



# MSCI Inc. Quarterly Update

April 27, 2021

## Addressing the Needs of Clients and Client Segments

- MSCI remains well-positioned to deliver the mission-critical content investors need to build better portfolios for a better world.
- During the quarter:
  - A client launched a suite of ETFs linked to MSCI Innovation Indexes, which MSCI developed in collaboration with ARK Invest. We continue to see strong adoption of MSCI's thematic indexes as institutional investors look to capture powerful global trends that may drive future stock performance.
  - Asset owners in EMEA adopted our climate tools to run climate risk monitoring, low carbon modeling and certain exclusions, among many other use cases.
  - We had strong sales of equity portfolio management solutions across regions, including in APAC where we also observed increased demand for our enterprise risk and performance tools.

## Launching Innovative Solutions

- Megatrends: Food Revolution and Digital Health Indexes: In February, we announced the launch of two new thematic indexes:
  - The **MSCI ACWI IMI Food Revolution Index**, which aims to represent the performance of a set of companies that are expected to derive significant revenue from the development of new products and services focused on improving the way food is produced and consumed, and
  - The **MSCI ACWI IMI Digital Health Index**, which aims to represent the performance of a set of companies that are expected to derive significant revenues from the development of new products and services focused on telehealth, medical robots and automation in healthcare.
- ESG transparency on HedgePlatform: MSCI's HedgePlatform now integrates MSCI ESG Research to offer hedge fund investors a range of ESG and Climate metrics on hedge funds. HedgePlatform provides analytics and now ESG and Climate metrics calculated on the position-level holdings of more than 1,400 hedge funds, providing investors with risk transparency without divulging position-level details of the funds. Investors can access ESG ratings for hedge funds as well as the investor's aggregate portfolio across a range of environmental, social and governance metrics. In addition, investors can understand their climate risk exposure informed by the carbon footprint of the portfolio holdings to support asset owner Net Zero Alliance goals.

## Enhancing Capabilities

- Collaboration with Royalty Pharma: MSCI is collaborating with Royalty Pharma plc (Nasdaq: RPRX), the largest buyer of biopharmaceutical royalties and a leading funder of innovation across the biopharmaceutical industry, to expand MSCI's thematic index suite with the launch of new indexes that aim to capture long-term, cutting edge themes that will disrupt the life sciences, biotechnology and pharmaceutical industry groups. The initial indexes will measure the performance of companies focused on delivering new and innovative therapeutic treatments related to virology and oncology. Royalty Pharma will provide expertise on various medical conditions, clinical trials, transformative therapies and technologies that may lead to breakthrough medical treatments that will assist MSCI to design a classification framework and index methodologies.
- Investment Solutions as a Service: In February, MSCI announced the development of Investment Solutions as a Service for the global investment industry in collaboration with Microsoft. Built to align long-term technology and data trends with the immediate needs of investors, these solutions will combine Microsoft's Cloud and AI technologies with MSCI's extensive data sets, analytical models and deep expertise of the global investment industry to power next-generation investment decision making. Investment Solutions as a Service will transform the investment process and experience, beginning with the following services launching in 2021: ESG Solutions as a Service, Index Solutions as a Service, Data Management Solutions as a Service and Investment Analytics Solutions as a Service.

## About MSCI Inc.

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. To learn more, please visit [www.msci.com](http://www.msci.com).

## FORWARD-LOOKING STATEMENTS

This quarterly update 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 MSCI's 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, 2020 filed with the Securities and Exchange Commission ("SEC") on February 12, 2021 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 quarterly update 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.