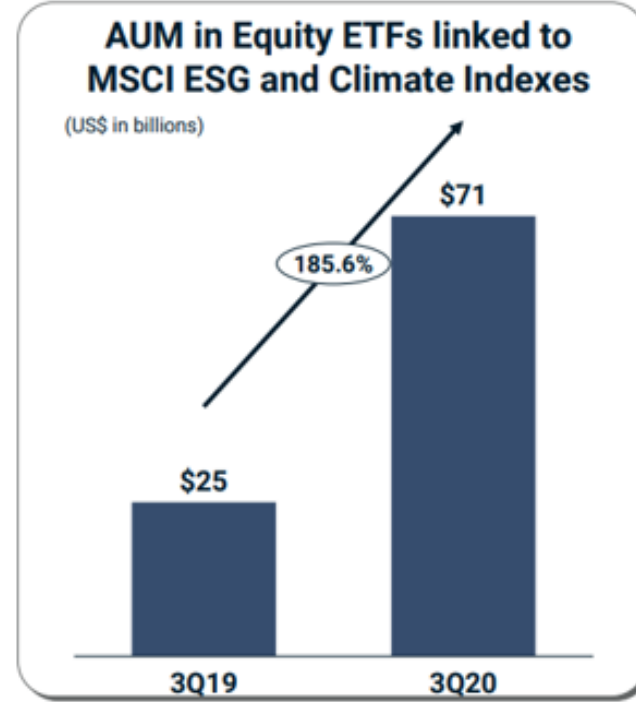
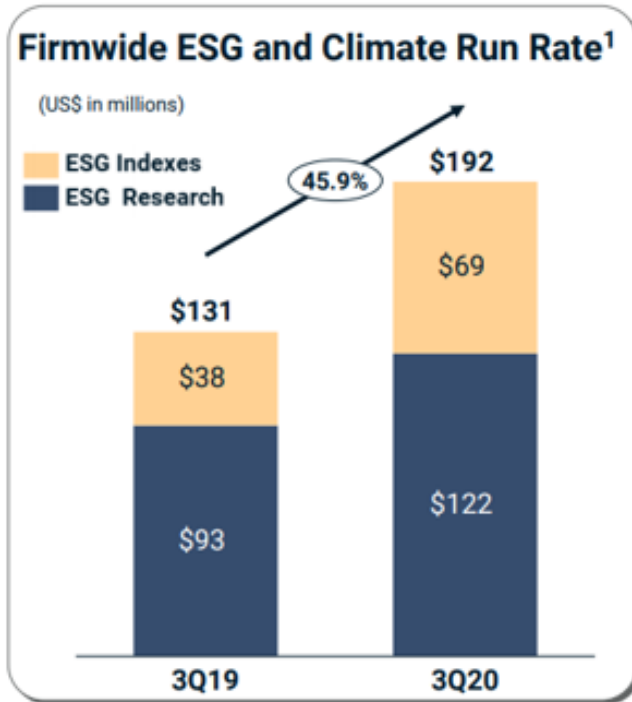
3) As of September 30, 2020. To calculate the number of clients, we use the shipping address of the ultimate customer

4) ETF and Non-ETF AUM as of September 30, 2020

5) As of September 30, 2020; out of 59 in the market



# Client interest in ESG and Climate is reflected in our financials



# How we are powering better investment decisions

- MSCI help investors integrate ESG into their investment process and communicate with stakeholders using the common language of ESG Ratings

## 1 Leading ESG Ratings & Research

Broad coverage with nearly **14,000 companies** (including subsidiaries) representing more than **680,000<sup>1</sup> securities**



## 2 Innovative equity & fixed income indexes for various ESG approaches

More than 1,500 equity and fixed income indexes covering integration, values and impact



MSCI Emerging Markets ESG Leaders Index

## 3 Market-leading risk analytics platform & ESG reporting

Sophisticated ESG Analytics and scalable reporting across 700,000 multi-asset class securities

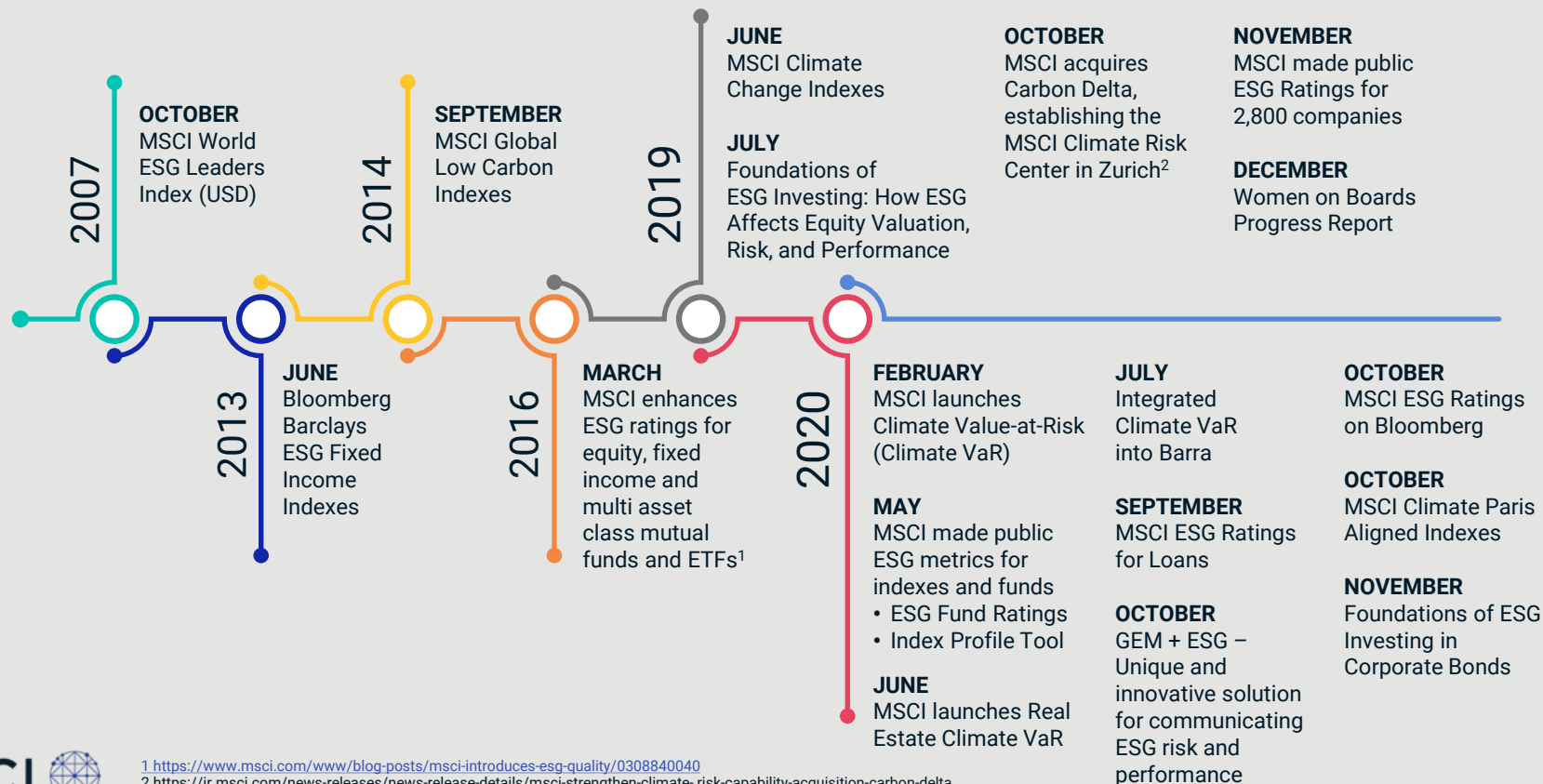


## 4 ESG expertise & network

350+ ESG experts and over 600 individuals working with investors around the world



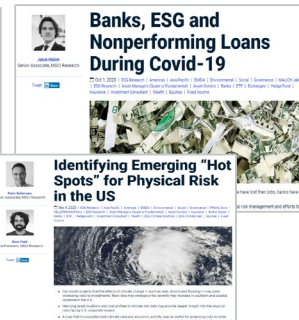
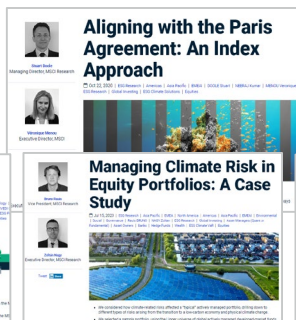
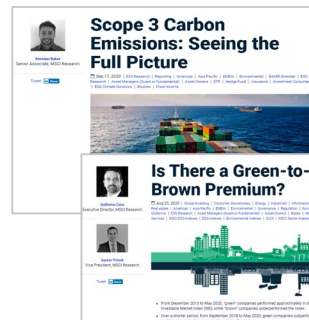
# Client demand drives innovation in the tools and research we offer to help them implement their ESG and Climate strategies



# We build our leadership position by educating and bringing transparency to clients

14 research papers in 2020

... and 21 blog posts



19k+ downloads YTD  
Over 1.2m unique pageviews YTD

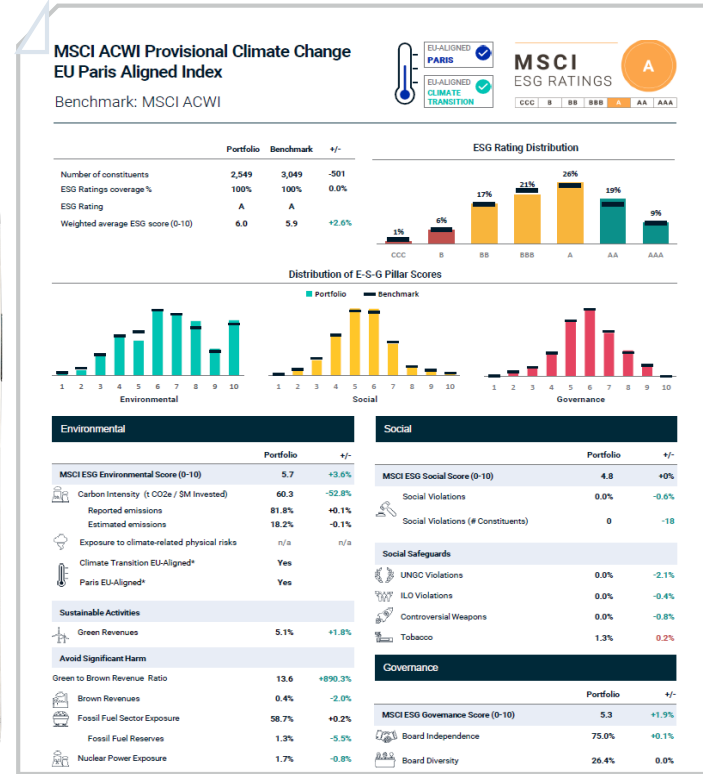
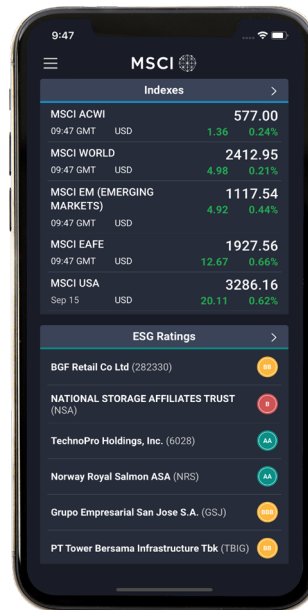


43,000+ blog views YTD  
6,500+ webinar attendees YTD

# Bringing greater transparency to financial markets

Over the last year we have made public our ESG metrics for tens of thousands of companies, funds and MSCI indexes through msci.com and the MSCI app

- ESG Metrics publicly available for all EU-regulated MSCI Equity, Blended and Fixed Income Indexes
- ESG rating publicly available for more than 36,000 funds and 2,800 companies



Metrics based on final TEG report; MSCI ESG Indexes utilize information from, but are not provided by, MSCI ESG Research LLC

Information Classification: GENERAL

# Enabling sustainable investing

The **EU Sustainable Finance action plan** supports the transition to a low-carbon, resource-efficient and sustainable economy. MSCI is actively involved in, and providing its expertise to, several EU expert committees – examples below

## Key legislative streams



### Sustainable Finance Disclosure Regulation

- Estimated EU Taxonomy Alignment Guide
- Dataset to potentially measure alignment



### Green Taxonomy

- MSCI SFDR<sup>1</sup> Adverse Impact Indicator Mapping
- Currently building a SFDR solution



### Climate Benchmarks & ESG Disclosure

- First provisional EU PAB<sup>2</sup> and EU CTB<sup>3</sup> launched in Nov 2019
- MSCI Index Profile Tool – index level ESG metrics based on the TEG Final Report<sup>4</sup> for all regulated equity/ blended indexes

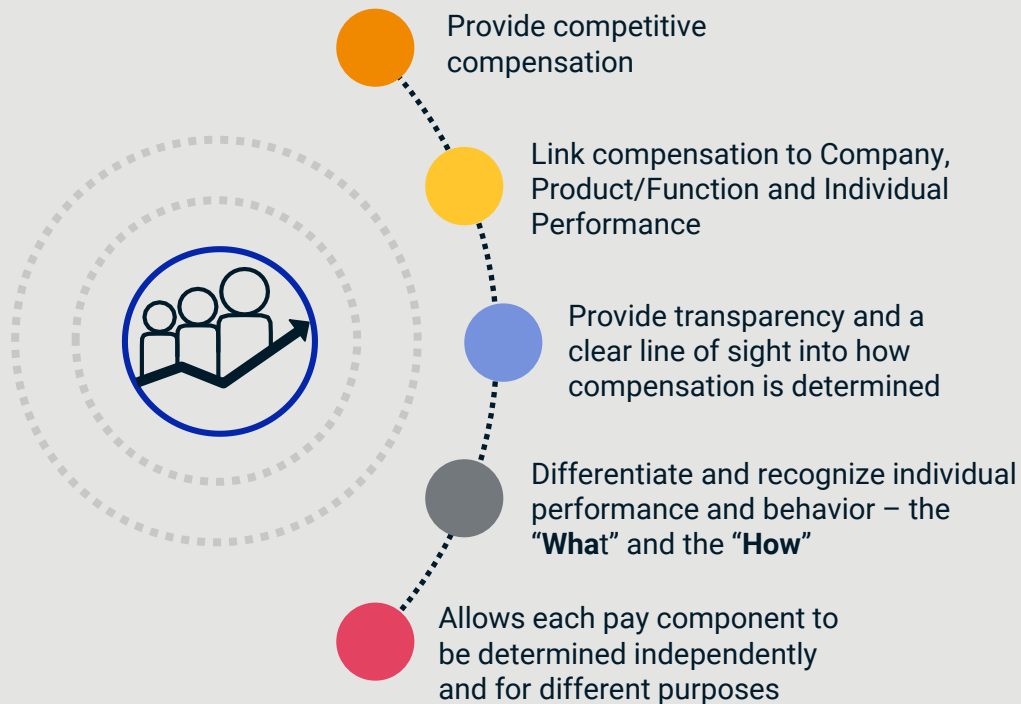
# Executive compensation

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# Compensation@MSCI

Supports our culture of high performance and accountability





# Current executive compensation structure

	Component	Objective	2020
Fixed Compensation	Annual Base Pay	<ul style="list-style-type: none"> <li>Provides certainty and predictability to meet ongoing living and financial commitments</li> </ul>	<ul style="list-style-type: none"> <li>The only fixed component of our executive compensation program</li> </ul>
	Annual Incentive Plan	<ul style="list-style-type: none"> <li>Alignment of management's interests with shareholders' interests</li> <li>Introduced to drive one-year performance results</li> <li>Specific financial criteria and key performance indicators</li> </ul>	<ul style="list-style-type: none"> <li>Financial Metrics (70%) vary by executive, but include:                             <ul style="list-style-type: none"> <li>Revenue</li> <li>Adjusted EPS</li> <li>Net New Sales</li> <li>Free Cash Flow</li> <li>Contribution Margin</li> </ul> </li> <li>Key Performance Indicator Goals (30%) that include the following ESG metrics:                             <ul style="list-style-type: none"> <li>Employee Engagement, Manager Effectiveness, Employee training and development participation, Inclusion and Diversity, Carbon Footprint, etc.</li> </ul> </li> </ul>
Variable Compensation	Long-Term Incentive Program	<ul style="list-style-type: none"> <li>Fosters an "owner-operator" mindset</li> <li>Closely aligns management's interests with the long-term interests of our shareholders</li> <li>Promotes the retention of key members of our management team</li> <li>CEO and President &amp; COO equity entirely in PSUs tied to multi-year absolute TSR</li> </ul>	<ul style="list-style-type: none"> <li>Grant of 3-Year PSUs and 5-Year PSUs (which vest based on absolute TSR) and do not have any "retesting" features                             <ul style="list-style-type: none"> <li>3-Year PSUs cover a three-year performance period</li> <li>5-Year PSUs cover a five-year performance period</li> </ul> </li> <li>RSUs which ratably service vest over three years</li> </ul>

# Shareholder alignment and engagement

- 2019 enhancements to the compensation program meant to further align interests of management with that of shareholders
  - Increased stock ownership requirements (CEO: 6x; CFO/President/COO: 4x; all other EC members: 3x)
  - Implemented more rigorous clawback policy (covers broader range of detrimental conduct and financial restatements)
  - Introduced a 5-Year Cliff vesting PSU award to enhance “owner/operator” mindset
  - Enhanced LTIP program in response to shareholder feedback

What we heard	What we did	Why
Eliminate relative TSR CAGR	2019 PSU awards will vest and be performance adjusted based solely on rigorous absolute TSR CAGR thresholds	Absolute TSR CAGR is an all-encompassing measure of Company performance that does not divert focus from any individual strategic priority  Metric complements the performance measures under our AIP which directly tie to the Company's strategy
Performance period should not be extended another six months for performance shares	Eliminated “retesting” feature in new PSUs for 2019 and going forward	Increases management's accountability
Shareholders indicated they prefer that a majority of our CEO's long-term incentive awards be performance-based	100% PSUs in 2016 and in 2019 (no equity grants in 2017 or 2018)	CEO should be primarily rewarded for increasing absolute shareholder value which reinforces our “owner-operator” philosophy and is aligned with executing our strategic plan

# 2020 long-term incentive mix

2019 LTI Vehicle –Mix	CEO	Pres & COO	Rest of Executive Committee	Managing Directors
RSUs	0%	20%	40%	50%
3-Year PSUs	50%	50%	40%	35%
5-Year PSUs	50%	30%	20%	15%

## Changes to 2020 LTI Vehicle-Mix

RSUs	— 0%	↓ 0%	↓ 30%	— 50%
3-Year PSUs	↓ 40%	— 50%	↓ 35%	↓ 30%
5-Year PSUs	↑ 60%	↑ 50%	↑ 35%	↑ 20%

## 3-Yr TSR PSUs Schedule

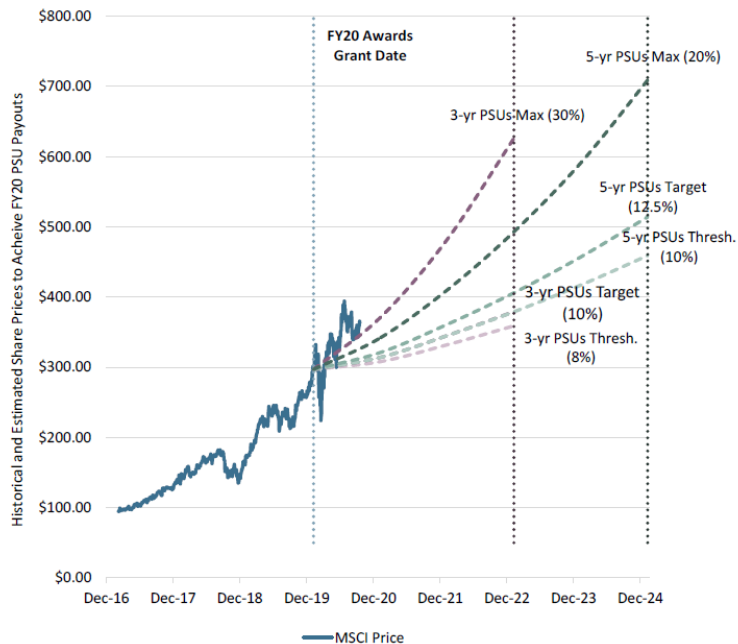
TSR CAGR	% Vesting
< 8%	0%
8%	25%
9%	50%
10%	100%
20%	200%
30% +	300%

## 5-Yr TSR PSUs Schedule

TSR CAGR	% Vesting
< 10%	0%
10%	50%
12.5%	100%
15%	150%
20% +	200%

# Pay-for-performance

Rigorous TSR metric for PSUs and financial metrics for annual cash incentive compensation reflects strong alignment between company performance/shareholder return and executive compensation



Operating revenue (in millions) (unaudited)

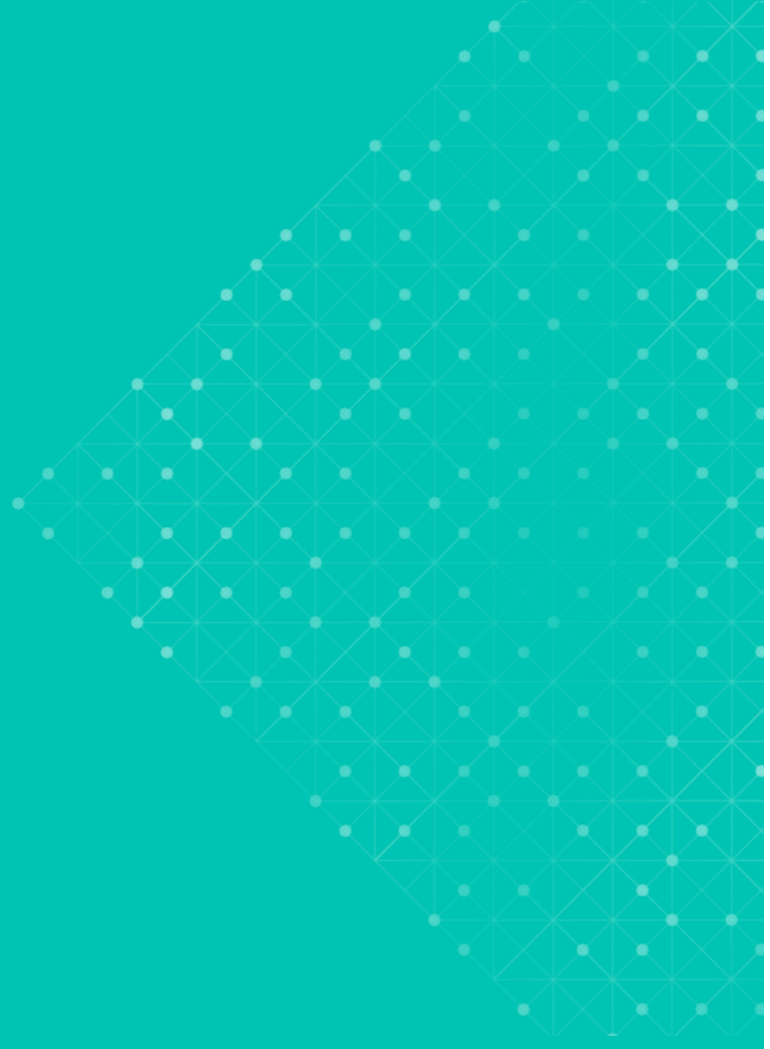
Diluted EPS (unaudited)



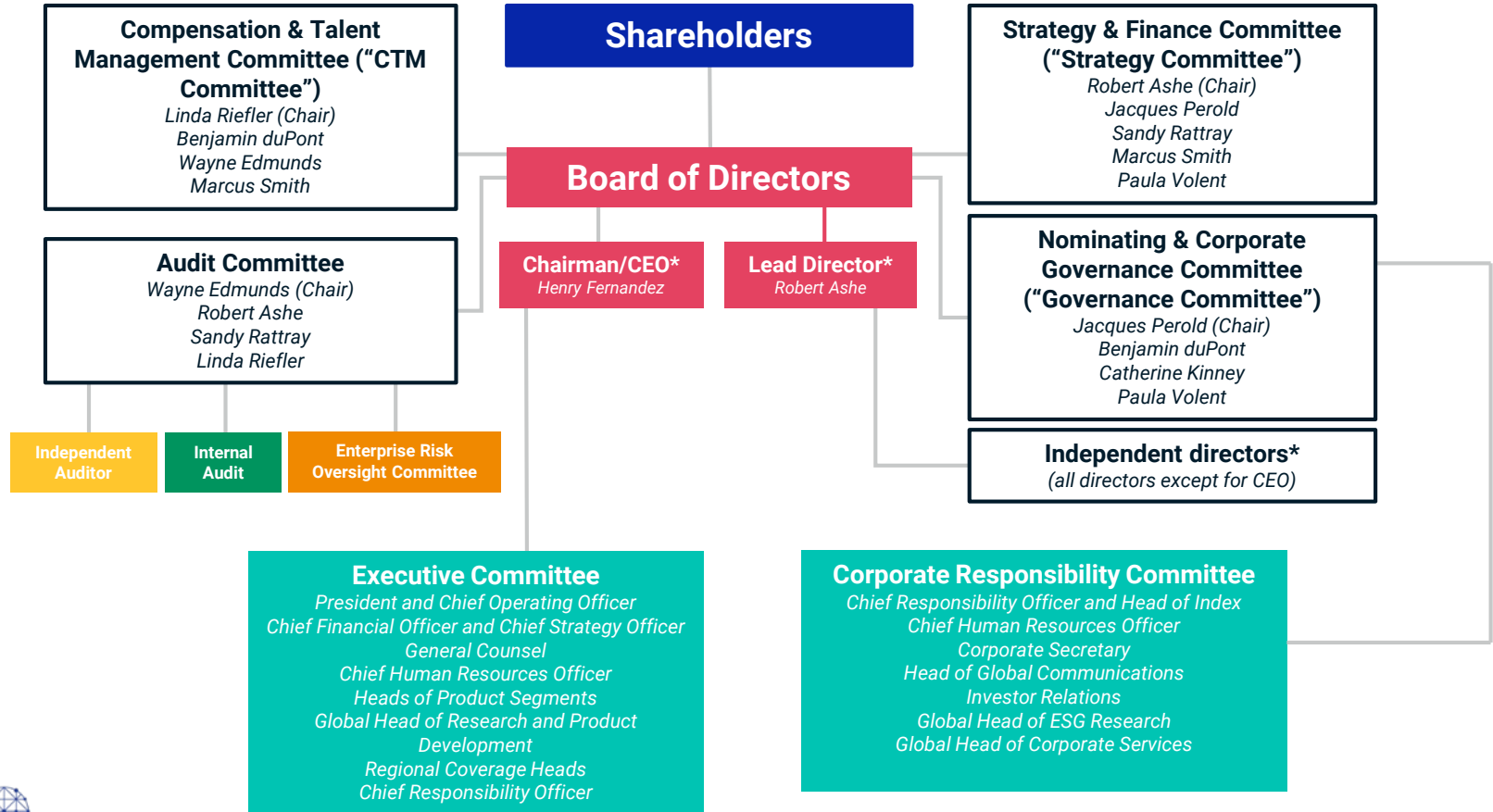
# Accountability and compensation governance

What we do	What we don't do
<ul style="list-style-type: none"><li>✓ Emphasize variable compensation</li><li>✓ Have formula-based annual cash-incentives</li><li>✓ Subject equity awards to vesting requirements</li><li>✓ Impose stock ownership guidelines on directors and Executive Committee members</li><li>✓ Maintain clawback policy incentive-based compensation (cash and equity)</li><li>✓ Provide for double-trigger vesting upon a change in control</li><li>✓ Have restricted dividend equivalents on performance vesting awards that are only paid if and when underlying award vests</li><li>✓ Grant CEO and President &amp; COO equity entirely in PSUs tied to multi-year absolute TSR</li><li>✓ Retain independent compensation consultant at direction of the CTM Committee</li></ul>	<ul style="list-style-type: none"><li>✗ Do not provide gross-ups to cover excise taxes</li><li>✗ Do not have employment agreements with executive officers</li><li>✗ Do not allow directors or employees to hedge or pledge company stock, engage in short sales, purchases or sales or options, puts or calls, as well as derivatives, such as swaps, forwards or futures or trade on a short-term basis on company stock</li><li>✗ Do not allow repricing of options or stock appreciation rights awards without shareholder approval</li><li>✗ Do not provide for "liberal" share recycling when shares are tendered or withheld to satisfy tax withholding obligations or as payment of an option exercise price</li></ul>

# Our governance



# Governance structure



# Board governance

## Governance highlights

- Independent Lead Director has expansive list of duties that provides for effective independent oversight, including approving Board agendas, leading executive session of independent directors, overseeing annual review of Chairman, facilitating communication between Chairman and independent directors, and meeting directly with management
- Appointed a new Lead Director (Robert G. Ashe) and new chairs for all NYSE-mandated committees in 2018
- Rotated a number of committee members in 2020 in connection with appointment of two new directors
- Annual election of directors: majority voting standard for uncontested elections with resignation policy; plurality for contested elections
- No dual-class stock and no poison pill
- Robust onboarding program for new directors and ongoing director education
- Annual review of charters/governance policies, related persons transaction policy, political activities policy

## Oversight of risk management activities

- Board, through its committees, oversees risk management activities, including those relating to cybersecurity risks

## Board oversees major risks

**CTM Committee** oversees risks associated with compensation policies and practices

**Strategy Committee** oversees risks relating to Company's strategic plan

**Governance Committee** oversees risks relating to governance structure, compliance, ESG and other corporate governance matters

**Audit Committee** oversees risks relating to key accounting and reporting policies, and cybersecurity and enterprise risks; quarterly update from Enterprise Risk Management and Information and Technology Risk



# Diverse & engaged board

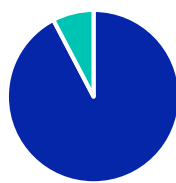
## Our Directors exhibit an effective mix of skills, experience, diversity and perspectives



30% Women



Over 50% Gender,  
Racial or National  
Diversity



9 of 10 Directors  
are Independent

## Outside Board Policy

- Directors may not serve on more than 4 public company boards, including the Company's
- All directors are in compliance with the outside board policy
- CEO serves on the Board of one public company

## Diverse Skills & Experiences



Executive Leadership



Governance / Public Company Board



Industry Experience



International Experience



Regulatory Compliance / Government



Investments / Strategy



Financial Expertise: CFO and Audit



Risk Management



Consumer Insight / Investor Relations



Technology







Corporate Affairs



Talent Management / Executive Compensation

# MSCI Board of Directors

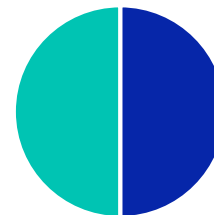
	Name	Committee(s)		Name	Committee(s)
	<b>Henry A. Fernandez</b> Chairman and CEO			<b>Jacques P. Perold</b>	NCG (Chair), SF
	<b>Robert G. Ashe</b> Independent Lead Director	A, SF (Chair)		<b>Sandy C. Rattray</b> Appointed in 2020	A, SF
	<b>Benjamin F. duPont</b>	CTM, NCG		<b>Linda H. Riefler</b>	A, CTM (Chair)
	<b>Wayne Edmunds</b>	A (Chair), CTM		<b>Marcus L. Smith</b>	CTM, SF
	<b>Catherine R. Kinney</b>	NCG		<b>Paula Volent</b> Appointed in 2020	NCG, SF

A: Audit Committee  
 CTM: Compensation & Talent Management Committee  
 NCG: Nominating & Corporate Governance Committee  
 SF: Strategy & Finance Committee

# Director evaluation & refreshment

## Director Tenure & Ongoing Board Refreshment

- Director skills matrix reviewed regularly to aid in search of potential candidates
- Mandatory retirement age set at 72; Two directors retired, and two new directors appointed in 2020
- Director search firm retained to assist with director succession planning; instructed to provide a diverse slate of candidates



5 of 10 directors joined the board within the past 5 years; ongoing search for new directors

## Annual Board Performance Evaluations

### Process

Annual Board and committee evaluations led by the Chair of the Governance Committee

- Each director completes a self-assessment questionnaire
- Lead Director conducts individual director interviews

In 2019, the Board engaged a third party evaluation firm for a comprehensive assessment of the Board's practices

The Lead Director and Chair of the Governance Committee review the results with the Board in executive session; requests for enhancements are subsequently discussed with management

### Feedback & Recent Initiatives

#### Enhanced review of strategic goals:

- Periodic review with Board on strategic initiatives
- Board and committee agendas increasingly focused on "forward-looking" topics

#### Increased focus on ESG:

- Governance Committee assigned responsibility for ESG (including Climate) oversight
- Chief Responsibility Officer provides quarterly reports to the Governance Committee
- ESG goals incorporated into CEO's goals for annual incentive compensation

#### Enhanced director education program:

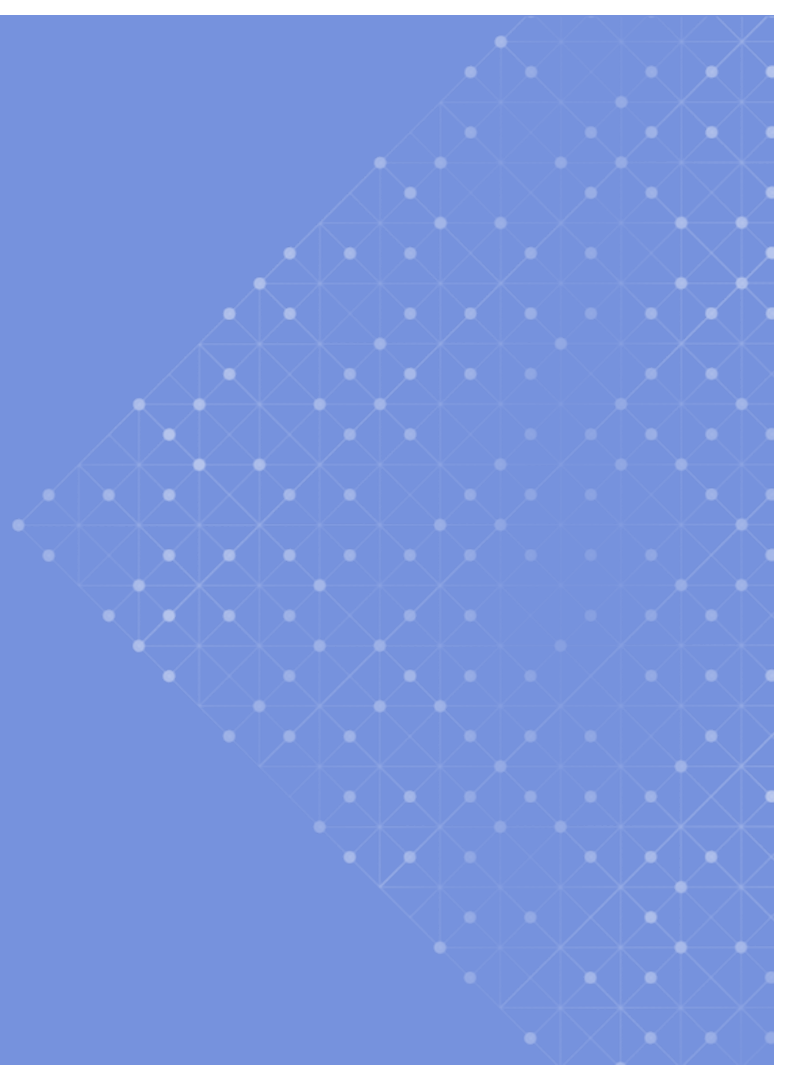
- Joined peer-engaged program designed to enhance director performance
- Leveraged virtual platforms to provide deep dive sessions on certain aspects of MSCI's business outside of quarterly meetings

#### Succession planning and talent management:

- CEO and President meet quarterly in executive session with independent directors
- Potential successors to senior management invited to speak at Board meetings for additional exposure
- Succession planning at levels beyond the Executive Committee; accelerate development of current internal candidates at all levels

# Appendix

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# Supplemental information

- Percentage changes and totals in this presentation may not sum due to rounding.
- Foreign currency exchange rate fluctuations reflect the difference between the current period results as reported compared to the current period results recalculated using the foreign currency exchange rates in effect for the comparable prior period. While operating revenues adjusted for the impact of foreign currency fluctuations includes asset-based fees that have been adjusted for the impact of foreign currency fluctuations, the underlying assets under management (“AUM”), which is the primary component of asset-based fees, is not adjusted for foreign currency fluctuations. More than three-fifths of the AUM are invested in securities denominated in currencies other than the U.S. dollar, and accordingly, any such impact is excluded from the disclosed foreign currency adjusted variances.
- MSCI has presented Run Rate, a supplemental key operating metrics as part of this presentation.
- Run Rate estimates at a particular point in time the annualized value of the recurring revenues under our client license agreements (“Client Contracts”) for the next 12 months, assuming all Client Contracts that come up for renewal are renewed and assuming then-current currency exchange rates, subject to the adjustments and exclusions described below. For any Client Contract where fees are linked to an investment product’s assets or trading volume/fees, the Run Rate calculation reflects, for ETFs, the market value on the last trading day of the period, for futures and options, the most recent quarterly volumes and/or reported exchange fees, and for other non-ETF products, the most recent client-reported assets. Run Rate does not include fees associated with “one-time” and other non-recurring transactions. In addition, we add to Run Rate the annualized fee value of recurring new sales, whether to existing or new clients, when we execute Client Contracts, even though the license start date, and associated revenue recognition, may not be effective until a later date. We remove from Run Rate the annualized fee value associated with products or services under any Client Contract with respect to which we have received a notice of termination or non-renewal during the period and have determined that such notice evidences the client’s final decision to terminate or not renew the applicable products or services, even though such notice is not effective until a later date.

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