

# MSCI ENVIRONMENTAL POLICY

**Companies around the world have a fundamental responsibility to reduce their impact on the planet and join the journey to a decarbonized and sustainable economy.** MSCI is committed to achieving ever higher levels of corporate environmental stewardship. Our commitment reflects our obligation to be good stewards of the capital that shareholders entrust to our company. Building a sustainable future entails a dual role for MSCI. On the one hand, we provide our clients with cutting-edge tools and products to help them assess the impact of climate change and other environmental, social and governance issues on their investment portfolios; on the other, we hold ourselves to the same high standards that we use to assess the risk profiles of the companies in those investment portfolios.



Our Environmental Policy (“Policy”) outlines the environmental commitments that guide our company’s strategic, product and operational business decisions. It also underscores our commitment to limiting our environmental impact throughout our operations over time and encourages our stakeholders – our clients, shareholders, employees, suppliers and local communities – to do the same. Our policy will be revisited as conditions and needs change, ensuring we continue to achieve higher levels of corporate environmental stewardship.

MSCI remains committed to reducing our impact on the environment in the following ways:



#### Reducing the environmental impact of direct operations

We are committed to the goal of net-zero carbon emissions before 2040. To achieve this, MSCI will remove as much carbon dioxide from the atmosphere as we put in so that, in total, our carbon footprint is net-zero.

Throughout MSCI’s global operations, we will prioritize reducing emissions. We will also accelerate carbon-reduction initiatives on the most material and controllable emissions, such as electricity consumption, business travel and employee commuting. We will also favor green-certified buildings for MSCI offices, promote a flexible working environment for employees, and encourage virtual meetings and low-carbon options for business travel.



#### Engage suppliers

We will tackle climate change and other sustainability challenges in our supply chain and prioritize engagement with our major and most significant suppliers to achieve shared net-zero goals. We will prioritize partnerships with product and data suppliers and professional services firms which procure products with lower environmental impacts and that have responsible waste and water management programs as well as protect biodiversity. Our expectations are spelled out clearly in our Supplier Code of Conduct, available at <https://www.msci.com/supplier-code-of-conduct>



#### Engage employees

As citizens of countries around the world, MSCI encourages its employees to take an active role in tackling climate change and broader sustainability challenges. We host events, including collaborating with our employee-sponsored Climate Action Networks, to educate employees on the history of climate change, evolving environmental trends, and how MSCI is demonstrating leadership in helping clients solve the investment challenges associated with sustainability issues. Through our day-to-day operations we implement initiatives to reduce our impact on the environment and are empowering our employees to adopt environmentally friendly practices.



#### Water, waste and biodiversity

MSCI is committed to protecting biodiversity and the rights of local communities. We emphasize the principles of a circular economy. Our processes are intended to conserve materials and natural resources, reducing waste across our global operations, while navigating various geographic constraints to procuring, reusing, reducing, recycling, and composting. We are also committed to responsible water management – we strive to use water in a responsible way and prevent any pollution to water. We are committed to maintaining policies that empower our staff to procure renewable, reusable and recyclable products.



#### Environmental solutions for investors

At MSCI, we are committed to providing the necessary research, tools and solutions to help all market participants accelerate this economic transformation to a more sustainable economy. In addition to climate indexes and other climate-related data, MSCI will provide advanced analytical tools to help companies better measure their transition and physical risks in order to better align with a net-zero trajectory and thus better integrate environmental risks and opportunities into their investment processes and strategies.



#### Targets and metrics

In December 2020, we announced our pledge to reduce by 2035 the company’s Scope 1 and 2 emissions by 50% and Scope 3 emissions by 20%. With the commitment to transition to net-zero prior to 2040, MSCI will review and publish revised interim

targets as well as report progress using standardized metrics and initiatives, such as those developed by the Taskforce on Climate-related Financial Disclosures (TCFD). We will also supplement our environmental strategy as best practices and technological developments emerge.



#### Governance

We are committed to having good management and governance structures in place that underscore the importance of environmental, social and governance (ESG) as well as climate-related issues to our company. Our management team has day-to-day responsibility for identifying, assessing and managing ESG and climate-related risks and opportunities, while the MSCI Board of Directors ultimately oversees management’s execution of these responsibilities.

Our Governance and Corporate Responsibility Committee (“Governance Committee”) is responsible for overseeing environmental (including climate), social and governance matters as they relate to MSCI’s business and long-term strategy. The Chief Responsibility Officer provides quarterly updates and reports at least semi-annually to the Governance Committee. The quarterly updates are made available to the full Board. They include progress on the execution of the Corporate Responsibility Committee’s operating plan. This provides a framework for executing on high-impact areas for improvement, including MSCI’s practices and disclosures, and for developing and implementing short- and long-term plans to address key priorities, commitments and reporting.

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*MSCI evaluates evolving environmental considerations in alignment with its business decisions. We are committed to continually assessing and reporting how our Policy is being implemented throughout our organization and iterate on established principles when necessary.*

*Updated August 2021*