

## MSCI Inc. Quarterly Update

July 28, 2020

### Continued Progress on Strategic Partnerships

- Extended agreement with Hong Kong Exchanges and Clearing (HKEX): MSCI signed a licensing agreement with HKEX to introduce 37 futures and options contracts linked to MSCI indexes. The agreement further aligns MSCI with a global markets leader in the Asia time zone and enables deeper and more liquid markets for MSCI-linked futures and options.
- Expanded thematic and innovation-focused indexes: In May, MSCI announced the expansion of its megatrend index suite with the launch of five indexes focused on disruptive innovation. The indexes track the performance of companies in dynamic fields, including autonomous technologies, genomics, fintech, and next generation internet. The new thematic indexes will leverage insights based on collaboration with ARK Investment Management LLC, an expert in analyzing disruptive innovation in the public markets and a global investment manager.
- Strategic alliance with Microsoft: MSCI will harness the power of Microsoft Azure's AI capabilities to enhance MSCI's data and analytics services and infrastructure and unlock new innovations that will drive greater solutions for the industry. MSCI intends to migrate its products, data, and services onto Azure in stages, starting with its Index and Analytics solutions, followed by MSCI's ESG products and ratings; MSCI Beon, a risk analytics platform; and MSCI's Real Estate data and solutions.

### Select Product Launches

- Real Estate Climate Value-at-Risk (VaR): [Climate VaR for Real Estate](#) is a new solution that provides forward-looking and return-based valuation assessments to measure climate-related risks for real estate assets in investment portfolios. By calculating both transition risk from changing legislation due to climate action and physical risk from extreme weather impacts, Climate VaR offers a framework for investors to improve portfolio performance, risk management, regulatory reporting and progress towards broader sustainability goals.
- MSCI ESG Fund Ratings and MSCI Index Profile Search Tools: MSCI ESG Research LLC recently made ESG metrics publicly available for 36,000 mutual funds and ETFs on its [MSCI ESG Fund Ratings](#) search tool. MSCI Limited also made public ESG metrics certain indexes, through the [MSCI Index Profile](#) search tool. The launch is part of a wider ESG transparency initiative to provide consistent and comparable ESG metrics at the company, fund and index level. This follows the release of the [MSCI ESG Ratings](#) of over 2,800 issuers in November 2019 and is part of MSCI's ongoing effort to encourage and support investors to integrate ESG considerations throughout their investment processes, as outlined in [MSCI's Principles of Sustainable Investing](#).
- IndexMetrics: In response to growing client demand, MSCI launched [IndexMetrics®](#) as a new service. Investors use IndexMetrics to evaluate, compare and monitor strategies linked to MSCI indexes in a streamlined and cost-effective way through a single integrated report. These reports provide a standard analytical framework that includes key index characteristics plus performance, exposure and investability measures, leveraging MSCI's range of expertise across portfolio construction tools, risk and performance analytics, and ESG research.

- Index Real Time App: MSCI recently launched a mobile app on iOS to put real-time MSCI index levels and relevant data at investors’ fingertips. Built on the cloud, the app includes key information on the composition of MSCI indexes, such as top constituents and country and sector weights and brings greater transparency to financial markets.

**Addressing Client Needs**

- MSCI remains well-positioned to deliver the mission-critical content needed to implement systematic and sustainable strategies efficiently.
- Select recent client wins include:
  - A large global consumer and investment bank selected MSCI for a holistic suite of tools across our Analytics and ESG offerings to support its business in areas such as trading, product structuring, research and prime financing. This client also plans for its wealth management division to leverage MSCI ESG data in its proprietary client portfolio transparency tools.
  - Several asset managers in EMEA recently selected MSCI to provide ESG tools to accelerate their ESG integration strategies.
  - The asset management arm of a large global investment bank licensed history data for our ACWI Investable Market Index (IMI).
  - The asset management arm of a European insurance firm selected MSCI to provide Analytics tools to support its fixed income risk management.

**The Future of Work at MSCI**

- We recently launched the Future of Work at MSCI, an outcome-oriented exploration of the ways MSCI can become even more productive, collaborative, innovative and client-centric, and fundamentally change the way we work in or out of the office.
- Areas of potential opportunity that we are actively exploring include:
  - Facilitating anytime, anywhere on any device capability
  - Incorporating work-from-home as a strategic capability to allow top talent to perform at their very best unencumbered by time and place
  - Redesigning our workplace for collaboration and innovation and high resiliency and reliability for critical operations
  - Recruitment strategies that further enable us to employ the best diverse talent anywhere in the world
  - Ongoing technological enhancements that strengthen our collaborative culture to support cross-selling and a sharpened ability to approach clients as one firm

## About MSCI Inc.

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 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, 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.