

Cboe Global Markets and MSCI Inc. Expand Relationship, Extend Licensing Agreement Through 2031

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- Cboe, MSCI to collaborate on strategic initiatives and drive future innovation in the capital markets
- Enables Cboe to offer options trading on expanded suite of MSCI global indices in the U.S.
- Expanded relationship creates framework for collaboration on new products, services and solutions

CHICAGO, Oct. 21, 2021 /PRNewswire/ -- Cboe Global Markets, Inc. (Cboe: CBOE), a leading provider of global market infrastructure and tradable products, and MSCI Inc., a leading provider of critical decision support tools and services for the global investment community, today announced they have signed a licensing agreement that extends and broadens their strategic relationship.

The agreement builds on many years of successful collaboration between the two companies and extends Cboe's rights to offer options trading on MSCI global indices through 2031. Significantly, the agreement also expands Cboe's and MSCI's relationship, creating opportunities for the companies to work together to pursue other strategic initiatives across capital markets, and combine their complementary strengths and visions to help drive future innovation for market participants globally.

"We have valued our strong partnership with MSCI for many years and are pleased to expand our relationship through this strategic agreement," said Ed Tilly, Chairman, President and Chief Executive Officer of Cboe Global Markets. "Cboe and MSCI share a common vision to help market participants protect capital, transfer risk and generate wealth to create a sustainable financial future. Our expanded relationship with MSCI opens up a world of opportunities for new products, services and solutions, and we look forward to working together to further serve the global investment community."

The two companies have collaborated successfully to offer options trading on MSCI global indices for many years. Under the agreement, initially signed in 2014, Cboe will continue to have the rights in the U.S. to develop and list index options on the following six MSCI indices: the MSCI EAFE Index (MXEA), MSCI Emerging Markets Index (MXEF), MSCI All Country World Index, MSCI USA Index, MSCI World Index and the MSCI ACWI ex-USA Index.

In addition, the agreement enables Cboe to offer index options, subject to regulatory approval, on four additional MSCI ESG indices: the MSCI Emerging Markets ESG Leaders Index, MSCI EAFE ESG Leaders Index, MSCI USA ESG Leaders Index and the MSCI World ESG Leaders Index.

"This agreement represents a huge innovation for the derivative market," said Henry Fernandez, Chairman and Chief Executive Officer of MSCI. "It will increase access to products our clients need while helping us build a stronger financial system. It also lays the groundwork for additional collaboration between MSCI and Cboe in the years ahead. We are excited to continue growing our strategic relationship."

Cboe is currently the only U.S. exchange that offers options trading on MSCI indices. In this newly strengthened relationship, Cboe and MSCI plan to leverage their combined capabilities to further grow the MSCI-Index options product suite and help drive greater volume and liquidity through enhanced education, content and services for customers. Further, the companies plan to explore opportunities beyond traditional equity derivatives products to help market participants navigate the "next generation of risk" resulting from structural shifts in markets and society.

In addition to index options, Cboe offers a series of BuyWrite and PutWrite strategy benchmark indices based on the MSCI EAFE Index and MSCI Emerging Markets Index. As part of its continued relationship with MSCI, Cboe also expects to develop additional strategy benchmark and volatility indices over time for both indices.

Options trading on the MSCI EAFE Index and MSCI Emerging Markets Index – the world's pre-eminent benchmarks for measuring international and emerging market equity performance, respectively – offer investors the opportunity to better manage global equity exposure, help mitigate portfolio risk and potentially generate additional options premium income. Trading in options on other MSCI indices offers opportunities to hedge a variety of different exposures, as well. For additional information on Cboe's MSCI-Index options and related offerings, visit www.cboe.com/MSCI.

About Cboe Global Markets, Inc.

Cboe Global Markets (Cboe: CBOE), a leading provider of market infrastructure and tradable products, delivers cutting-edge trading, clearing and investment solutions to market participants around the world. The company is committed to operating a trusted, inclusive global marketplace, providing leading products, technology and data solutions that enable participants to define a sustainable financial future. Cboe provides trading solutions and products in multiple asset classes, including equities, derivatives and FX, across North America, Europe and Asia Pacific. To learn more, visit www.cboe.com.

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.

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Cautionary Statements Regarding Forward-Looking Information

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. You can identify these statements by forward-looking words such as "may," "might," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential" or "continue," and the negative of these terms and other comparable terminology. All statements that reflect our expectations, assumptions or projections about the future other than statements of historical fact are forward-looking statements. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed or implied by the forward-looking statements.

We operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible to predict all risks and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Some factors that could cause actual results to differ include: the impact of the novel coronavirus ("COVID-19") pandemic, including changes to trading behavior broadly in the market; the loss of our right to exclusively list and trade certain index options and futures products; economic, political and market conditions; compliance with legal and regulatory obligations; price competition and consolidation in our industry; decreases in trading or clearing volumes, market data fees or a shift in the mix of products traded on our exchanges; legislative or regulatory changes; our ability to protect our systems and communication networks from security risks, cybersecurity risks, insider threats and unauthorized disclosure of confidential information; increasing competition by foreign and domestic entities; our dependence on and exposure to risk from third parties; fluctuations to currency exchange rates; our index providers' ability to maintain the quality and integrity of their indices and to perform under our agreements; our ability to operate our business without violating the intellectual property rights of others and the costs associated with protecting our intellectual property rights; our ability to attract and retain skilled management and other personnel; our ability to minimize the risks, including our credit and default risks, associated with operating a European clearinghouse; our ability to accommodate trading and clearing volume and transaction traffic, including significant increases, without failure or degradation of performance of our systems; misconduct by those who use our markets or our products or for whom we clear transactions; challenges to our use of open source software code; our ability to meet our compliance obligations, including managing potential conflicts between our regulatory responsibilities and our for-profit status; our ability to maintain BIDS Trading as an independently managed and operated trading venue, separate from and not integrated with our registered national securities exchanges; damage to our reputation; the ability of our compliance and risk management methods to effectively monitor and manage our risks; our ability to manage our growth and strategic acquisitions or alliances effectively; restrictions imposed by our debt obligations and our ability to make payments on or refinance our debt obligations; our ability to maintain an investment grade credit rating; impairment of our goodwill, long-lived assets, investments or intangible assets; and the accuracy of our estimates and expectations. More detailed information about factors that may affect our actual results to differ may be found in our filings with the SEC, including in our Annual Report on Form 10-K for the year ended December 31, 2020 and other filings made from time to time with the SEC.

We do not undertake, and we expressly disclaim, any duty to update any forward-looking statement whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

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