



MSCI Inc. Quarterly Update

July 25, 2023

MSCI remains well-positioned to deliver mission-critical tools, solutions and content investors need to build more effective portfolios.

Addressing the Needs of Clients and Client Segments

- Helping Investors with Regulatory Reporting Use Cases: In May 2023, we enhanced our EU Sustainable Finance Package by incorporating Green Bond data. This security-level data set provides clients with detailed information on Green Bonds and their related use of proceeds, enabling clients to assess their sustainable investments more accurately for regulatory reporting purposes. This latest enhancement builds on MSCI's existing research on Green Bonds, which have been critical inputs for developing the award-winning Bloomberg MSCI Green Bond indexes.
- Helping Credit Investors Understand and Address Climate Risk: In June 2023, MSCI released the Climate Adjusted Probabilities of Default framework to help fixed-income investors better understand climate risk exposure. This rigorous framework supports scenario analysis in a credit risk context. This analysis is conducted by passing both a firm's baseline and climate adjusted financials through a credit risk model and is used by clients for use cases such as internal stress testing, regulatory exercises, reporting, or core credit management.
- Launched Global Fund Reconciliation for Real Assets Clients: We recently launched the Global Fund Reconciliation tool for asset managers and asset owners with real estate investment allocations, providing them a single view across their entire real asset investment portfolio globally, including at the fund level and for direct underlying assets. This tool will enable clients to better understand portfolio performance, risk drivers, currency hedging and impacts at the asset and fund level and provide an analysis of mark-to-market debt.
- Expanding Real Assets Portfolio Services to Private Infrastructure Investors: As part of our commitment to improve transparency for the real assets industry, we now cover the private infrastructure asset class in our Portfolio Services offering. Portfolio Services is a suite of analytical tools that provides a holistic view of real asset portfolios, strategies and mandates, and it enables users to understand relevant climate risks and opportunities. This expansion follows a consultation with global investors in December 2022.
- During the quarter MSCI was recognized by several awards and recognitions:
 - MSCI won the **Best Index Provider** accolade at the Structured Retail Products (SRP) APAC Awards 2023, in recognition of the growth in structured products linked to MSCI indexes including exposures related to China and ESG and Climate. SRP is the leading provider of intelligence for the global structured product market.
 - MSCI won the "**Best Index Provider-ESG ETFs in Canada**" award at the inaugural ETF Express Canadian Awards in June 2023. ETF Express is one of the oldest publications focused on the global ETF industry.

- MSCI received **four category awards in the 2023 Chartis RiskTech Buyside 50 reports**, including: Customer Satisfaction, Buy-Side Portfolio Construction, ESG – Analytics (2nd consecutive win) and Performance Attribution – Fixed Income. Chartis Research is the leading provider of research and analysis on the global market for risk technology.
- MSCI won Waters Technology’s 2023 **“Best Performance Measurement and Attribution System Provider.”** This win follows the first award MSCI won for its performance attribution capabilities in 2022 and was selected by Waters Technology readers.

Launching Innovative Solutions and Products

- New Product to Help Portfolio Managers Meet Demand for Personalized Separately Managed Accounts (SMA): We launched Quantitative Investment Solutions (QIS), a new set of tools to help portfolio managers customize SMA portfolios efficiently at scale. Using MSCI QIS, managers are better able to balance multiple investment objectives quickly and efficiently. In addition to tax requirements, managers that offer SMAs using QIS can implement a number of customizations, including single-company exclusions, industry exclusions, ESG preferences and style preferences. Through cloud-based technology, QIS links the MSCI tax optimization tool to MSCI’s indexes, ESG ratings, carbon emissions and factor models to allow portfolio managers to implement unique portfolio requests from clients in an efficient manner.
- Launch of the MSCI Economic Regime Allocator Indexes: We launched the MSCI Economic Regime Allocator Indexes, incorporating real-time macro-economic data from QuantCube Technology, an alternative data specialist firm that uses AI to deliver real time macro-economic insights. MSCI Economic Regime Allocator Indexes are thematic indexes that aim to capture the impact of different economic regimes such as variations in CPI inflation and GDP growth. The index reflects the approach that financial markets generally go through different cycles, and during these cycles, different types of assets or stocks tend to perform differently. The methodology allocates different proportions to equities, cash and US treasuries based upon the Economic Regime, which is determined based on a GDP Growth Indicator and an Inflation Indicator, each calculated by QuantCube Technology.

Enhancing Capabilities with Data, Technology and through Partnerships

- MSCI Climate Action Futures Launched on Singapore Exchange (SGX Group): Our exchange partner, SGX Group, recently launched the first global suite of futures tracking MSCI Climate Action Indexes (World, Europe, USA, Japan and Asia Ex-Japan) to provide investors with efficient tools to address their decarbonization objectives. These free-float-adjusted, market-cap-weighted indexes include constituent companies that have been identified to lead their sector peers in terms of four climate indicators – carbon intensity, emission reduction targets, green revenues and strength of climate risk management. The index futures contracts are available for trading ~22 hours a day across Asia, Europe and the U.S. Futures tracking the MSCI India Climate Action Index and the MSCI Emerging Markets Climate Action Index are expected to be launched in the future on SGX.
- Launch of Biotech Advance Indexes, Developed in Collaboration with Royalty Pharma: We recently launched a suite of Biotech Advance Indexes with our partner Royalty Pharma, extending our broader suite of MSCI Life Sciences Indexes. These indexes aim to represent the performance of a set of companies that are associated with research, development and commercialization of

products for treating a broad range of diseases and disorders related to Cancer; infections; blood; neurology; the musculoskeletal system; sensory organs; the immune system; as well as general diseases. They aim to address the needs of asset managers, wealth advisors and broker dealers who plan to use these indexes as the basis of structured products, OTC derivative products and ETFs. Royalty Pharma functions as external thematic experts on Life Sciences indexes, and through this collaboration, we leverage their deep clinical and scientific knowledge built over decades.

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.

About MSCI ESG Research Products and Services

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC are also used in the construction of the MSCI ESG Indexes which are not subject to our SEC registration. MSCI indexes are products of MSCI Inc., and MSCI Limited is the benchmark administrator. MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body.

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, 2022 filed with the Securities and Exchange Commission ("SEC") on February 10, 2023 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.