

MSCI Quantitative Investment Solutions

Enabling customization at scale



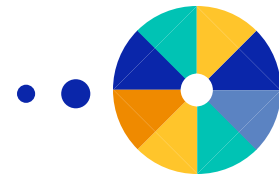
Investors increasingly demand **greater customization** from their investment advisors

With acceleration of digital transformation in financial services, investors are demanding portfolios customized for their individual requirements. As a result, advisors and their portfolio managers are expected to reflect these requirements and tailor portfolios to investors' unique investment objectives and financial goals, whether for outcomes customized to tax objectives or implementation of preferences related to stock/sector concentrations, personal preferences (e.g., ESG), themes or factors.

With increasing demand for customization, it has become more challenging, and time consuming for portfolio managers to construct and implement customized separately managed account (SMA) portfolio efficiently and at scale.



Deliver more scalable customization rapidly moving from idea to portfolio



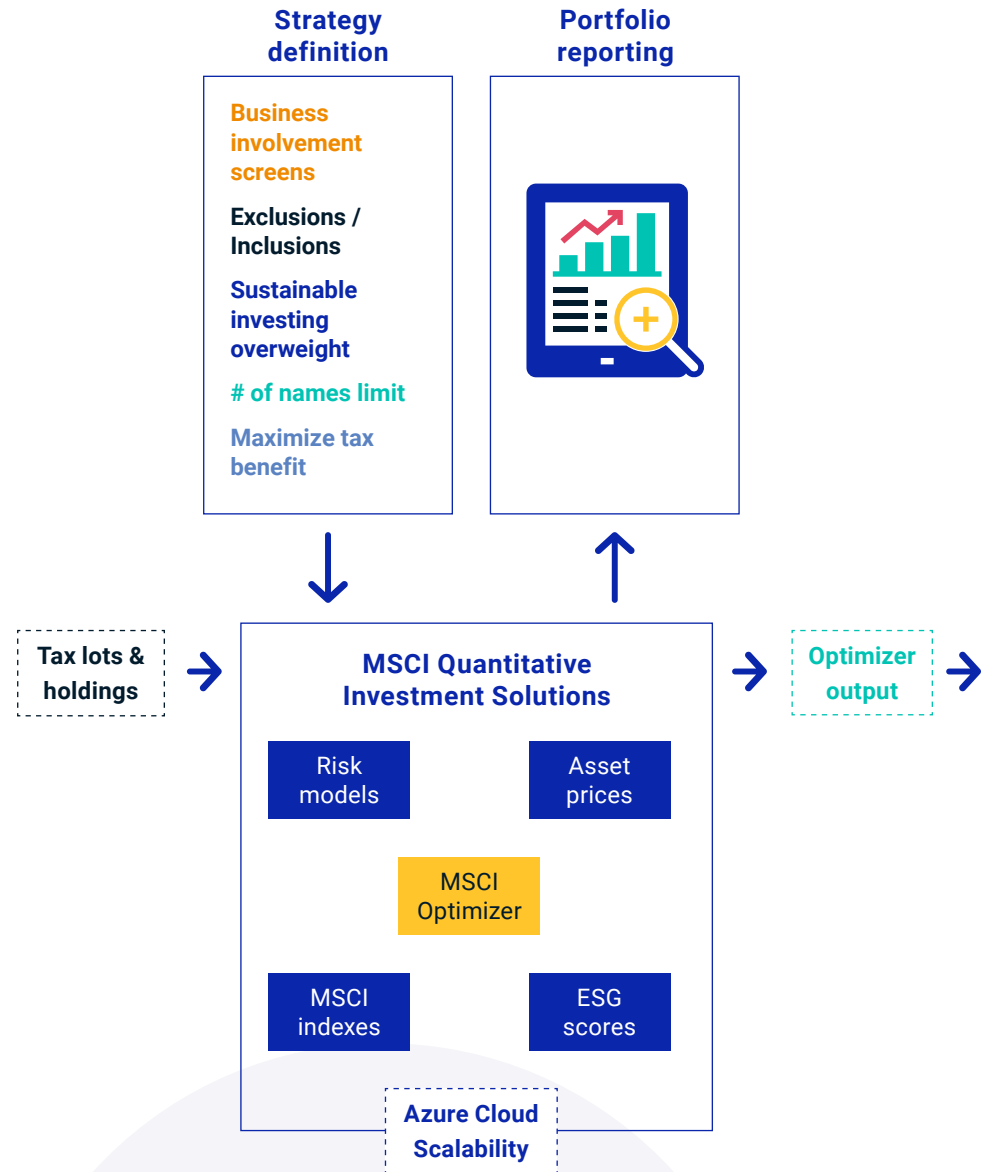
MSCI Quantitative Investment Solutions (QIS) offers hosted, scalable, and easy-to-integrate optimization toolkit that portfolio managers can use to help efficiently and effectively construct tax-optimized and customized portfolios in line with their clients' requirements. QIS enables them to leverage the toolkit of standard indexes, optimization tools, risk models and reporting formats to help implement unique portfolio requests and needs at a fraction of the cost and complexity of traditional solutions.

Portfolio managers can use MSCI's tax strategy templates to help them select, personalize, and apply a variety of constraints, preferences and objectives that reflect their clients' tax and exposure considerations. They also gain seamless access to select data which they subscribe to, across Factor, ESG, Climate, Index, Real Assets, Thematic and Model data that can be used to pursue broad market exposure and themes reflecting investor needs.

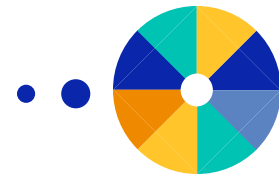
Portfolio managers can use the Application Programming Interface (API) access to help them rapidly onboard the solution in lieu of potentially lengthy development timelines to integrate optimization into the portfolio management workflow. The solution's ease-of-use and quick optimization capabilities can help portfolio managers implement thousands of separately managed accounts (SMAs) in parallel and at a reduced implementation time.

With QIS, portfolio managers can manage tax implications for diverse scenarios such as Tax Advantaged Model Tracking, Tax Neutral or Max Loss Harvesting as well as include personalized preferences such as stock or industry inclusions or exclusion, carbon emission reduction.

Portfolio managers can use MSCI's infrastructure to help them seamlessly integrate an optimization engine into the portfolio management workflow for greater transparency and control, while providing the power to scale thousands of portfolios daily.



Customize and cost-effectively manage **thousands of accounts daily**



Seamless data access

Leverage pre-integrated data and capabilities in the API:

- » MSCI Indexes (with history)
- » MSCI risk models
- » ESG data and screens
- » Carbon and climate data
- » Factors Content: Crowding, FactorLab



Standard templates

Apply standard templates or build your own for specific use cases:

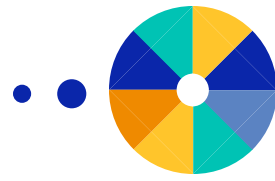
- » Tax Advantaged Model Tracking
- » Tax Neutral
- » Gain Realization
- » Gain Budgeting
- » Max Loss Harvesting
- » Non-Taxable
- » Blank Tax template

Predictable cost

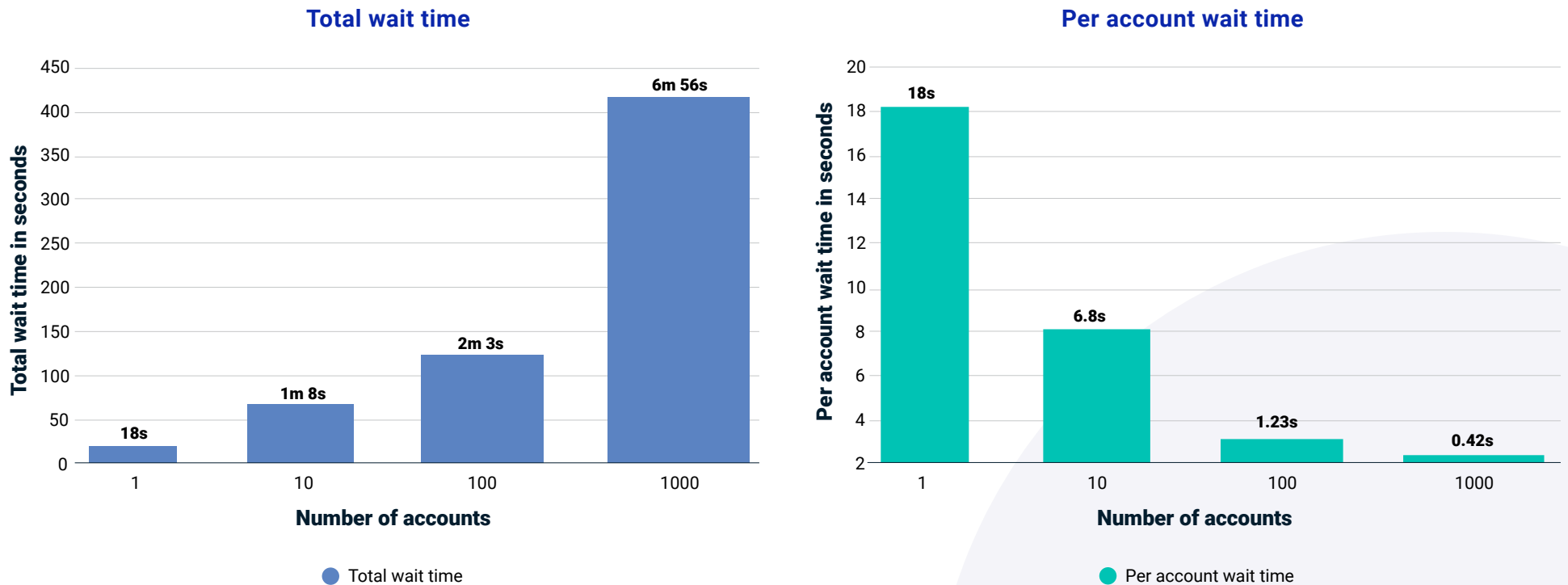
Drive cost control through usage-based pricing. Pay for the content you need and for usage of the service, aligning our solutions with the value received



Gain scalability to help you optimize thousands of accounts in minutes



MSCI QIS enables portfolio managers to quickly scale from a single account to hundreds or even thousands of accounts. As shown below, an exponential increase in the number of accounts has resulted in just a minimal increase in the total wait time and significant decrease in the wait time per account.



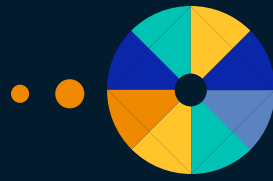
Typical time taken to run an optimization job using the Tax Advantaged Model Tracking Template, for tax lots simulated from MSCI USA, as of 13-Nov-2022

Grow your business by managing customized portfolios at scale

Portfolio managers can spend less time with the mechanics of implementation by using MSCI's solution and more time enhancing the client experience and business growth. Portfolio managers can use MSCI's solution to help them:

- » Add value by delivering personalized portfolio management at speed, with lower cost and reduced complexity
- » Generate portfolios based on client-specific tax circumstances and objectives
- » Provide after-tax investment outcomes aligned with client-specific values and objectives
- » Meet high-volume business needs with cloud technology for scalability
- » Enhance control and transparency for their clients with powerful reporting and communication
- » Retain and win businesses by delivering customized, tax efficient portfolios at scale

Why MSCI



MSCI has been at the forefront of innovation, offering decision-support tools along with rigorous research, transparent methods, and a global perspective to help our clients solve myriad investment challenges.

- » **Expertise:** MSCI has over 25 years of optimization expertise
- » **Cross-solution integration:** Our solution can incorporate MSCI's leading indexes, best-in-class models, and ESG and Climate capabilities
- » **Cloud-scalable:** Backed by partnerships with Microsoft and Google, our solution leverages the power of the cloud for scalability
- » **Cross-industry, technology, and domain know-how:** Decades of experience in data, research and technology have enabled our subject-matter experts to deliver strategic solutions, in accordance with client requirements
- » **Modular:** The solution is modular with its components capable of being implemented separately or in combination, as mapped by clients to their business requirements
- » **Flexible:** Clients can implement as a standalone solution, on top of the existing solutions, or integrated with other offerings from MSCI



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.

The process for submitting a formal index complaint can be found on the index regulation page of MSCI's website at: <https://www.msci.com/index-regulation>.

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