

MSCI Sustainable Finance Disclosure Regulation (SFDR) Metrics

MSCI SFDR Disclosure Report provides metrics and data on mandatory and voluntary adverse impact indicators for MSCI using the latest mapping MSCI ESG Research has developed following the release of the draft Regulatory Technical Standards (RTS) in August 2021. We are voluntarily disclosing these metrics for MSCI to promote ESG transparency and to facilitate the data collection efforts by EU financial market participants. As the SFDR regulation and potential guidelines evolve, we will continue to monitor and update our submission.

Table 1: Principal Adverse Sustainability Indicators

Climate and Other Environment-related Indicators

SUSTAINABILITY INDICATORS	METRICS	MSCI'S 2020 DATA	SOURCE	DEFINITION
Greenhouse gas emissions	1. GHG Emissions	Scope 1 Emissions: 230 tCO2e Scope 2 Emissions (Market based): 3,394 tCO2e Scope 3 Emissions: 35235 tCO2e	2021 MSCI CDP Survey Section C6. Emissions data (Scope 1 pg.57 and scope 2 pg. 58). Section C4. Targets and performance (Scope 3 pg. 48).	Scope 1 GHG emissions Scope 2 GHG emissions Scope 3 GHG emissions
	2. Carbon Footprint	2.1E-06 tCO2e/\$revenue	2021 MSCI CDP Survey Section C6.10, Intensity figure (pg.65)	Scope 1 & 2 GHG emissions over revenue (t CO2e/\$ revenue)
	3. GHG Intensity			
	4. Exposure to fossil fuel related activities	MSCI believes that it doesn't face significant risks related to fossil fuel.		Involvement in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	47%	2021 MSCI CDP Survey Section C8.2a (pg. 80)	Share of non-renewable energy consumption compared to total energy consumption
	6. Energy consumption intensity (Mwh/\$ revenue)	1.3E-05 (Mwh/\$ revenue)	2021 MSCI CDP Survey Section C8.2a (pg. 80) / Section 6.10 (pg.66)	Energy consumption in Mwh per USD of revenue
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	MSCI believes it doesn't face significant risks relating to biodiversity and ecosystem preservation.		Activities and operations located in or near to biodiversity sensitive areas
Water	8. Emissions to water	MSCI believes it doesn't face significant risks related to water emissions.		Tonnes of emissions to water generated
Waste	9. Hazardous waste	MSCI believes it doesn't face significant risks related to hazardous waste.		Tonnes of hazardous waste generated

Table 1: Principal Adverse Sustainability Indicators (Continued)

SUSTAINABILITY INDICATORS	METRICS	MSCI'S 2020 DATA	SOURCE	DEFINITION
Social and employee matters	10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	MSCI did not report any material legal proceedings in its most recently filed annual report on Form 10-K.	United States Securities and Exchange Commission Form 10-K	Number of violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	MSCI has processes in place to ensure compliance with its Global Human Rights Policy.	MSCI Global Human Rights Policy	Lack of policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	Not calculated		Unadjusted gender pay gap
	13. Board gender diversity	30% female director	MSCI Proxy Statement	Average ratio of female to male board members
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	MSCI believes it doesn't face significant risks related to controversial weapons.		Involvement in the manufacture of controversial weapons

Table 2: Additional Climate and Other Environment-related Indicators

SUSTAINABILITY INDICATORS	METRICS	MSCI'S 2020 DATA	SOURCE	DEFINITION
Emissions	1. Emissions of inorganic pollutants	MSCI believes it doesn't face significant risks linked to inorganic pollutants.		Tonnes of inorganic pollutants
	2. Emissions of air pollutants	MSCI believes it doesn't face significant risks linked to air pollutants.		Tonnes of air pollutants equivalent
	3. Emissions of ozone depletion substances	MSCI believes it doesn't face significant risks linked to ozone depletion substances.		Tonnes of ozone depletion substances equivalent
	4. Lack of carbon emission reduction initiatives aligned with the Paris Agreement	MSCI is committed to the goal of net-zero emissions before 2040 throughout its operations. Carbon reduction targets of the company's Scope 1 and 2 emissions by 50%, and Scope 3 emissions by 20% by 2035 with 2019 as the baseline year.	MSCI Corporate Responsibility: Operate Sustainably	Lack of carbon emission reduction initiatives aimed at aligning with the Paris Agreement
Energy performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	Fuel: 1185 MWh Purchased Electricity: 6615 MWh Purchased Heat: 35 MWh Purchased Steam: 18 MWh Purchased Cooling: 2311 MWh Total: 10165 MWh	2021 MSCI CDP Survey Section C8.2a (pg. 79-80)	Energy consumption from non-renewable sources broken down by each non-renewable energy source
Water, waste and material	6. Water usage and recycling	Not calculated		Average amount of water consumed and reclaimed (in cubic meters) Average percentage of water recycled and reused
	7. Lack of water management initiatives	MSCI believes it doesn't face significant risks related to water.		Lack of water management policies
	8. Exposure to areas of high-water stress	MSCI believes it doesn't face significant exposure to high water stress areas.		Sites located in areas of high-water stress without a water management policy

Table 2: Additional Climate and Other Environment-related Indicators (Continued)

SUSTAINABILITY INDICATORS	METRICS	MSCI'S 2020 DATA	SOURCE	DEFINITION
Water, waste and material	9. Production of chemicals	MSCI believes it doesn't face significant exposure to chemicals.		Company's activities fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006
	10. Land degradation, desertification, soil sealing	MSCI believes it doesn't face significant risks linked to land degradation, desertification, soil sealing.		Company's activities cause and degradation, desertification, or soil sealing
	11. Lack of sustainable land/agricultural practices	MSCI believes it doesn't face significant risks linked to land/ forestry/agricultural practices.		Lack of sustainable land/ agriculture practices or policies
	12. Lack of sustainable oceans/seas practices	MSCI believes it doesn't face significant risks linked to sustainable oceans/seas practices.		Lack of sustainable oceans/seas practices or policies
	13. Non-recycled waste	Not calculated		Tonnes of non-recycled waste generated
	14. Operations affecting natural species and protected areas	MSCI believes it doesn't face significant risks relating to natural species and protected areas.		1. Company's operations affect threatened species Lack of biodiversity protection covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas
	15. Deforestation	MSCI believes it doesn't face significant risks relating to deforestation.		Lack of policy to address deforestation

Table 3: Additional Indicators for Social and Employee, Respect for Human Rights, Anti-corruption, and Anti-bribery Matters

SUSTAINABILITY INDICATORS	METRICS	MSCI'S 2020 DATA	SOURCE	DEFINITION
Social and employee matters	1. Lack of a workplace accident prevention policy	No	MSCI Social Responsibility: Ensuring Benefits Wellness and Safety	Lack of a workplace accident prevention policy
	2. Rate of accidents	In 2020, there were no workplace employee fatalities at any of our office locations.	MSCI Social Responsibility: Ensuring Benefits Wellness and Safety	Rate of accidents
	3. Number of days lost for injuries, accidents, fatalities, illness	Not calculated		Number of workdays lost to injuries, accidents, fatalities or illness
	4. Lack of a supplier code of conduct	No	MSCI Supplier Code of Conduct	Lack of any supplier code of conduct (against unsafe working conditions, precarious work, child labor and forced labor)
	5. Lack of grievance/complaints handling mechanism related to employee matters	No	MSCI Social Responsibility: Ensuring Benefits Wellness and Safety	Lack of grievance/complaints handling mechanism related to employee matters
	6. Lack of Whistleblower protection	No	MSCI Corporate Responsibility: Act with Integrity	Lack of policies on the protection of whistleblowers
	7. Incidents of discrimination	MSCI did not report any material legal proceedings in its most recently filed annual report on Form 10-K.	United States Securities and Exchange Commission Form 10-K	1. Number of incidents of discrimination 2. Number of incidents of discrimination leading to sanctions
	8. Excessive CEO pay ratio	163 to 1	MSCI Proxy Statement	Average ratio of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees
Human rights	9. Lack of a Human rights policy	No	MSCI Global Human Rights Policy	Lack of a human rights policy
	10. Lack of due diligence on Human Rights	No	MSCI Global Human Rights Policy	Lack of a due diligence process to identify, prevent, mitigate and address adverse human rights impacts
	11. Lack of processes and measures for preventing trafficking in human beings	No	MSCI Global Human Rights Policy	Lack of policies against trafficking in human being

Table 3: Additional Indicators for Social and Employee, Respect for Human Rights, Anti-corruption and Anti-bribery Matters (Continued)

SUSTAINABILITY INDICATORS	METRICS	MSCI'S 2020 DATA	SOURCE	DEFINITION
Human rights	12. Operations and suppliers at significant risk of incidents of child labor	MSCI believes it doesn't face significant risks of child labor. MSCI expects its suppliers to act in accordance with the guiding Principles of the MSCI Human Rights Policy.	MSCI Supplier Code of Conduct MSCI Global Human Rights Policy	Company's operations and suppliers exposed to significant risk of incidents of child labor
	13. Operations and suppliers at significant risk of incidents of forced or compulsory labor	MSCI believes it doesn't face significant risks of forced labor. MSCI expects its suppliers to act in accordance with the guiding principles of the MSCI Human Rights Policy.	MSCI Supplier Code of Conduct MSCI Global Human Rights Policy	Company's operations and suppliers exposed to at significant risk of incidents of forced or compulsory labor in terms in terms of geographic areas and/or the type of operation
	14. Number and nature of identified cases of severe human rights issues and incidents	MSCI is not aware of identified cases of severe human rights issues associated with its operations.		Number of cases of severe human rights issues and incidents
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	No	MSCI Corporate Responsibility: Act with Integrity	Lack of policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption
	16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	MSCI did not report any material legal proceedings in its most recently filed annual report on Form 10-K.	United States Securities and Exchange Commission Form 10-K	Cases of identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery
	17. Number of convictions and level of fines for violation of anti-corruption and anti-bribery laws	MSCI did not report any material legal proceedings in its most recently filed annual report on Form 10-K.	United States Securities and Exchange Commission Form 10-K	Numbers of convictions and level of fines for violations of anti-corruption and anti-bribery laws

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.

To learn more, please visit www.msci.com.

The information contained herein (the "Information") may not be reproduced or disseminated in whole or in part without prior written permission from MSCI. The Information may not be used to verify or correct other data, to create indexes, risk models, or analytics, or in connection with issuing, offering, sponsoring, managing or marketing any securities, portfolios, financial products or other investment vehicles. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information or MSCI index or other product or service constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy. Further, none of the Information or any MSCI index is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF MSCI INC. OR ANY OF ITS SUBSIDIARIES OR ITS OR THEIR DIRECT OR INDIRECT SUPPLIERS OR ANY THIRD PARTY INVOLVED IN THE MAKING OR COMPILING OF THE INFORMATION (EACH, AN "MSCI PARTY") MAKES ANY WARRANTIES OR REPRESENTATIONS AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH MSCI PARTY HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING ANY OF THE FOREGOING AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY REGARDING ANY OF THE INFORMATION FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL (INCLUDING LOST PROFITS) OR ANY OTHER DAMAGES EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

©2021 MSCI Inc. All rights reserved | CFS0321