

Morningstar 2021 Shareholders' Meeting

Welcome

Joe Mansueto
Executive Chairman

Today's presentations contain forward-looking statements. All statements made that are not historical facts are subject to a number of risks and uncertainties, and actual results may differ materially. Please refer to our most recent earnings release and our most recent Form 10-Q or 10-K for more information on the factors that could cause actual results to differ.

Today's presentations also contain non-GAAP financial measures. Please refer to the slides at the end of the presentations for a reconciliation to the applicable GAAP measures.

Business of Annual Meeting

Management Presentations

Questions & Answers

Virtual Meeting Access Instructions

Broadridge Platform:

www.virtualshareholdermeeting.com/MORN2021

- ▶ Allows shareholders to vote during the meeting, submit written questions, and view and listen to the live webcast
- ▶ Enter the 16-digit control number found next to the label “Control Number” on your Notice of Internet Availability, proxy card, or voting instruction form, or in the email sending you the proxy statement
- ▶ For technical support please call 1-844-986-0822 (toll free) or 303-562-9302 (international)

Zoom Platform: <https://cvent.me/NxnKkW>

- ▶ Allows any participant to submit questions via a webcam or in writing, and view and listen to the live webcast
- ▶ Register to receive a link to the webinar and information regarding technical support

MORNINGSTAR
MORNINGSTAR, INC.
22 WEST WASHINGTON STREET
CHICAGO, IL 60602

Investor Address Line 1
Investor Address Line 2
Investor Address Line 3
Investor Address Line 4
Investor Address Line 5
John Sample
1234 ANYWHERE STREET
ANY CITY, ON A1A 1A1

VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information. Vote by 11:59 P.M. ET on 05/13/2021. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to www.virtualshareholdermeeting.com/MORN2021
You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions. Vote by 11:59 P.M. ET on 05/13/2021. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

CONTROL # → 0000000000000000

NAME	SHARES
THE COMPANY NAME INC. - COMMON	123,456,789,012.12345
THE COMPANY NAME INC. - CLASS A	123,456,789,012.12345
THE COMPANY NAME INC. - CLASS B	123,456,789,012.12345

Proposal 1

Election of Directors



Robin Diamonte



Cheryl Francis



Steve Joynt



Steve Kaplan



Kunal Kapoor



Gail Landis



Bill Lyons



Joe Mansueto



Doniel Sutton



Caroline Tsay

Proposal 2

Approval of the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan

- ▷ We are asking shareholders to approve the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan, which amends and restates the Morningstar, Inc. 2011 Stock Incentive Plan, including to extend the term of the 2011 Plan and to increase the number of shares available for issuance under the plan and pursuant to unrestricted stock awards.
- ▷ Our Board believes that continuation of our long-term equity incentive compensation program beyond the expiration of the 2011 Plan is necessary because it enables us to attract, retain and motivate employees, directors and other qualified personnel, as well as to align their interests with those of our shareholders.

Proposal 3

Advisory Vote to Approve Executive Compensation



Bevin Desmond

Jason Dubinsky

Daniel Dunn

Kunal Kapoor

Joe Mansueto

Proposal 4

Ratification of the Appointment of Independent Registered Public Accounting Firm



Voting Instructions

Management Proposals

- ▷ Use the 'vote here' button on the lower right portion of the screen to vote your shares
- ▷ If you already sent in your proxy card or voted by Internet, your shares have been voted accordingly

Shareholder Proposal

- ▷ Use the 'other business' text box in the lower left portion of your screen and type for, against or abstain before clicking submit
- ▷ Your vote on the shareholder proposal will not impact your vote on the management proposals
- ▷ Additional information from Morningstar and Sustainalytics regarding this topic is available here:
<https://www.morningstar.com/company/esg-research-integrity>

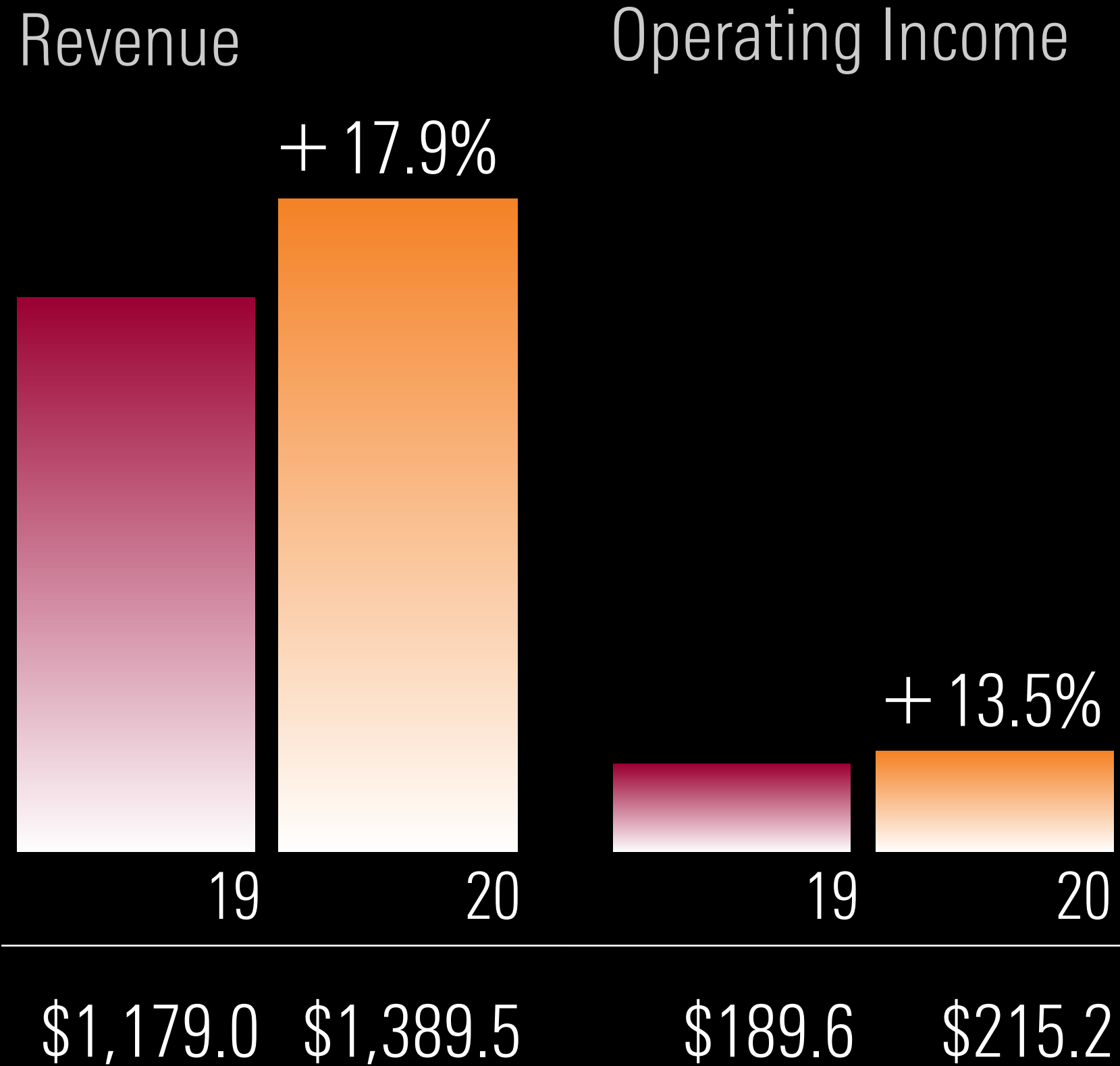
Thank You!

Empowering Investor Success: Meeting the Moment to Shape the Future

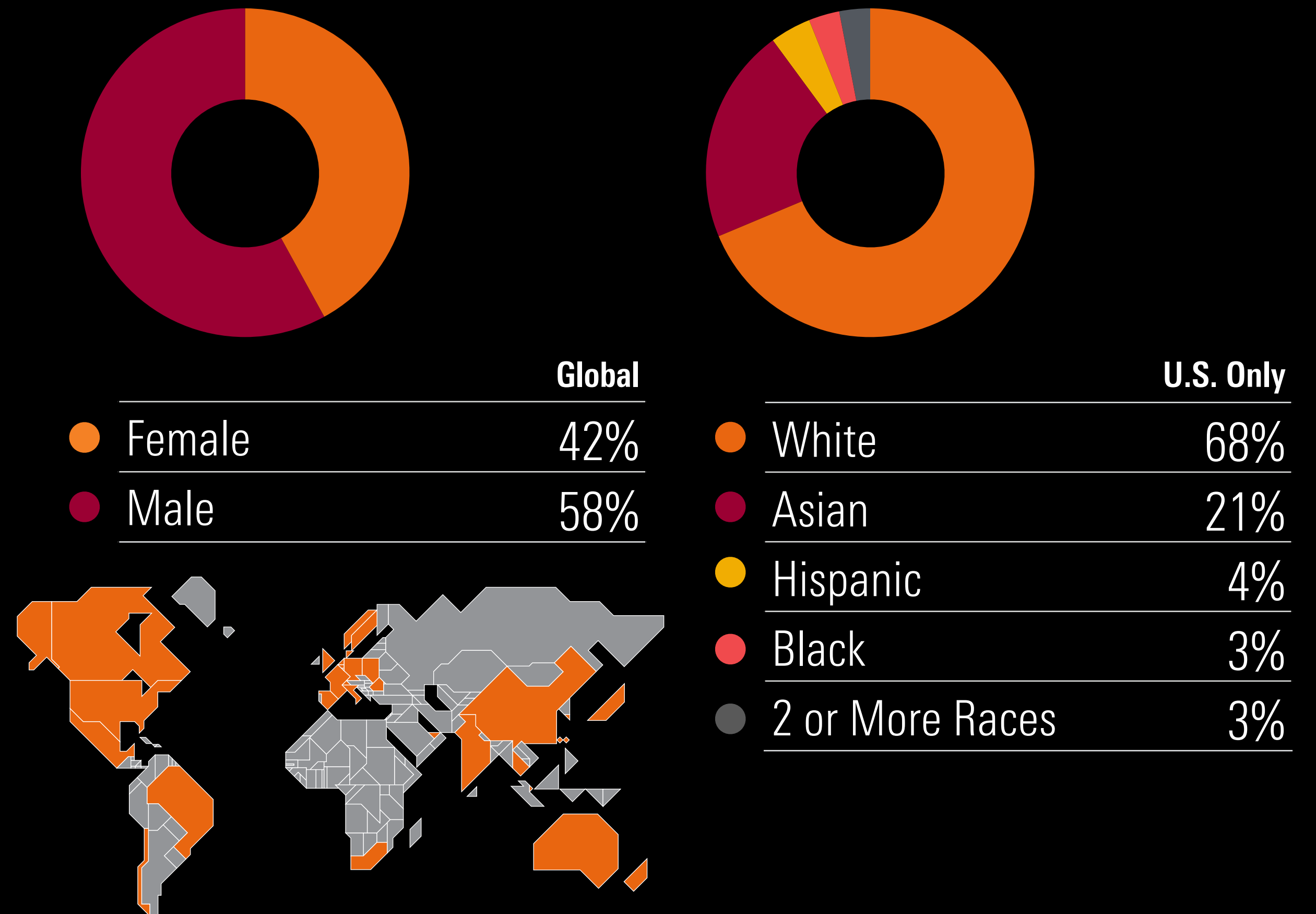
Kunal Kapoor
Chief Executive Officer

Our mission to empower investor success propels us
to simultaneously meet the moment and shape the future.

Morningstar Today

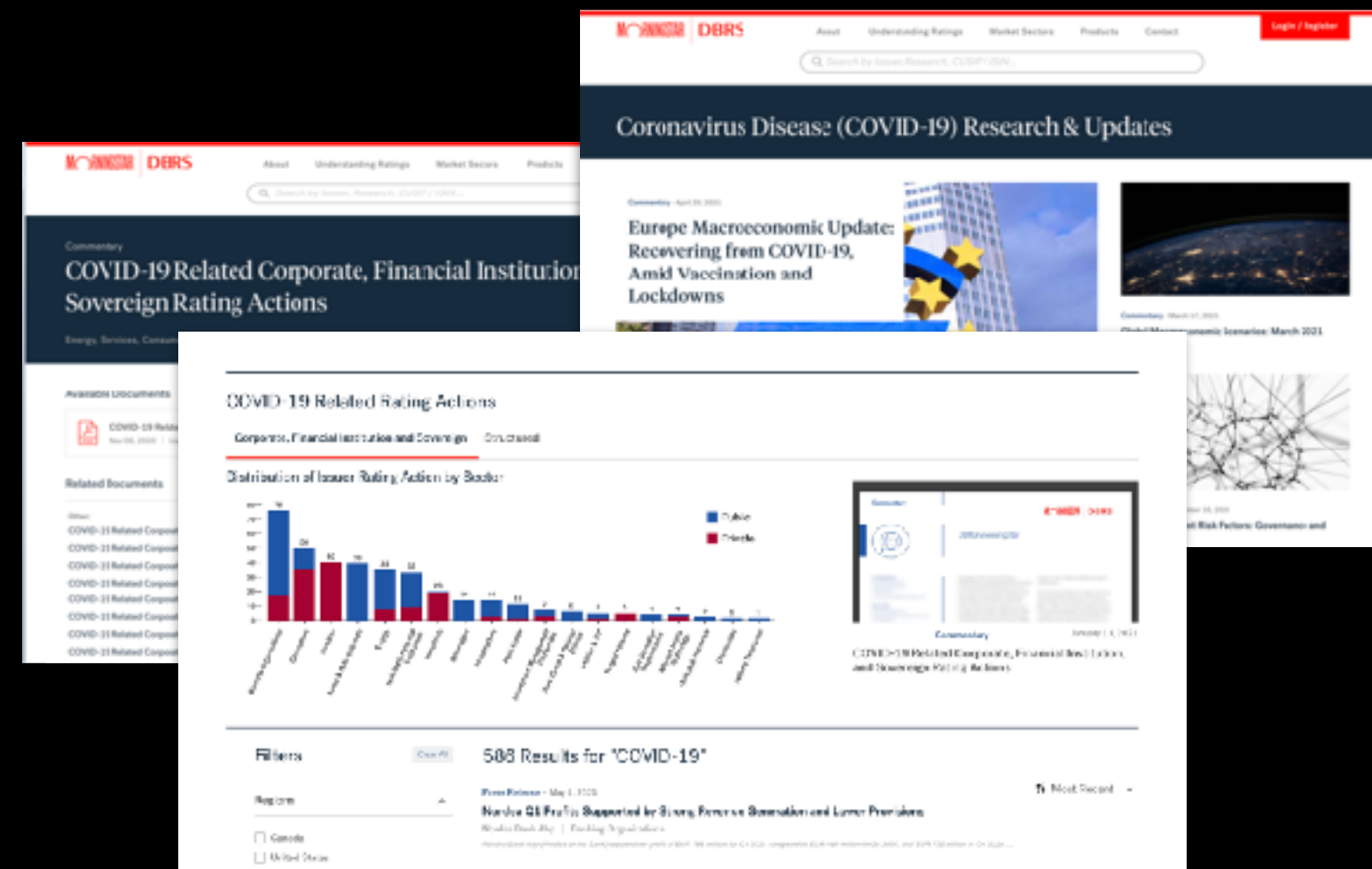


7,979 Employees

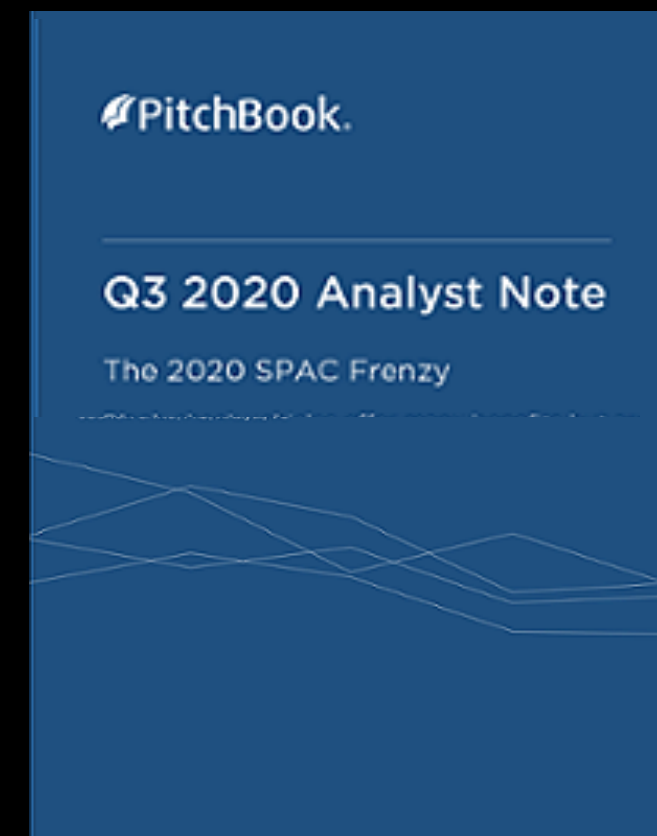


Data as of Dec. 31, 2020. Gender data is calculated based upon permanent, full-time employees globally. Morningstar currently only collects racial identity data voluntarily for United States employees. About 1% of those surveyed elected not to answer.

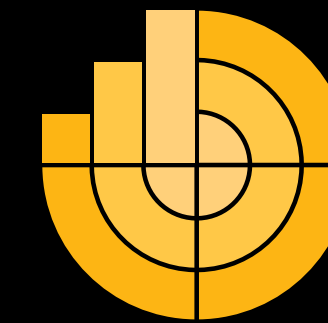
Meeting the Moment: We Empowered Investors Through the Events of 2020



DBRS Covid-Related Credit Events



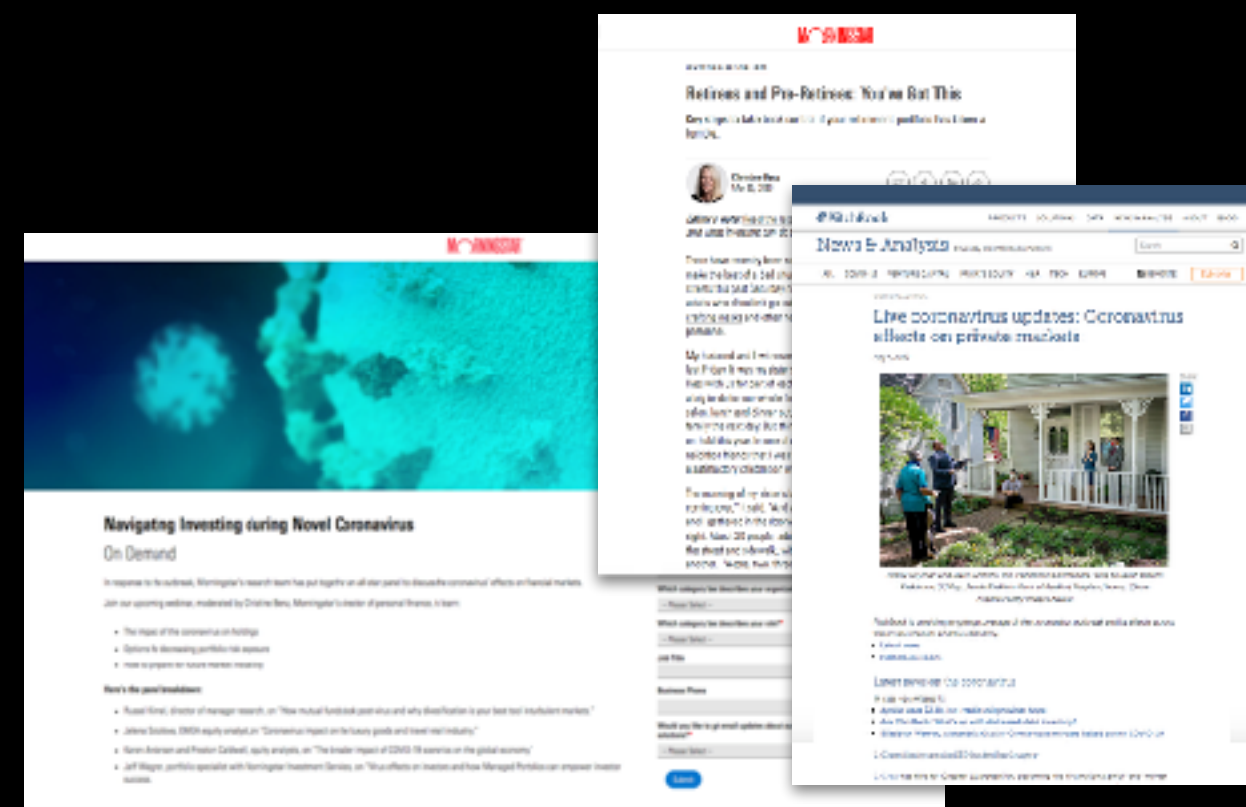
PitchBook SPAC Content



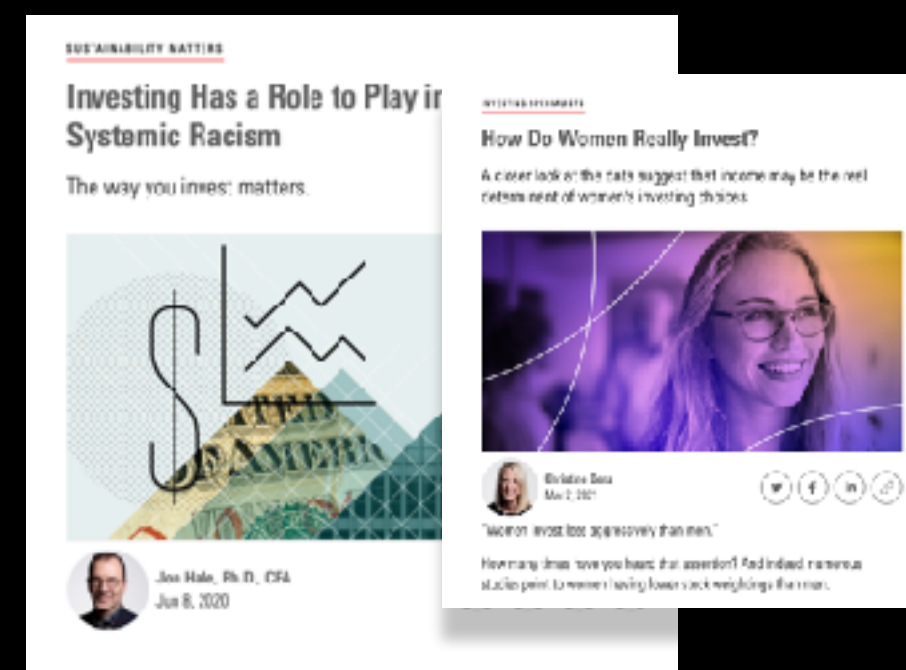
SUSTAINALYTICS

a Morningstar company

Sustainalytics Acquisition



Covid-Related Research Content



The "S" in ESG



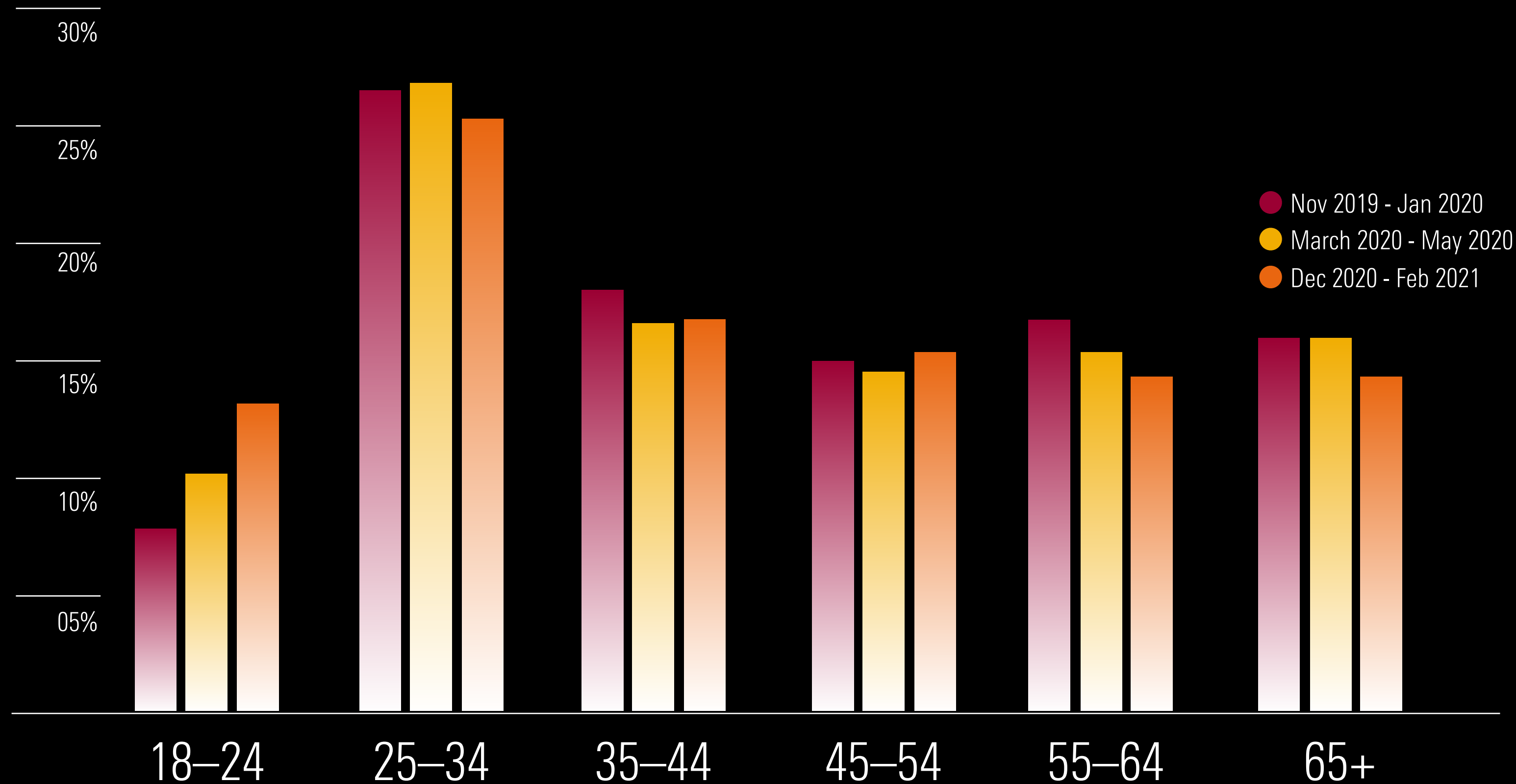
2020 Market Crash/Recovery

Shaping the Future by Capturing the Signals of Tomorrow's Investors

Morningstar.com

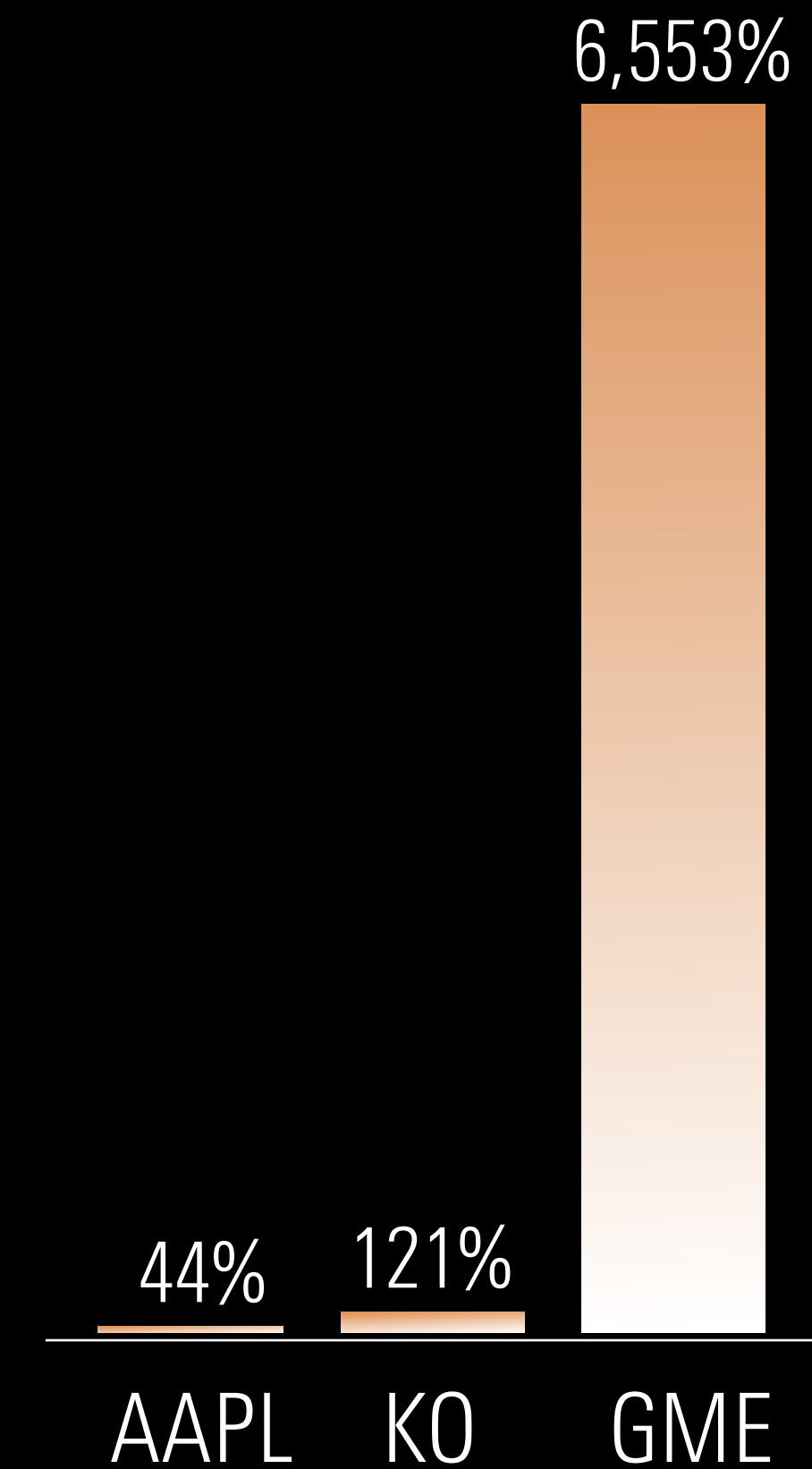
Audience Age Over Time

(% of Website Visitors)



Stock Page View Growth

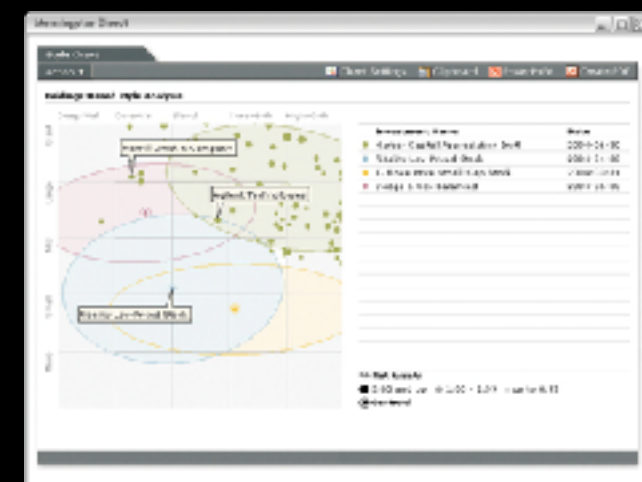
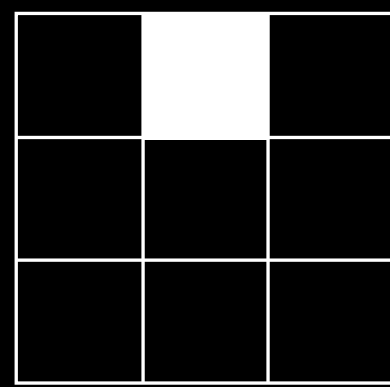
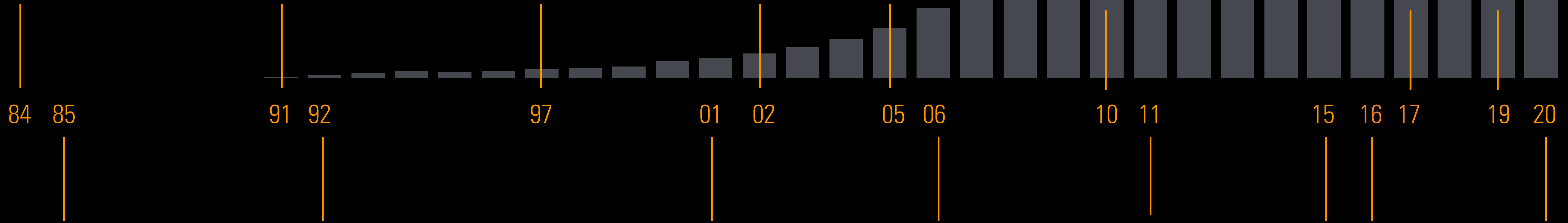
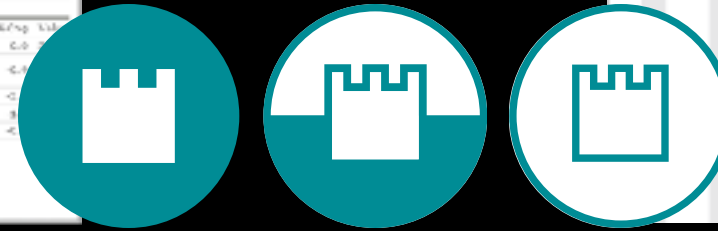
Jan. 1–Feb 19, 2021 | YOY Growth %



Our **strategy** of delivering insights essential to investing requires us to anticipate investor needs.

Morningstar's Growth Enables the Evolution of the Investor

\$1.4 bil



ibbotson.

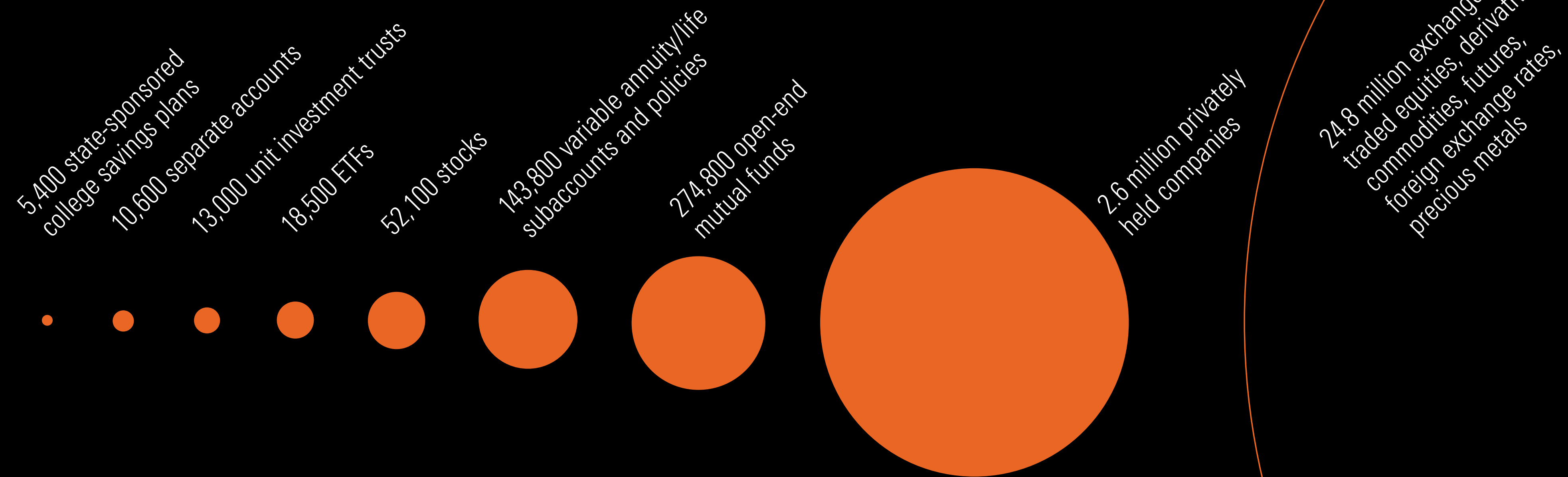


PitchBook



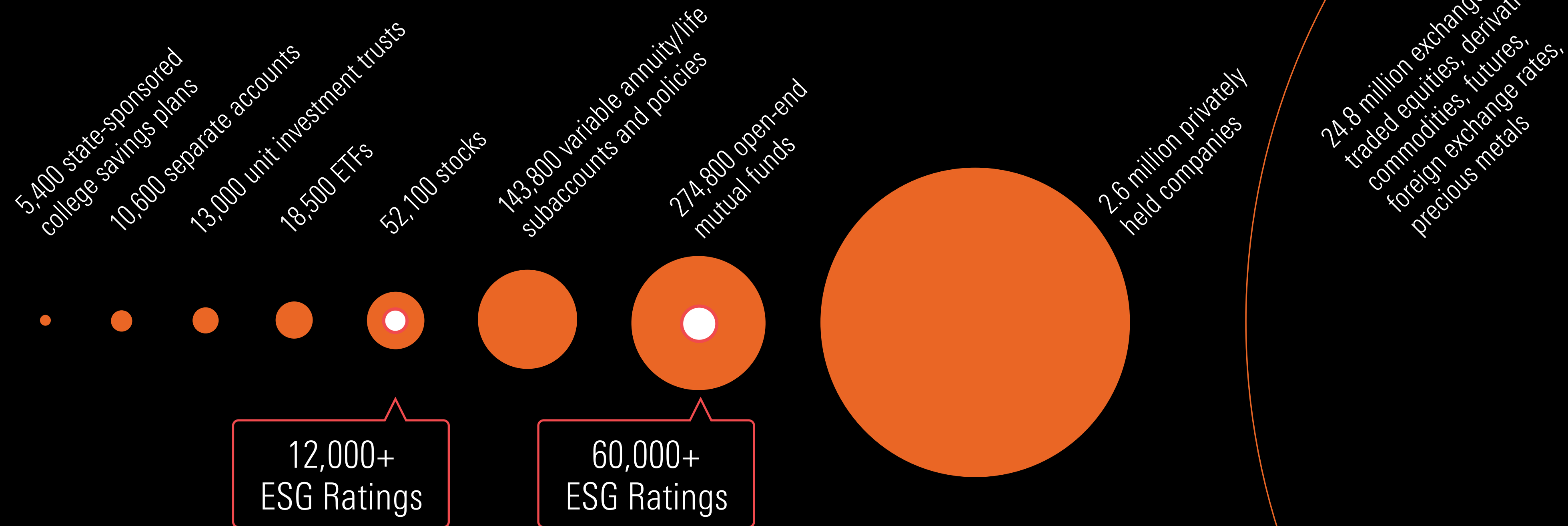
Neutral
Negative

We Expand our Data Universe to Meet Evolving Investor Needs



Data as of 3/31/21 except for privately-held companies and exchange-traded data, which are as of 12/31/20.

We Expand our Data Universe to Meet Evolving Investor Needs



Data as of 3/31/21 except for privately-held companies and exchange-traded data, which are as of 12/31/20.

Incorporating ESG Risk Factors Across Our Solutions



Morningstar Managed Portfolios

Managed Portfolios | Advisor Access | Investment Insights | About Us

Does your ESG portfolio offer a competitive edge?

Introducing our new U.S. Sustainability Moat Focus portfolio designed with leading global ESG research.

[Learn more](#)

Morningstar Managed Portfolios

Managed Portfolios | Advisor Access | Investment Insights | About Us

Environmental. Social. Governan

Introducing our new U.S. Sustainability Moat Focus Portfolio designed with a competitive edge.

[View Portfolios](#)

MORNINGSTAR | DBRS

Methodology

DBRS Morningstar Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings

DBRS Morningstar
November 2021

Contents

1. Executive Summary
2. Introduction
3. Primary ESG Risk Screen Relative to DBRS Morningstar's Analysis
4. Overview of DBRS Morningstar's Scope
5. Appendix A: Examples of ESG Risk Factors by Sector
6. Appendix B: ESG Methodology by Methodology

Scope and Limitations

This methodology is for environmental, social, and governance (ESG) risk factors that may affect DBRS Morningstar's credit ratings.

As the relative importance of any specific ESG consideration can vary by sector, factors included here are not intended to be exhaustive or to be used in isolation to make credit decisions. Furthermore, this criteria account is provided for general informational purposes only and should not be interpreted as a recommendation or an indication of the dynamic environment in which it is intended to be applied.

A methodology assesses the key analytical considerations and applicable analysis that DBRS Morningstar uses to assign or raise credit ratings on other companies. DBRS Morningstar applies approved methodology to assess ESG risk factors on other companies. DBRS Morningstar's approved methodology is available at [https://www.dbrs.com/~/media/DBRS/Methodology/DBRS-Morningstar-ESG-Methodology.pdf](#).

Exhibit 1 DBRS Morningstar ESG Risk Factors

ENVIRONMENTAL	SOCIAL	GOVERNANCE
<ul style="list-style-type: none"> • Emissions, Effluents, and Waste (G/F/C/S) • Carbon and Greenhouse Gas (GHG) Costs (G/F/C/S)* • Resource and Energy Management (G/C) • Land Impact and Biodiversity (G/C) • Climate and Weather Risks (G/F/C/S) 	<ul style="list-style-type: none"> • Social Impact of Products and Services (F/C/S) • Human Capital and Human Rights (G/F/C/S) • Product Governance (F/C/S) • Data Privacy and Security (F/C/S) • Occupational Health and Safety (C) • Community Relations (F/C) • Access to Basic Services (G/F/C) 	<ul style="list-style-type: none"> • Bribery, Corruption, and Political Risks (G/F/C) • Business Ethics (F/C) • Corporate/Transaction Governance (F/C/S) • Institutional Strength, Governance, and Transparency (G)** • Peace and Security (G)**

*Denotes applicability to rating groups: G – Governments, F – Financial Institutions, C – Corporate Finance, S – Structured Finance.
**Exclusively Government risk factors.

MORNINGSTAR

Integrating ESG Into Morningstar's Equity Research: A User's Guide

We take a valuation-focused approach.

Morningstar Equity Research
October 22, 2020

Contents

1. Integrating ESG into Our Methodology
2. Cash Flow Forecasts
3. Economic Moat
4. Uncertainty Rating

Executive Summary

Analysis of environmental, social, and governance risks is not optional for long-term investors. Identifying ESG risks and estimating their impacts is critical in properly assessing potential investment in individual companies, informing traditional measures of cash flow, balance sheet, and earnings. While our equity research analysts at Morningstar have always considered material risks in determining their intrinsic value estimates for stocks, formalizing this process for ESG and incorporating it into our existing framework best serves investors in making informed decisions.

Our ESG analysis, effective Dec. 9, 2020, begins with the building blocks of Sustainalytics' company-level Risk Rating, focusing our efforts on the most material ESG issues and thereby the most valuation-relevant risks. By capturing ESG factors in our intrinsic value estimate (through our cash flow forecasts and economic moat rating), as well as our required margin of safety (through our uncertainty rating), we

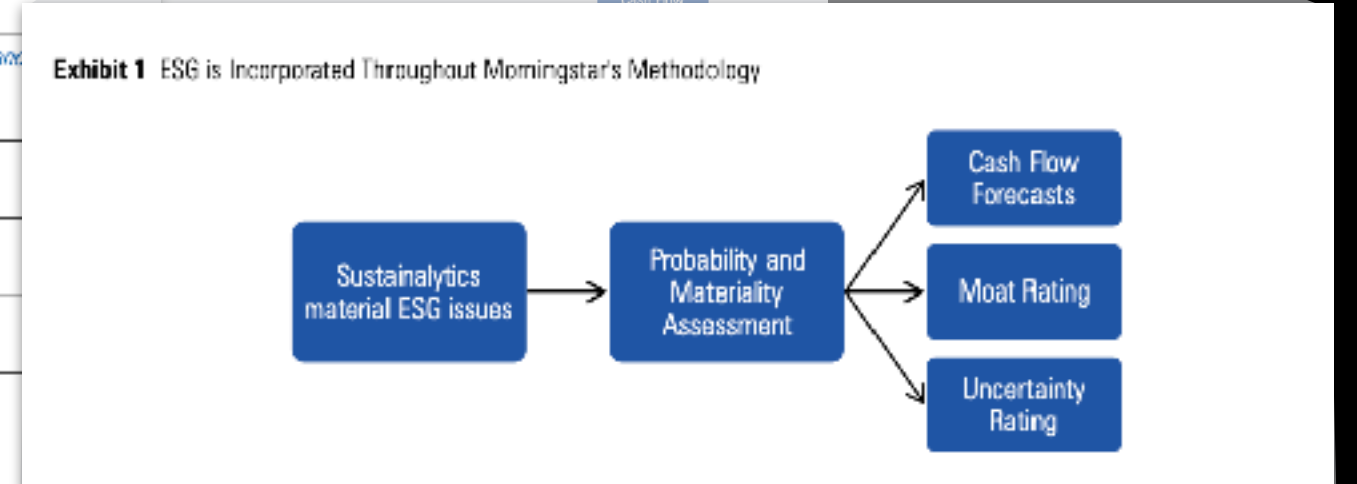
is a central role in our methodology in a way that aligns with our valuation focus and long-term

always

estimate the probability and materiality to a company's intrinsic value related to ESG risks. Risks likely to materialize are incorporated into an analyst's explicit cash flow forecasts. We also assess whether ESG-related risks could threaten the value creation capabilities of an competitively advantaged business, thereby precluding or limiting an economic moat. Companies that face greater ESG risks have more uncertain futures. We therefore demand margin of safety before recommending long-term investment for these firms.

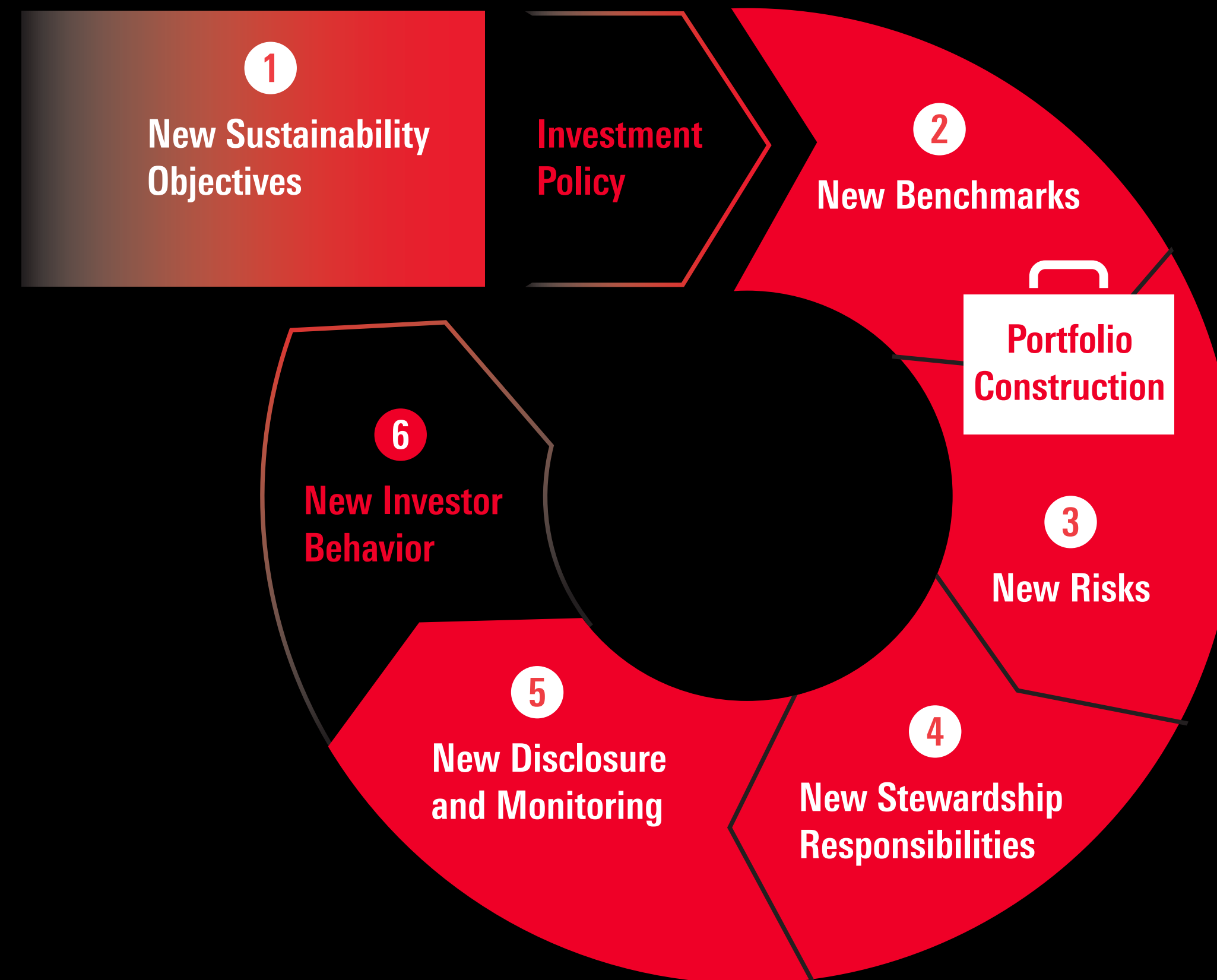
ESG is incorporated throughout Morningstar's Methodology.

[Cash Flow](#)



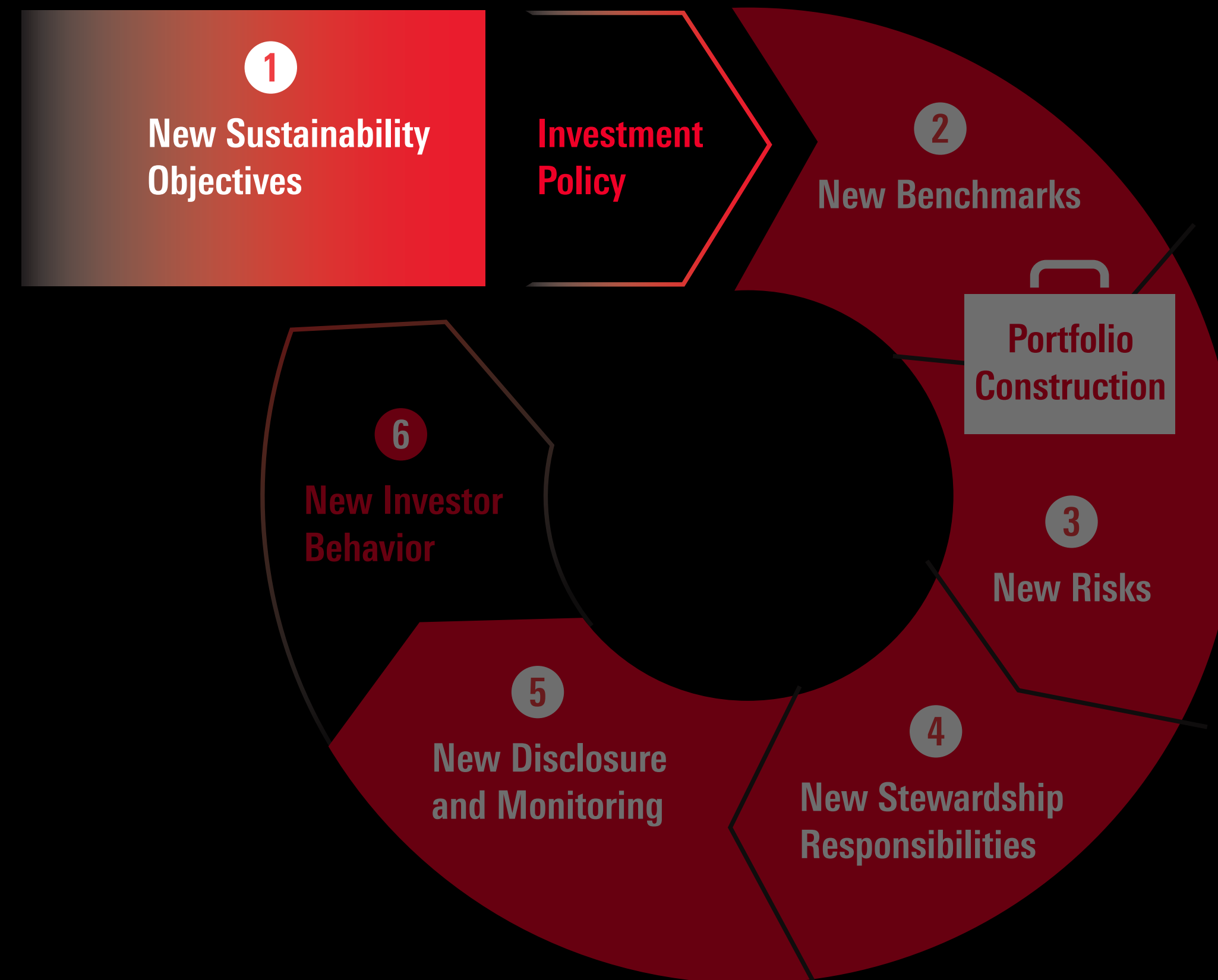
Sprinting into the Future: Empowering Sustainable Investing

Innovation and Flow of Capital



Sprinting into the Future: Empowering Sustainable Investing

Innovation and Flow of Capital



Sprinting into the Future: Empowering Sustainable Investing

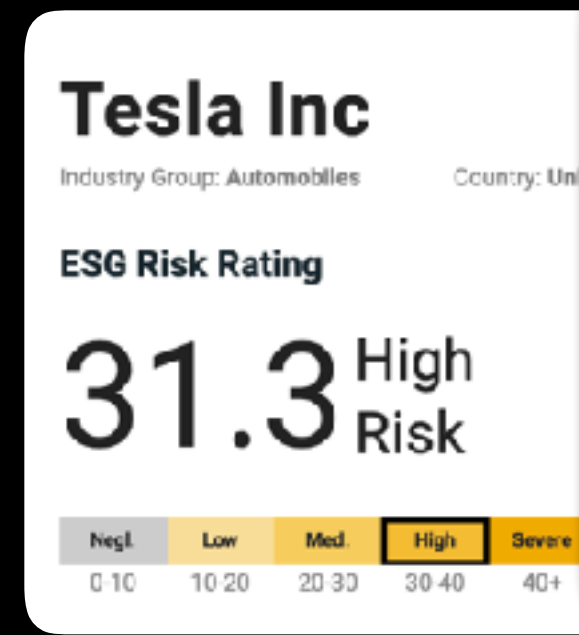
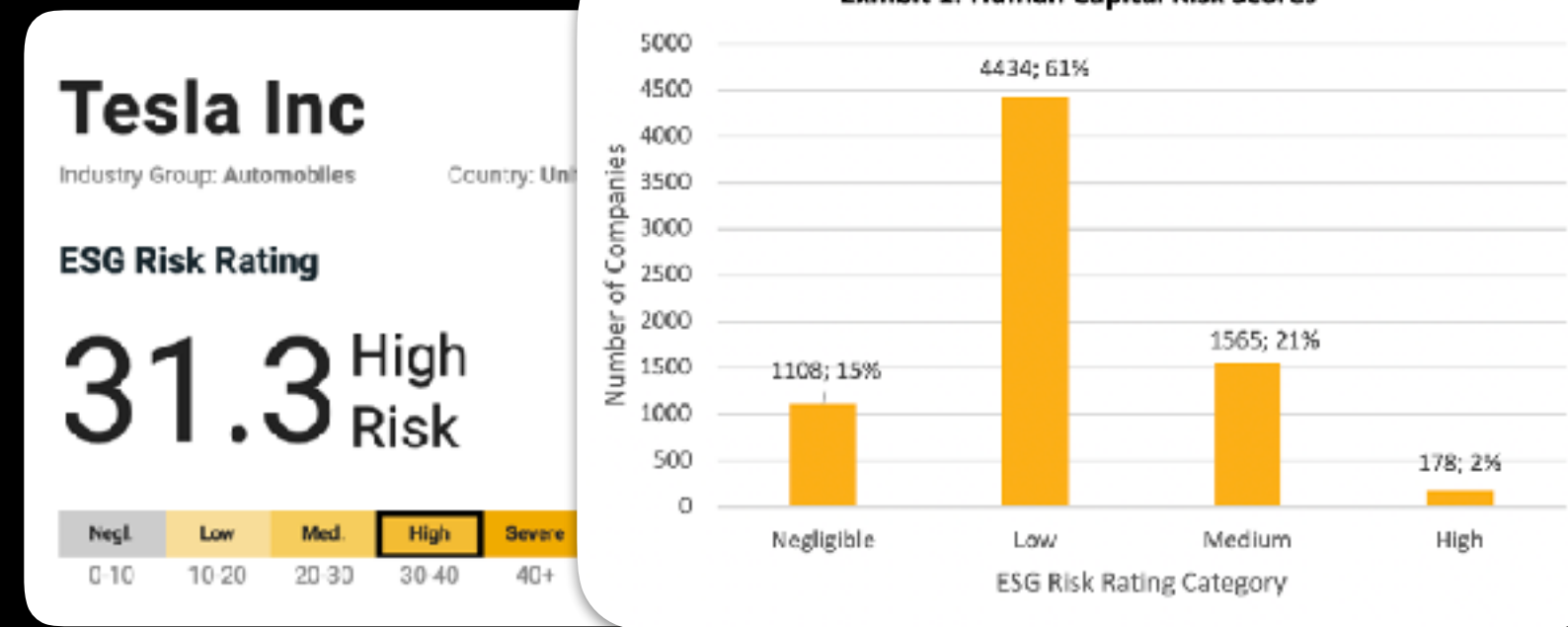
Innovation and Flow of Capital



Morningstar Indexes

Morningstar Managed Portfolios

Sustainalytics ESG Risk Ratings



Sprinting into the Future: Empowering Sustainable Investing

Innovation and Flow of Capital

Exhibit 1: Key 2020 ESG Resolutions and % Support Summarized by Topic

Topic	Number of Resolutions	Average % Support	Adjusted for Affiliated Shareholdings
Climate Risk & Climate Governance	10	67	64
Diversity, Equity & Inclusion	10	55	65
Environmental Stewardship	4	29	26
Human Rights, Civil Rights, Worker Treatment	19	31	45
Labeling/Advertising and Campaigns	10	41	47
Political Spending Disclosure	11	49	56

Source: Morningstar Proxy Voting Database, ERS as of Nov. 30, 2020.

Exhibit 2: Examples of Key ESG Resolutions in 2020

Resolution	% Support, Adjusted for Affiliated Shareholdings
General Motors (GM) Workforce Diversity and Workplace Inclusion Efforts	79
Duke Energy (DUK) Greenhouse Gas Emissions Goals	74
Centene (CENT) Political Spending Disclosure	61
Colgate-Palmolive (CL) Mandatory Attribution of Employees' Retired Pensions	51
JPMorgan Chase & Co. (JPM) Lending Aligned with Paris Climate Agreement Goals	50
Ford Motor (F) Lobbying Activities Report	48
Danaher (DHR) Independent Board Chair	47
Kroger (KR) Supply Chain Human Rights	45
TJX Companies (TJX) Reducing Chemical Footprint	45
Facebook (FB) Online Child Exploitation	43

Source: Morningstar Proxy Voting Database, ERS as of Nov. 30, 2020.

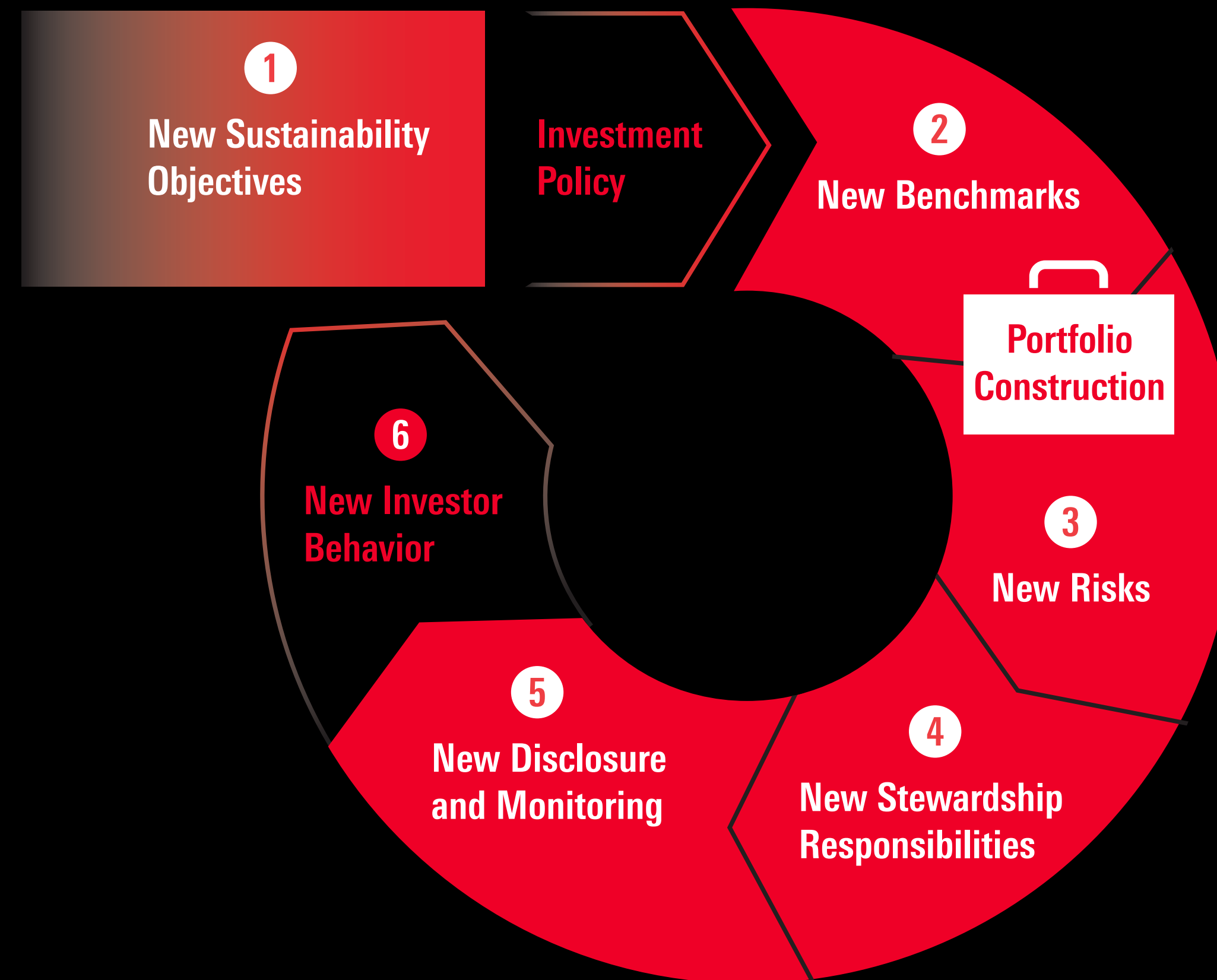
Morningstar Proxy Voting Database



European SFDR

Sprinting into the Future: Empowering Sustainable Investing

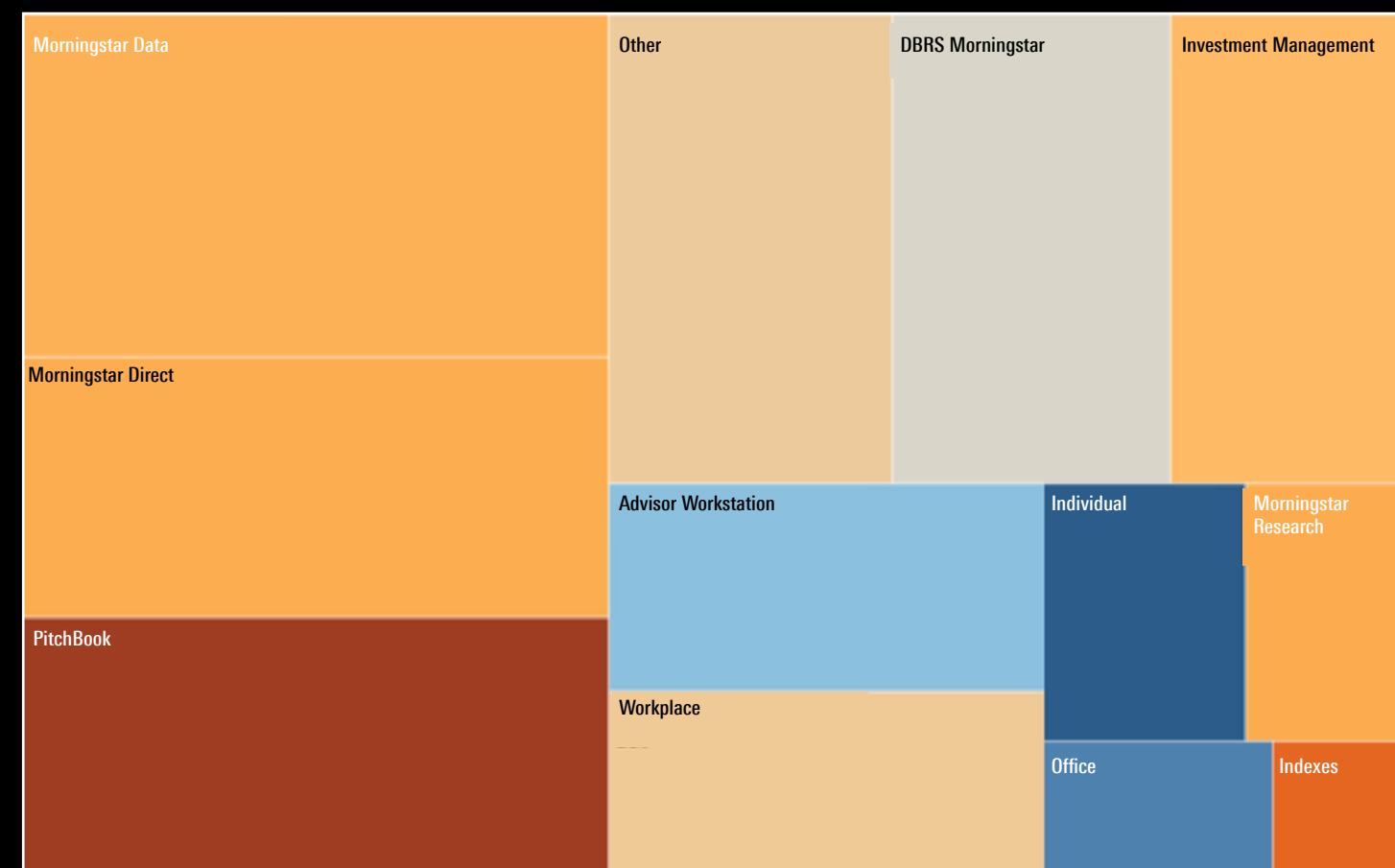
Innovation and Flow of Capital



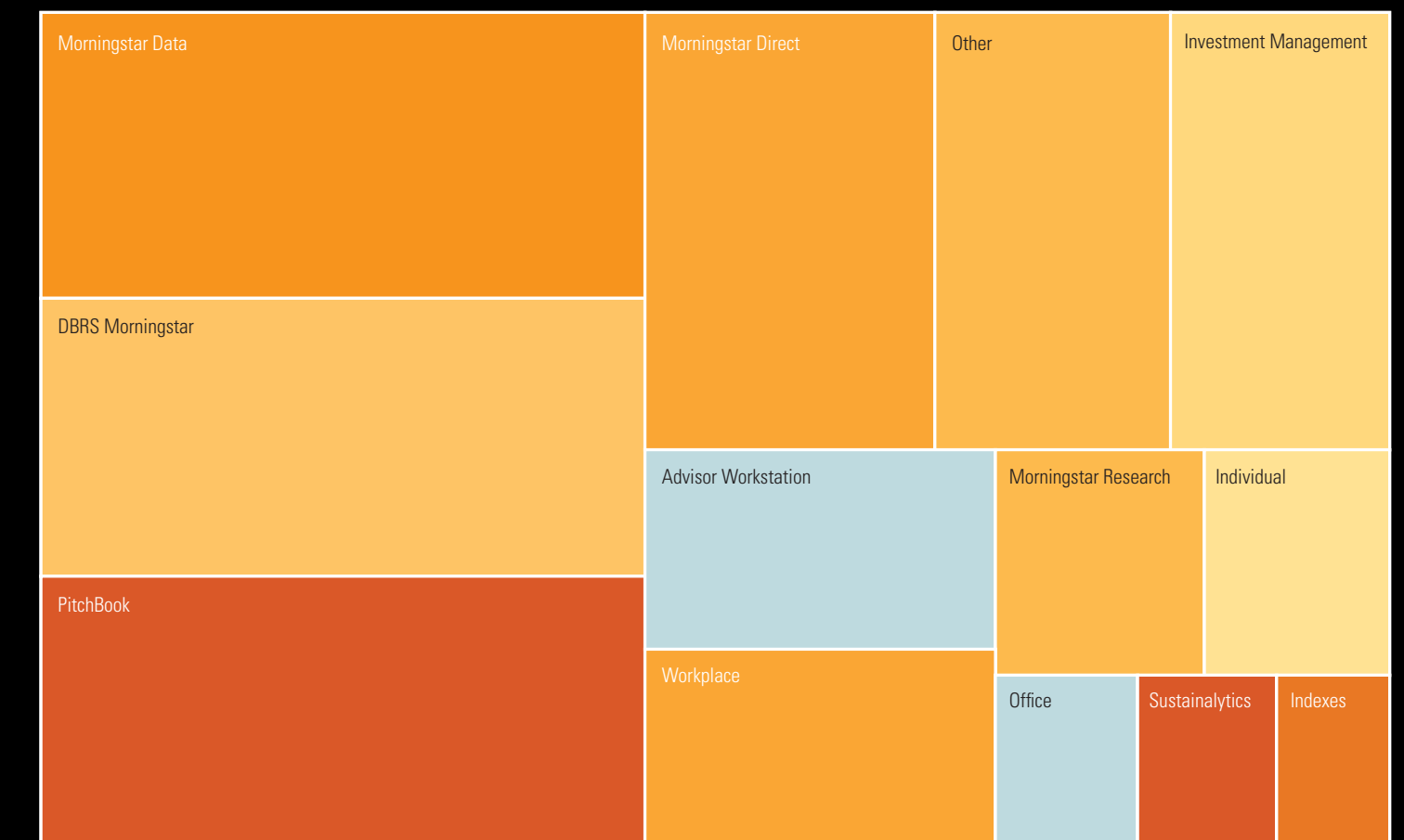
Empowering Investor Success Has Us Well-Positioned to Continue Our Growth



2016



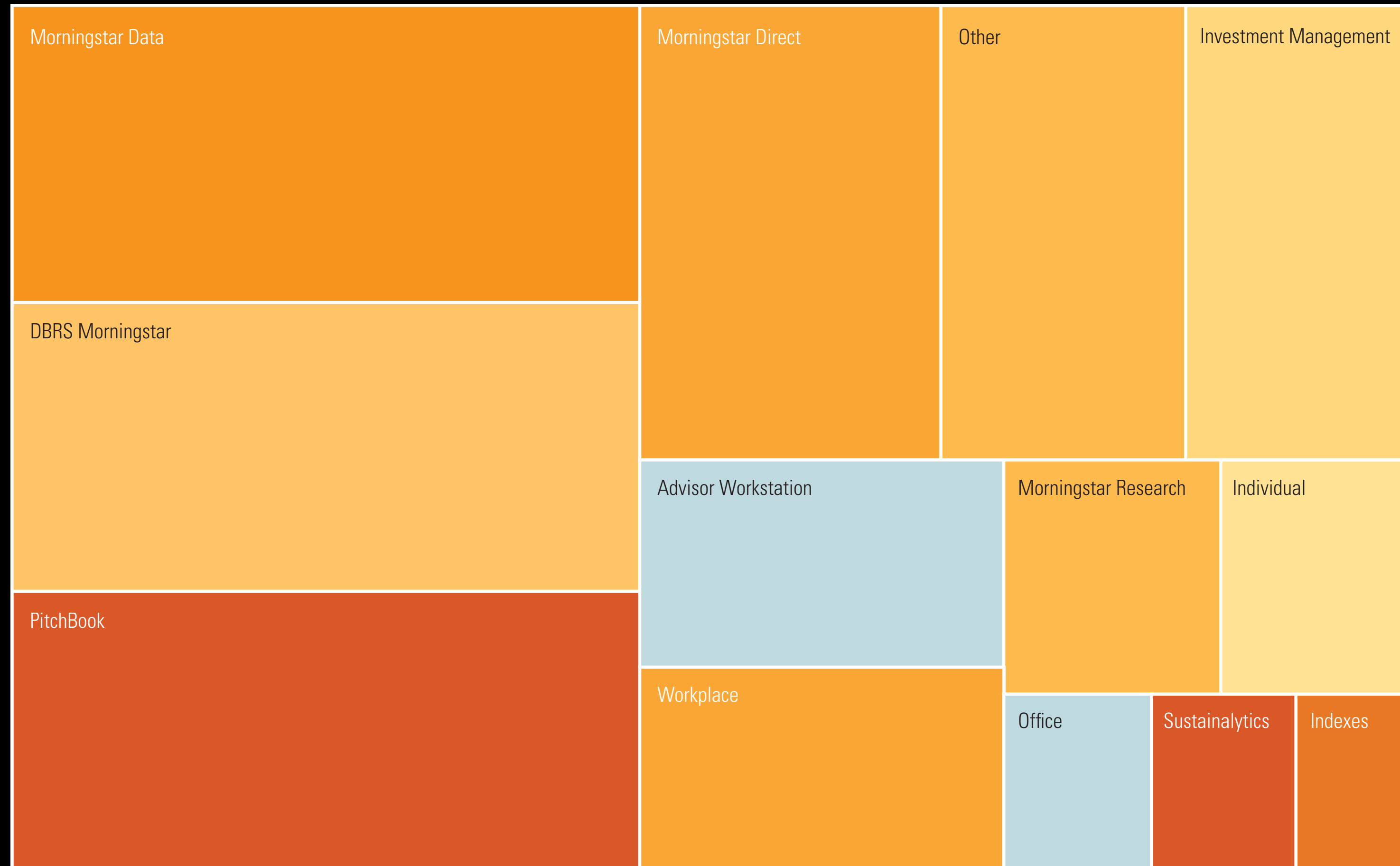
2019



2020



Empowering Investor Success Has Us Well-Positioned to Continue Our Growth



2020 Revenue Growth
High Low

Investor Demand for Data Supports Large and Growing Markets

Global Spend on Financial Data/Analysis

\$33.2 Bil

5.9% Growth YOY

Morningstar Data

Q1 2021 Revenue Growth

14.4% Reported

10.2% Organic

PitchBook

Q1 2021 Revenue Growth

36.0% Reported

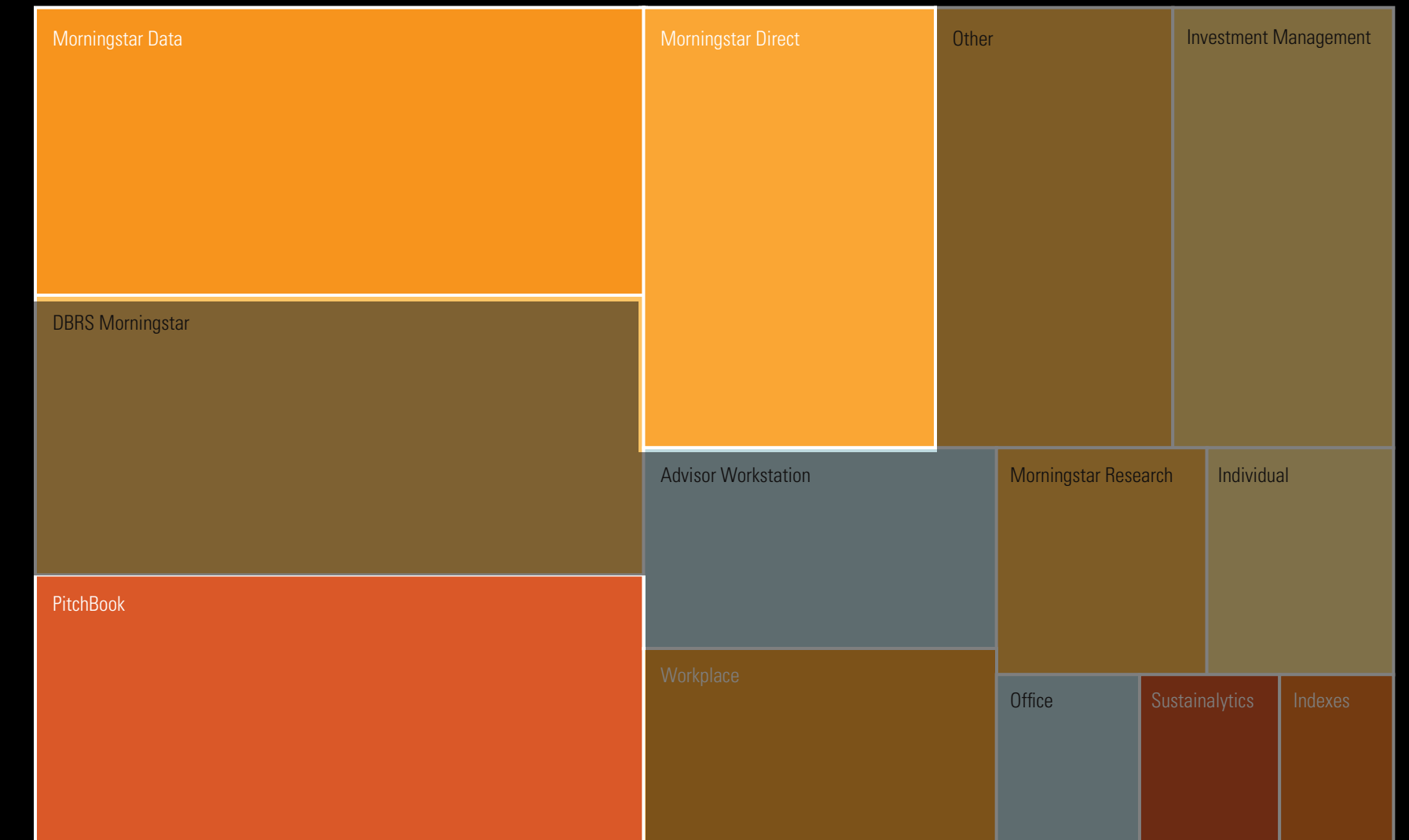
36.0% Organic

Morningstar Direct

Q1 2021 Revenue Growth

9.9% Reported

6.9% Organic



Source: Burton-Taylor. Organic revenue growth excludes M&A, and the effect of foreign currency translations from reported revenue growth.

Morningstar's Research and Data Underpin Active and Passive Investment Strategies

**Total Addressable Market
AUM in Managed Accounts**

\$10.7 Tril

14.5% Growth YOY

Investment Management
Q1 2021 Revenue Growth

-3.6% Reported

-6.1% Organic

Morningstar Indexes

Q1 2021 Revenue Growth

21.1% Reported

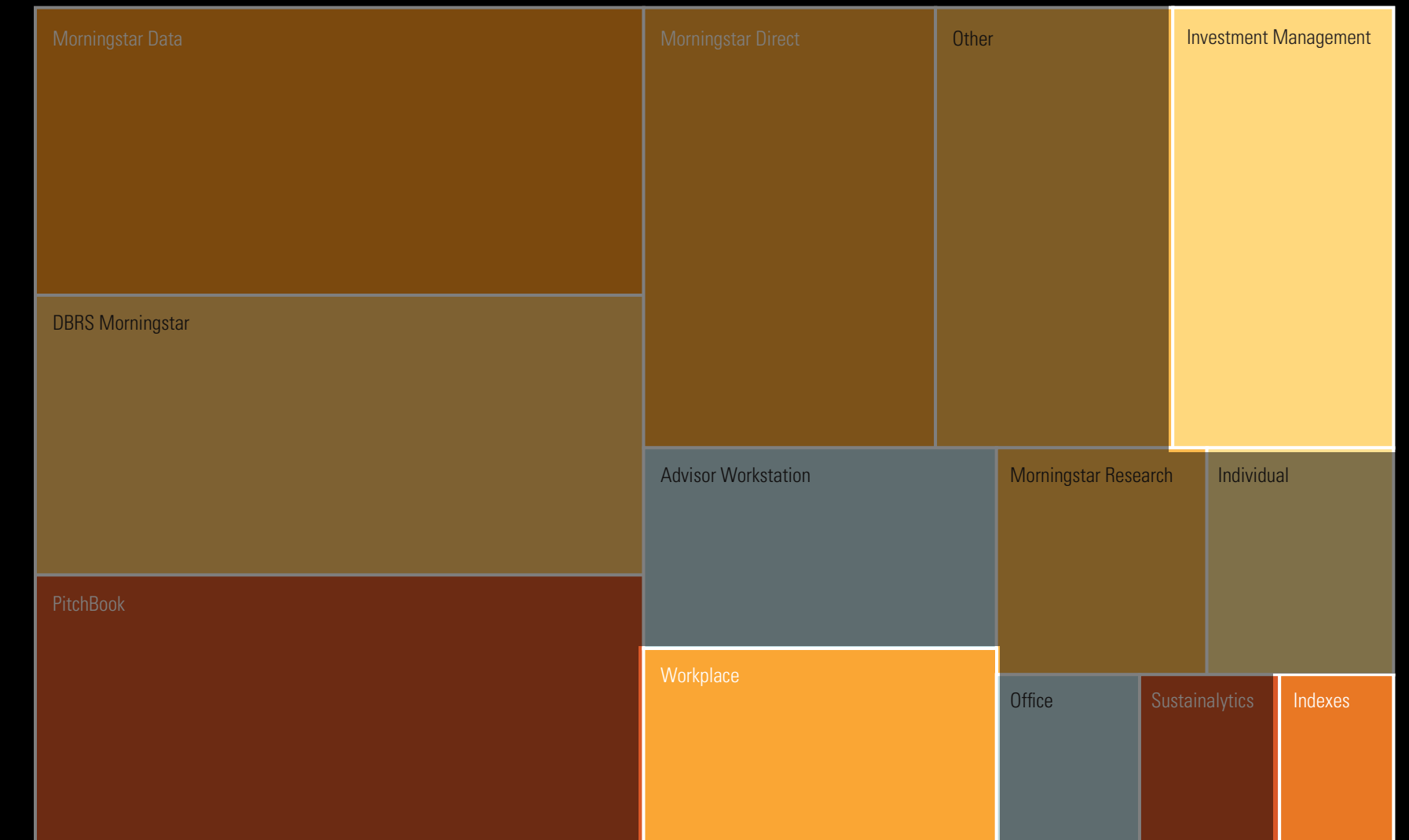
20.0% Organic

Morningstar Workplace

Q1 2021 Revenue Growth

18.9% Reported

18.9% Organic



Source: Morningstar and Cerulli. Organic revenue growth is a Non-GAAP measure.

DBRS Morningstar Cements Its Lead as an Alternative Credit Ratings Provider

Global Credit Ratings Industry

\$9.0 Bil

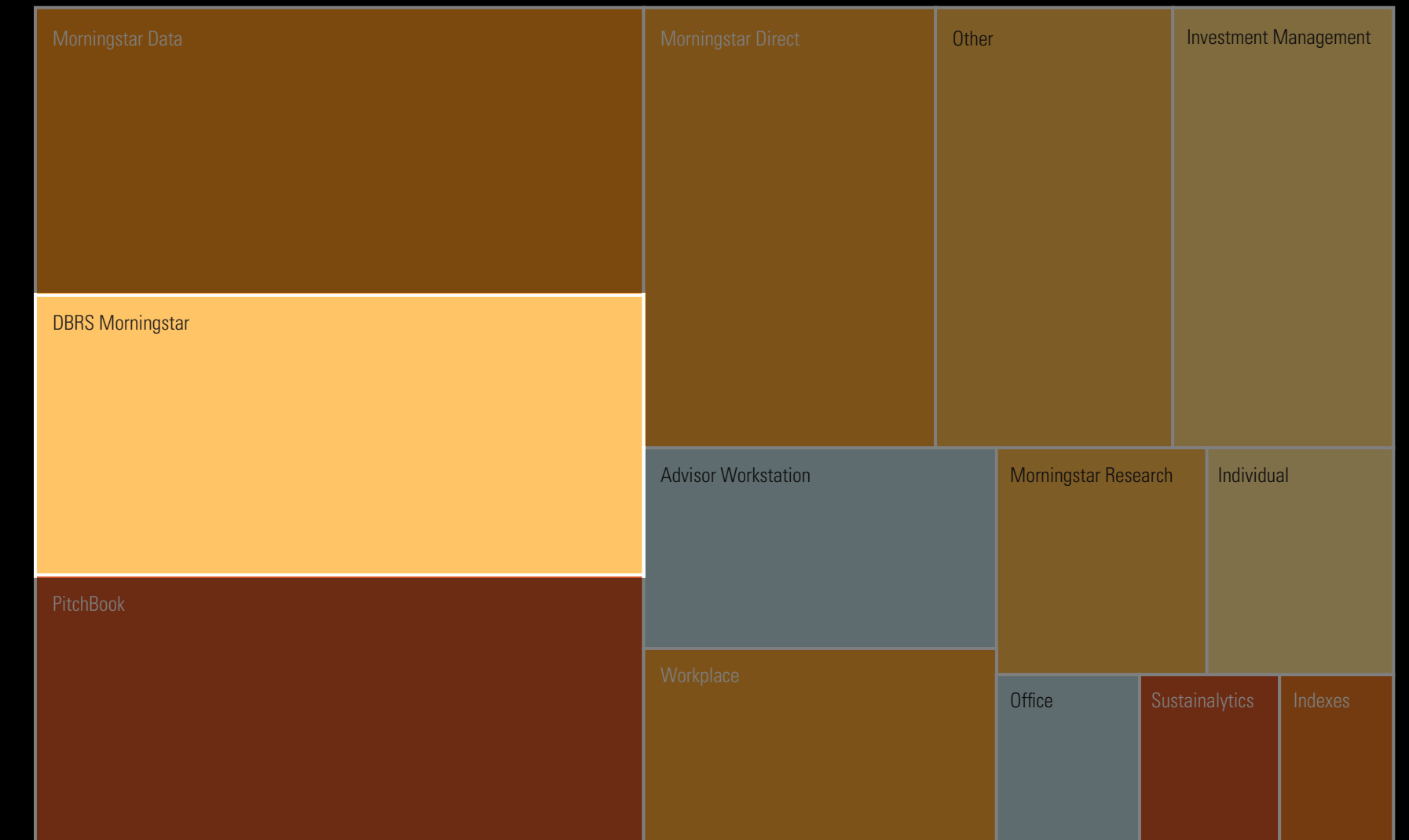
11.1% Growth YOY

DBRS Morningstar

Q1 2021 Revenue Growth

27.0% Reported

23.5% Organic



Source: DBRS Morningstar. Organic revenue growth is a Non-GAAP measure.

Sustainalytics Advances the Mainstreaming of Sustainable Investing

**U.S./EU Sustainable
Funds AUM**

\$1.6 Tril

66.7% Growth YOY

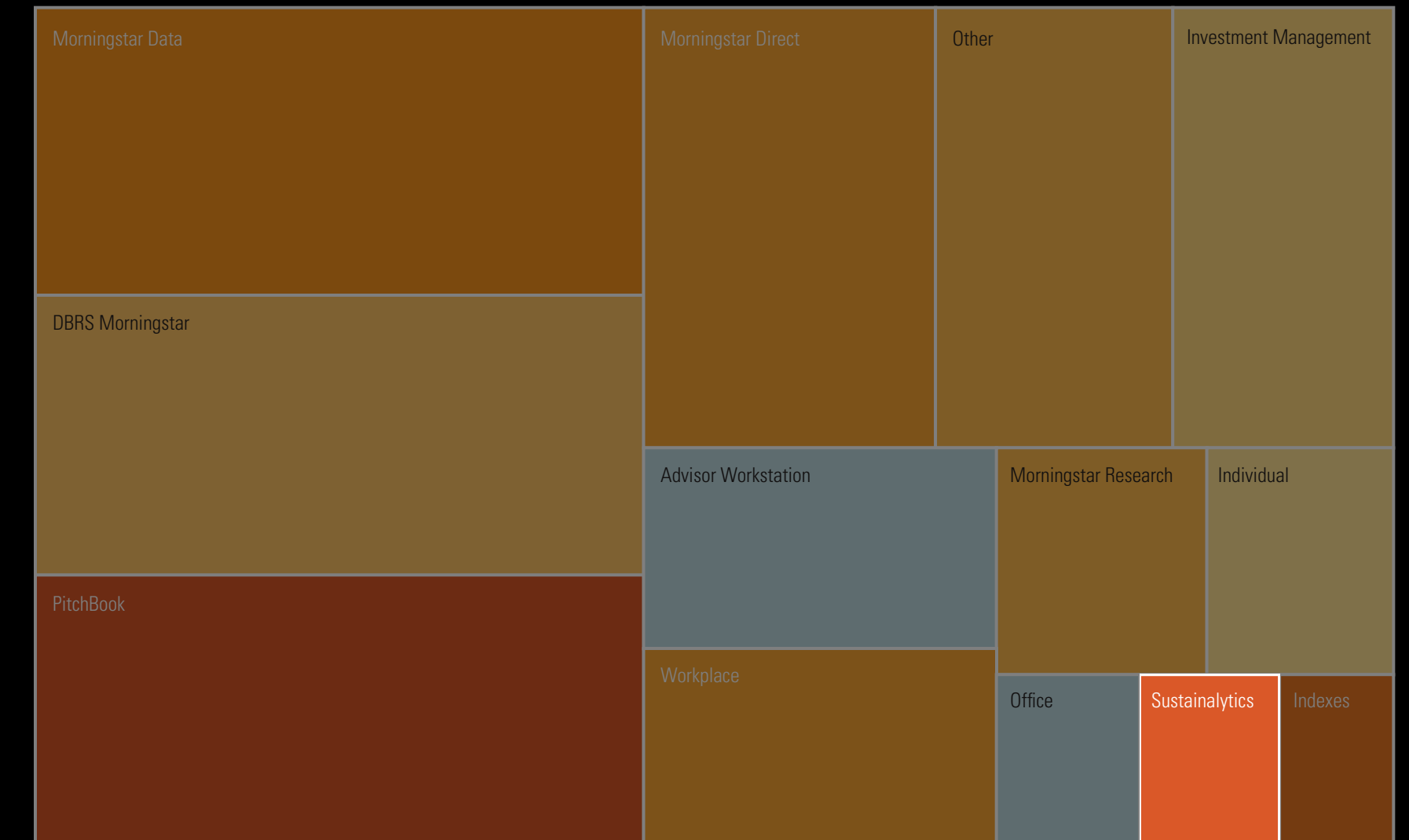
**Sustainable Bonds/
Loans Issuance**

\$730 Bil

29.5% Growth YOY

Sources: Morningstar and Bloomberg.

Morningstar Sustainalytics




Shaping the Future: Empowering Investors with Personalized Portfolios

REKENTHALER REPORT

Private Equity in 401(k) Plans: More Smoke Than Fire

The reality is tamer than the headlines suggest.

 **John Reenthaler**
Jun 18, 2020

Mentioned: International Business Machines Corp (IBM), Microsoft Corp (MSFT)

Out of the Blue
Well, they did it.

To my surprise, private equity fund e Labor to issue a letter, dated June 3 investments within 401(k) plans. If t judiciously and used appropriately, v not "violate the fiduciary's duties un

This ruling, to be generous, was pec hedge funds, or managed futures? T Department did not make its announ securities and deciding that only pri grade, but instead because private e Request made, reviewed, granted.

The decision pleased few outside th last year that the Labor Department belonged in 401(k) plans, reader res reaction to the Labor Department's Arends of MarketWatch, "Private-eg 'yikes!'" From Edward Siedle of For the Wolves." Headlines Salon.com, 401(k) plans to private equity vultur

Sample alt product types and corresponding options for smaller investors

Institutional alts product	Example of products for the masses	Implications for the masses
Real estate	Real estate investment trusts (REITs)	Like owning a common stock, high income, imperfect exposure to real estate investment characteristics
Commodities	Master limited partnerships (MLPs)	Like buying a common stock, more complicated tax reporting, high income, correlated to energy prices
Hedge funds	40 Act interval funds	Less liquid than a mutual fund but otherwise operates like one, imperfect replication of true hedge fund strategies, very high fees
Private markets	Funds of funds of funds	Very illiquid, high fees, advisor may ask for full commitment up front
Private markets	40 Act interval funds	Fairly liquid, potentially high fees

Menu | Financial Planning

Back to Plan Overview | Gather Information | **Create and Analyze Goals** | Review Summary and Report




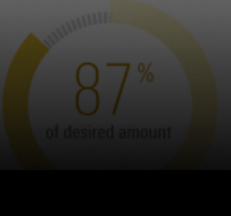
Select Goals | Fund Goals | Explore Plans

Doe's Goal Plan




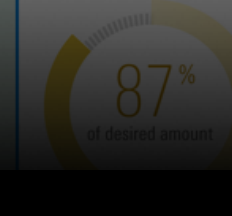
Now that you've created an initial plan, you can generate a proposed plan with your proposals. Then you can discuss with John and Jane and decide which one is right for them.

Show Details

Initial Plan: 3 Goals

-  **Doe Family Retirement**
 **74%** of desired amount
 Projected Amount: \$66,000 / Year
 Desired Amount: \$90,000 / Year
-  **Buying a Vacation House**
 **87%** of desired amount
 Projected Amount: \$34,600
 Desired Amount: \$34,600

Proposed Plan: 3 Goals

-  **Doe Family Retirement**
 **100%** of desired amount
 Projected Amount: \$90,000 / Year
 Desired Amount: \$90,000 / Year
-  **Buying a Vacation House**
 **87%** of desired amount
 Projected Amount: \$34,600
 Desired Amount: \$34,600

 **Doe Family Retirement**

 **100%** of desired amount

Projected Amount
\$90,000 / Year

Desired Amount
\$90,000 / Year

Shaping the Future of Retail Wealth: Empowering Advisors to Empower Individuals

Morningstar Data

Morningstar Research

Advisor-Client Experience

Solutions:

Managed Investment Data

Equity Data

Market Data

Morningstar Star Rating™

Morningstar Style Box™

Research Distribution

Research Services

Individual Investor

Advisor Workstation

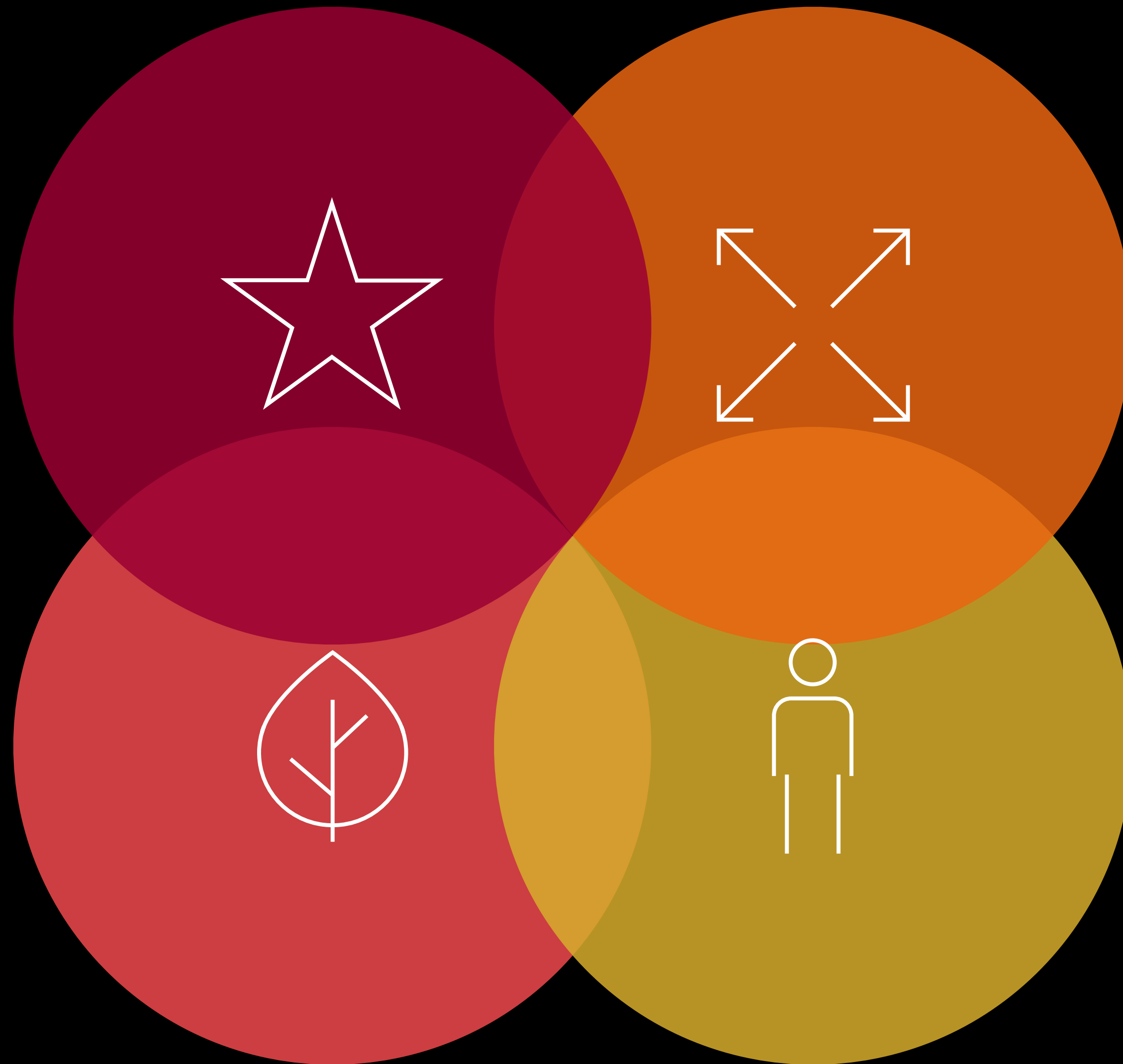
Financial Planning

Enterprise Components

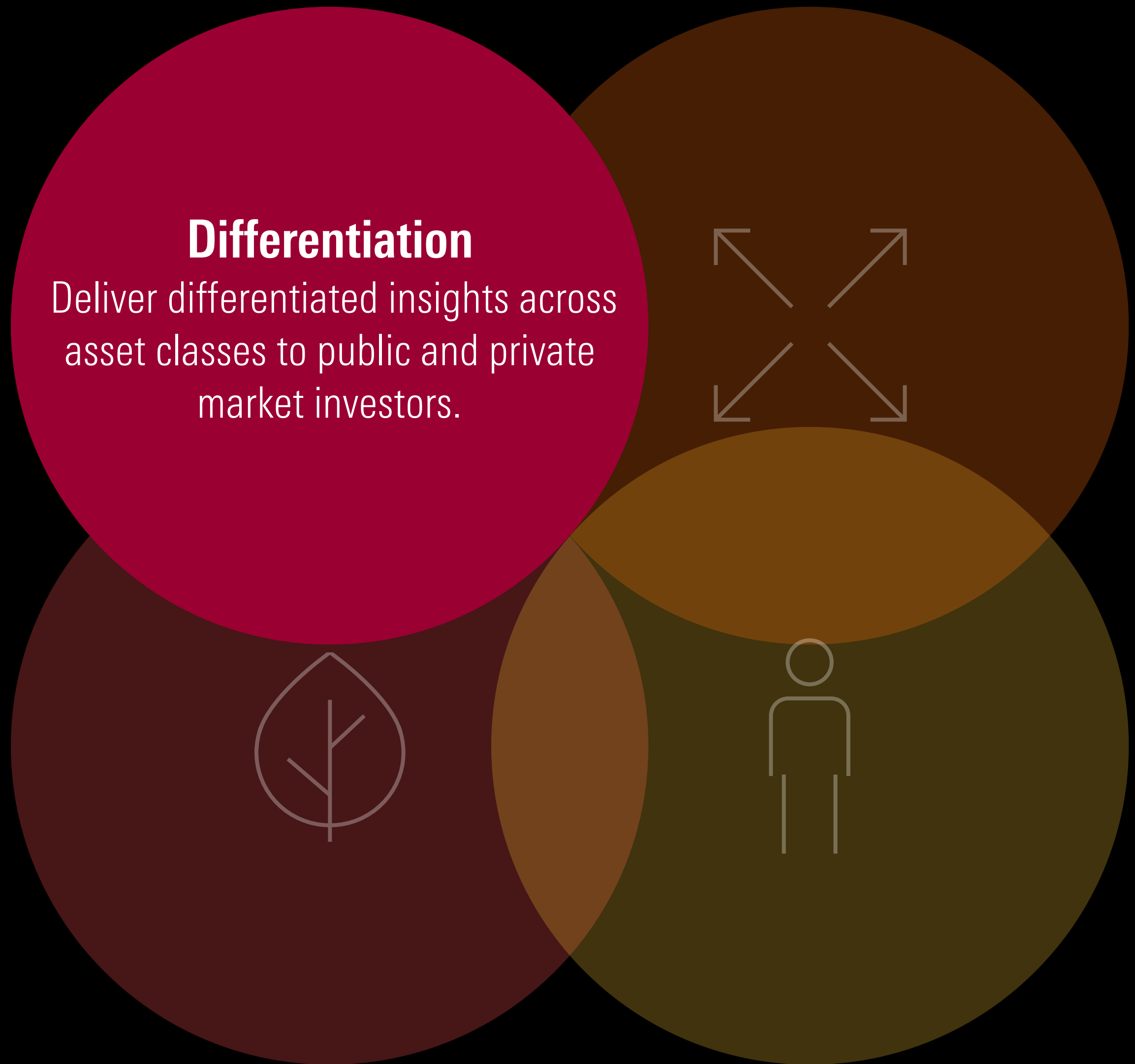
ByAllAccounts

We've centered **execution** on differentiation, scale, talent, and sustainability.

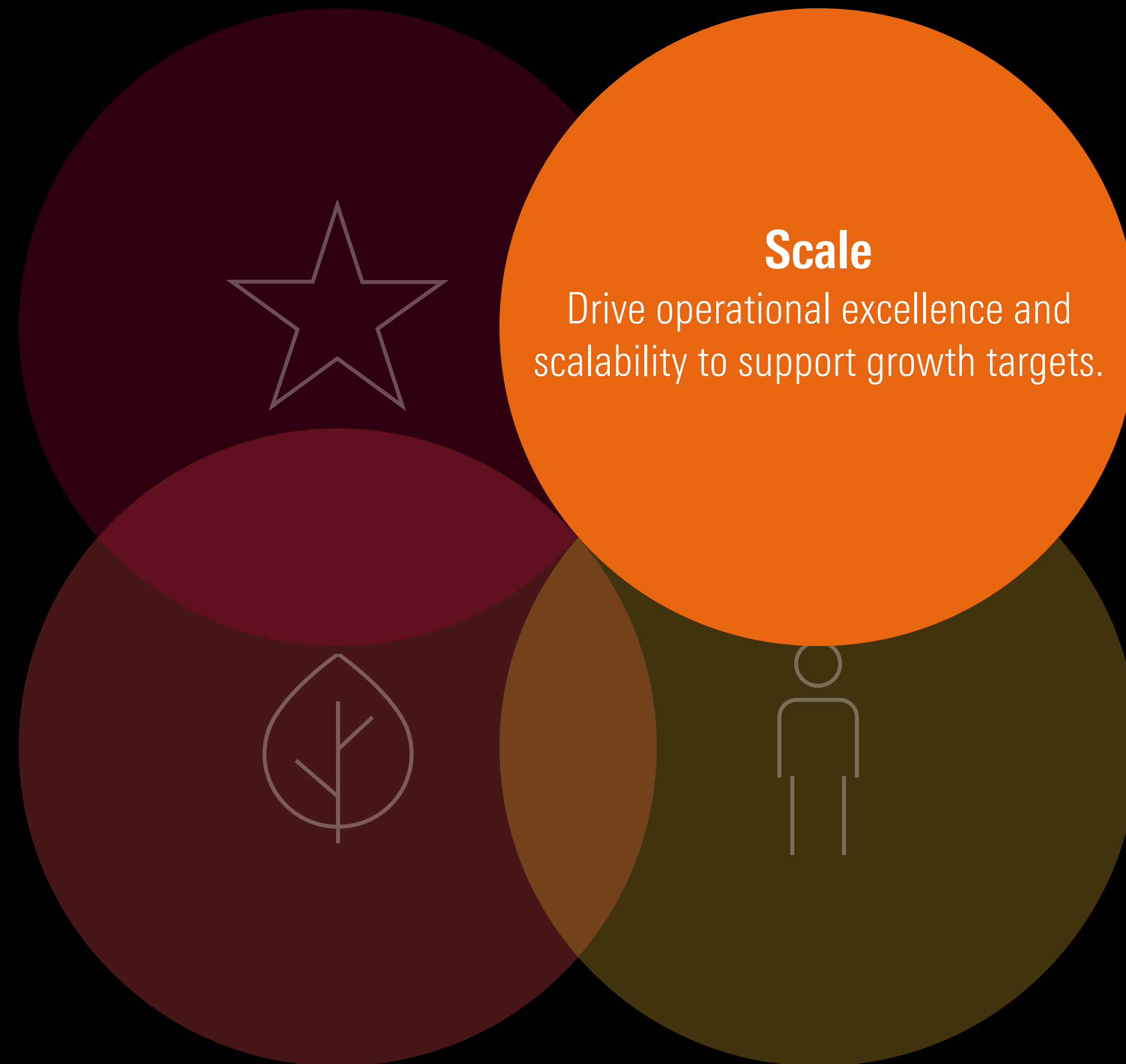
Execution: Our Four Strategic Priorities Help Keep a Growing Global Firm Accountable



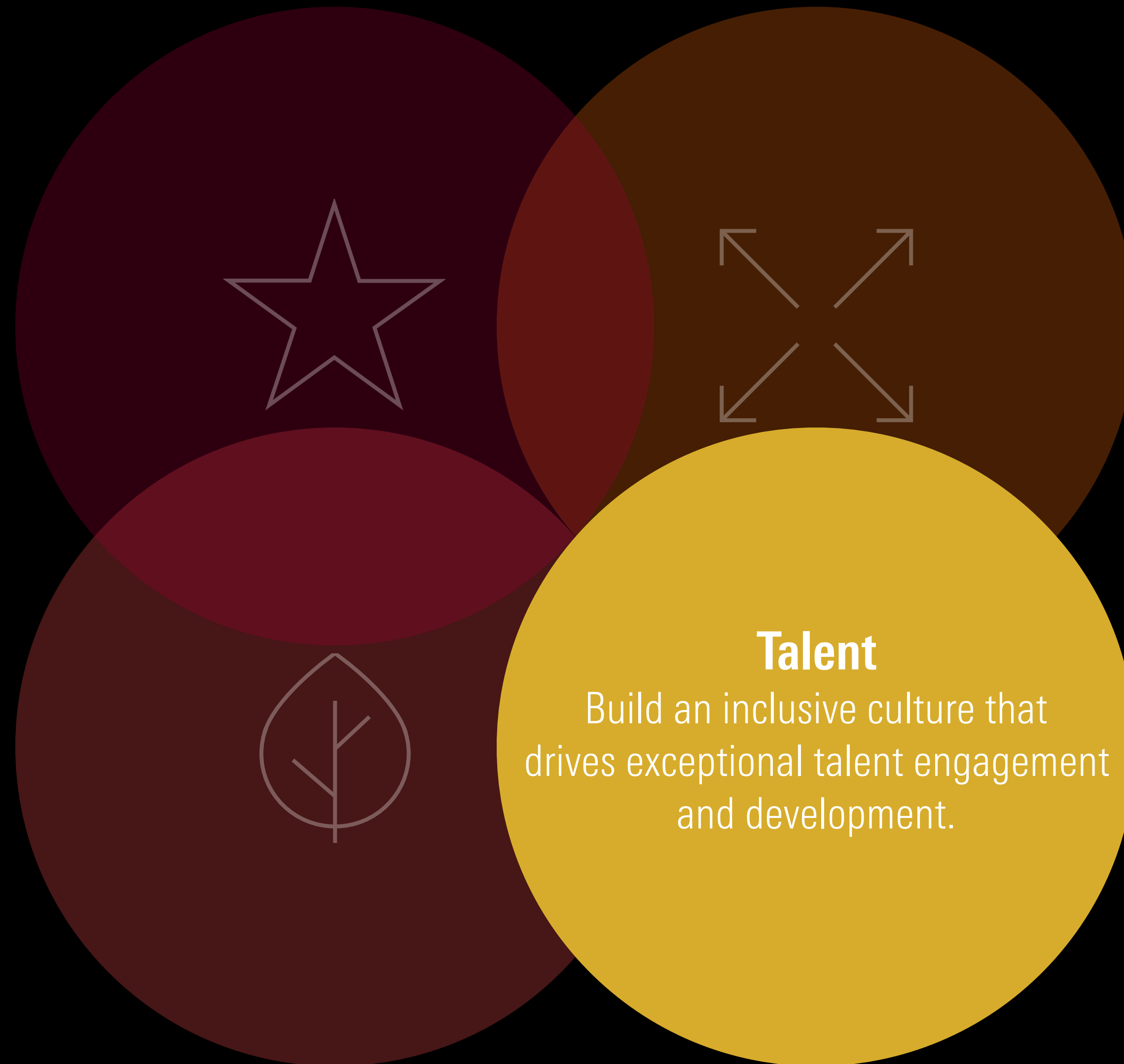
Execution: Our Four Strategic Priorities Help Keep a Growing Global Firm Accountable



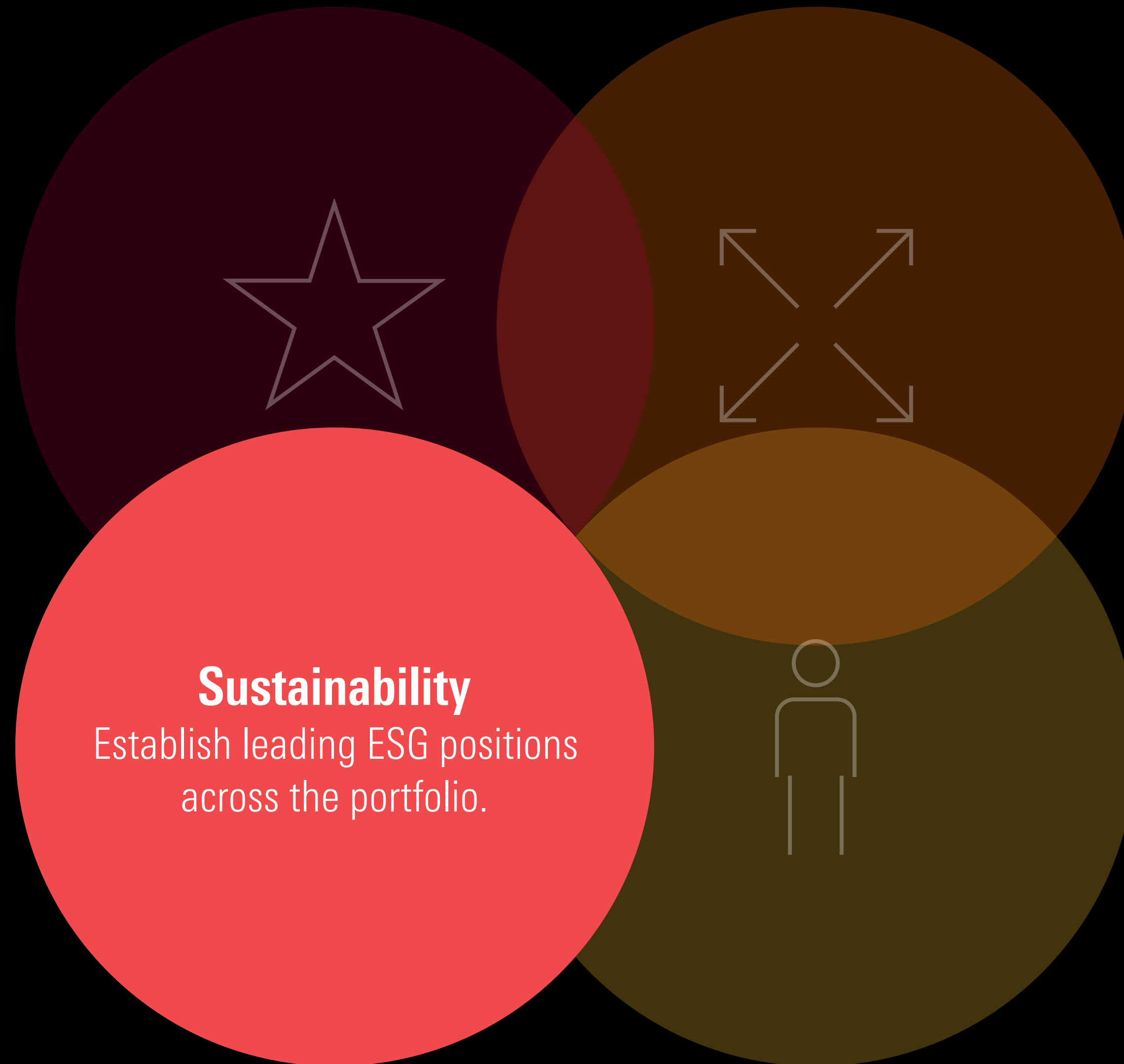
Execution: Our Four Strategic Priorities Help Keep a Growing Global Firm Accountable



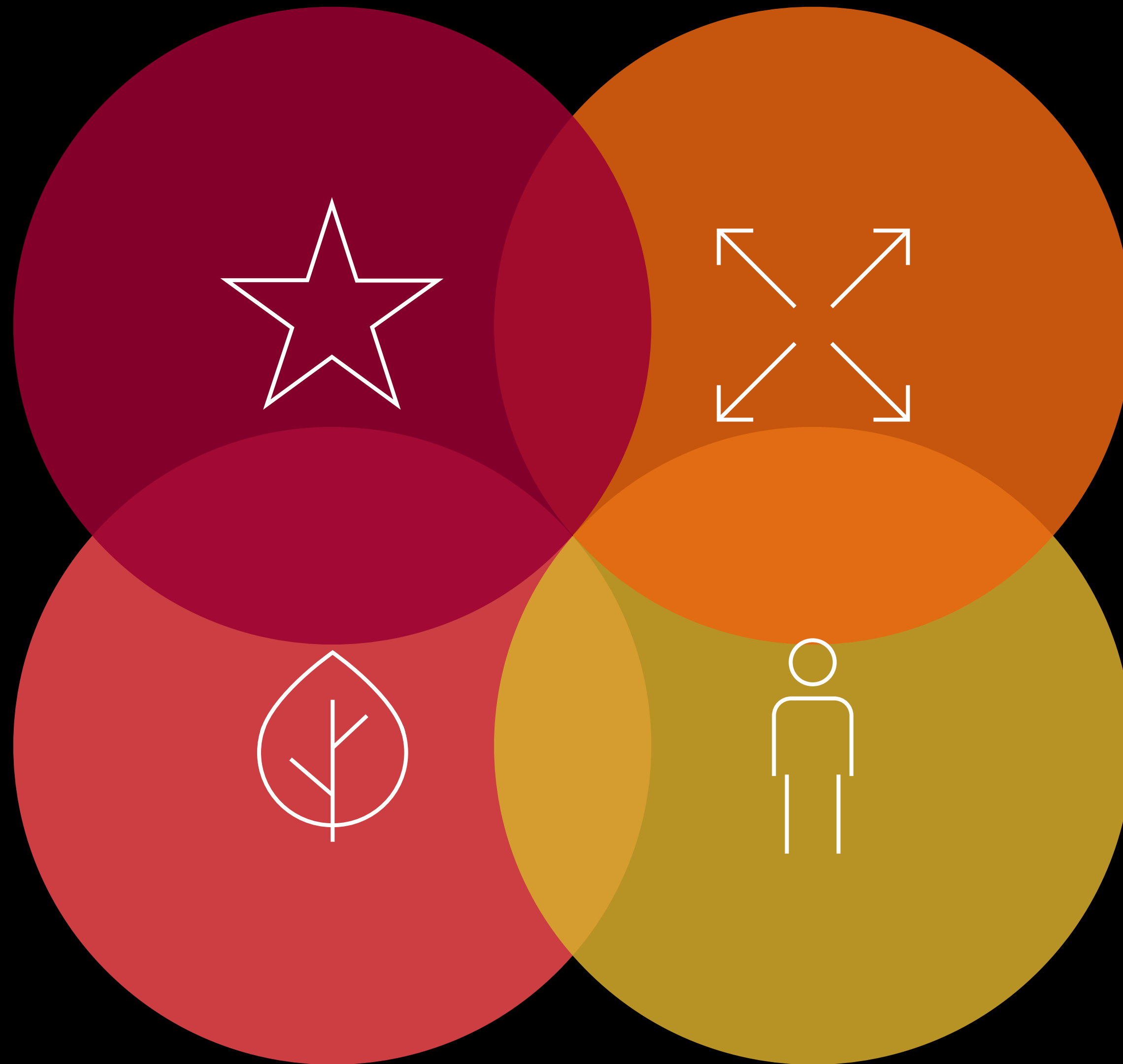
Execution: Our Four Strategic Priorities Help Keep a Growing Global Firm Accountable



Execution: Our Four Strategic Priorities Help Keep a Growing Global Firm Accountable



Execution: Our Four Strategic Priorities Help Keep a Growing Global Firm Accountable



Measuring Morningstar's Sustainability



Diversity, Equity, and Inclusion

We embrace the research that tells us diverse teams make better decisions, and we believe the collective mixture of our different backgrounds, beliefs, and experiences make Morningstar a stronger firm. As a global employer, our goal is to build an inclusive environment that encourages open deliberation and unique perspectives, creativity, innovation, and better business outcomes.

A Commitment Across the Firm

As our diversity, equity, and inclusion (DEI) efforts have matured, we've enhanced our organizational and leadership commitment to this important topic. Today, our efforts are overseen by the DEI Steering Committee, led by our CEO and our head of talent and culture, and supported by a full-time DEI director.

A Data-Driven Approach

We recognize the primacy of data in setting DEI strategy — and data has driven our approach from the start. In line with our commitment

Our 2020 Workplace

At year-end, 42% of our colleagues identified or were identified as female, with 31% representation in senior leadership roles.

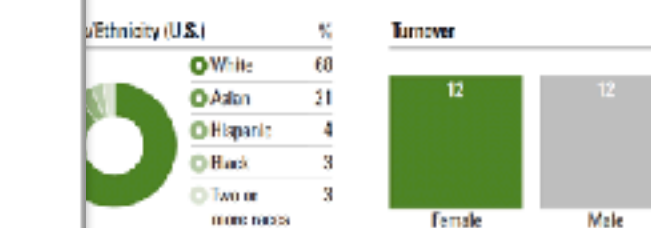
2020 Morningstar Enterprise Sustainability Report

to transparency, we've made granular trends in diversity data accessible to our colleagues via an internal DEI site. We're particularly focused on creating nuanced data sets to provide the most helpful information. For example, we partnered with U.S.-based Lambda Legal to adopt the Human Rights Campaign's guidelines for reporting. This improved our collection of diversity data, allowing colleagues in select regions to choose to self-identify their sexual orientation and gender identity. We have seen a continued rise in self-identification response rates, which helps us better understand our LGBTQ+, nationality, race and ethnicity, and gender identity populations and their needs.

Responsibility for DEI



2020 Morningstar Enterprise Sustainability Report



7 Nationalities 32 Native Languages

Empowering investor success in the moment.

Empowering sustainable outcomes for the future.

Financial Highlights

Jason Dubinsky
Chief Financial Officer

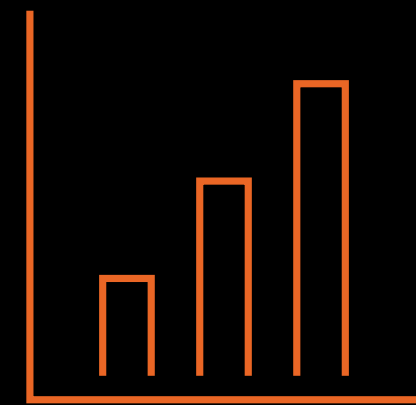
Agenda and Topics

A Look Back at Performance

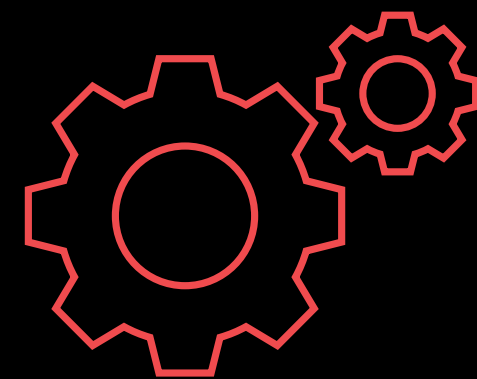
Our Current State

Framing Our Strategic Priorities

Financial Success Over Past Three Years



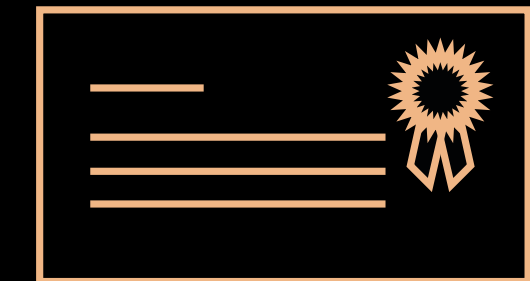
Revenue



Operating
Income



Cash Flow



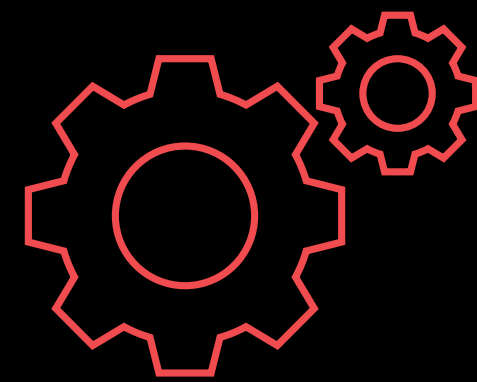
Shareholder
Returns

Financial Success Over Past Three Years

15.1%
Reported CAGR

8.9%
Avg Organic Growth¹

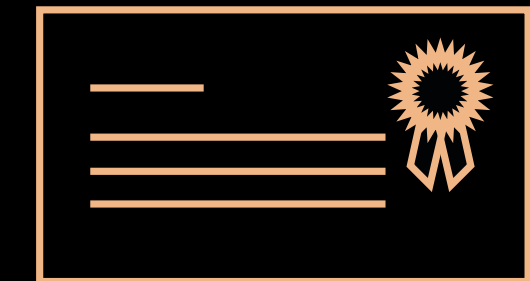
Revenue



Operating
Income



Cash Flow



Shareholder
Returns

1. Average annual organic revenue growth excludes M&A and the effect of foreign currency translations from reported revenue growth.

Financial Success Over Past Three Years

15.1%

Reported CAGR

8.2%

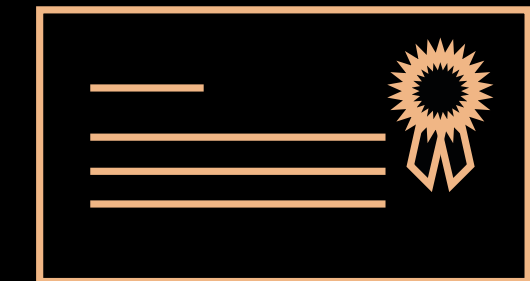
Reported CAGR

8.9%

Avg Organic Growth¹

17.9%

Adjusted CAGR²



Revenue

Operating
Income

Cash Flow

Shareholder
Returns

1. Average annual organic revenue growth excludes M&A and the effect of foreign currency translations from reported revenue growth. 2. Adjusted operating income excludes intangible amortization expense and all M&A-related expenses (including M&A-related earn-outs) from operating income.

Financial Success Over Past Three Years

15.1%

Reported CAGR

8.2%

Reported CAGR

15.4%

OCF³ CAGR

8.9%

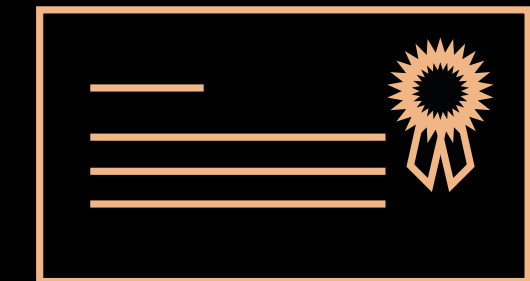
Avg Organic Growth¹

17.9%

Adjusted CAGR²

18.8%

FCF⁴ CAGR



Revenue

Operating
Income

Cash Flow

Shareholder
Returns

1. Average annual organic revenue growth excludes M&A and the effect of foreign currency translations from reported revenue growth. 2. Adjusted operating income excludes intangible amortization expense and all M&A-related expenses (including M&A-related earn-outs) from operating income. 3. Operating Cash Flow (OCF)
4. Free cash flow (FCF) is defined as operating cash flow less capital expenditures.

Financial Success Over Past Three Years

15.1%

Reported CAGR

8.2%

Reported CAGR

15.4%

OCF³ CAGR

35.2%

MORN TSR⁵

8.9%

Avg Organic Growth¹

17.9%

Adjusted CAGR²

18.8%

FCF⁴ CAGR

28.4%

Peers TSR⁶

Revenue

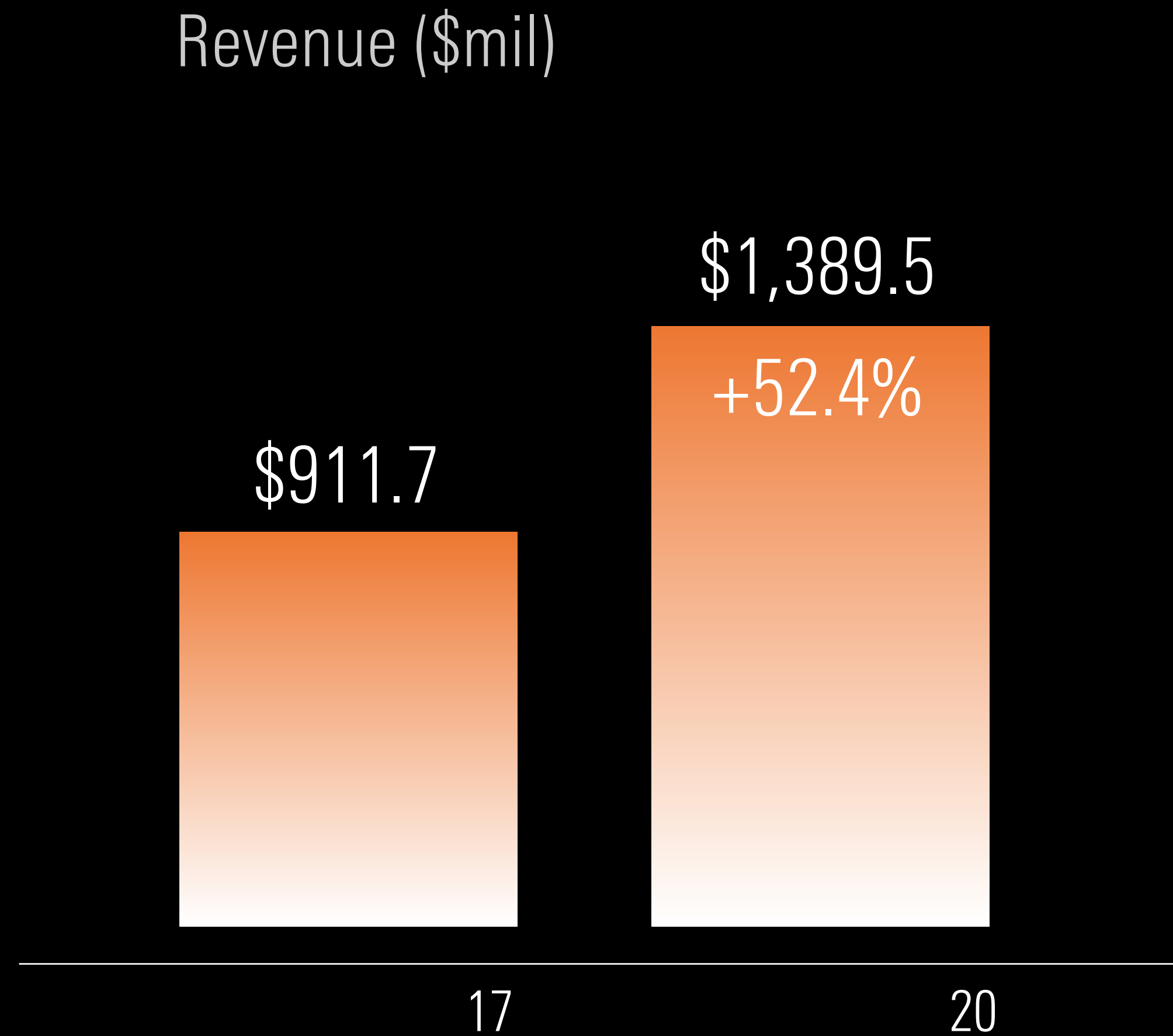
Operating
Income

Cash Flow

Shareholder
Returns

1. Average annual organic revenue growth excludes M&A and the effect of foreign currency translations from reported revenue growth. 2. Adjusted operating income excludes intangible amortization expense and all M&A-related expenses (including M&A-related earn-outs) from operating income. 3. Operating Cash Flow (OCF) 4. Free cash flow (FCF) is defined as operating cash flow less capital expenditures. 5 Total Shareholder Return (TSR) measures change in share price including the reinvestment of dividends. Date as of 4/30/2021. 6. Our peer group consists of the following companies: Investnet Inc., FactSet Research System Inc., Moody's Corporation, MSCI Inc., SEI Investments Company, and S&P Global Inc. Date as of 4/30/2021.

Drivers of Growth



Organic (~60% of Growth)

 **PitchBook**

MORNINGSTAR Direct

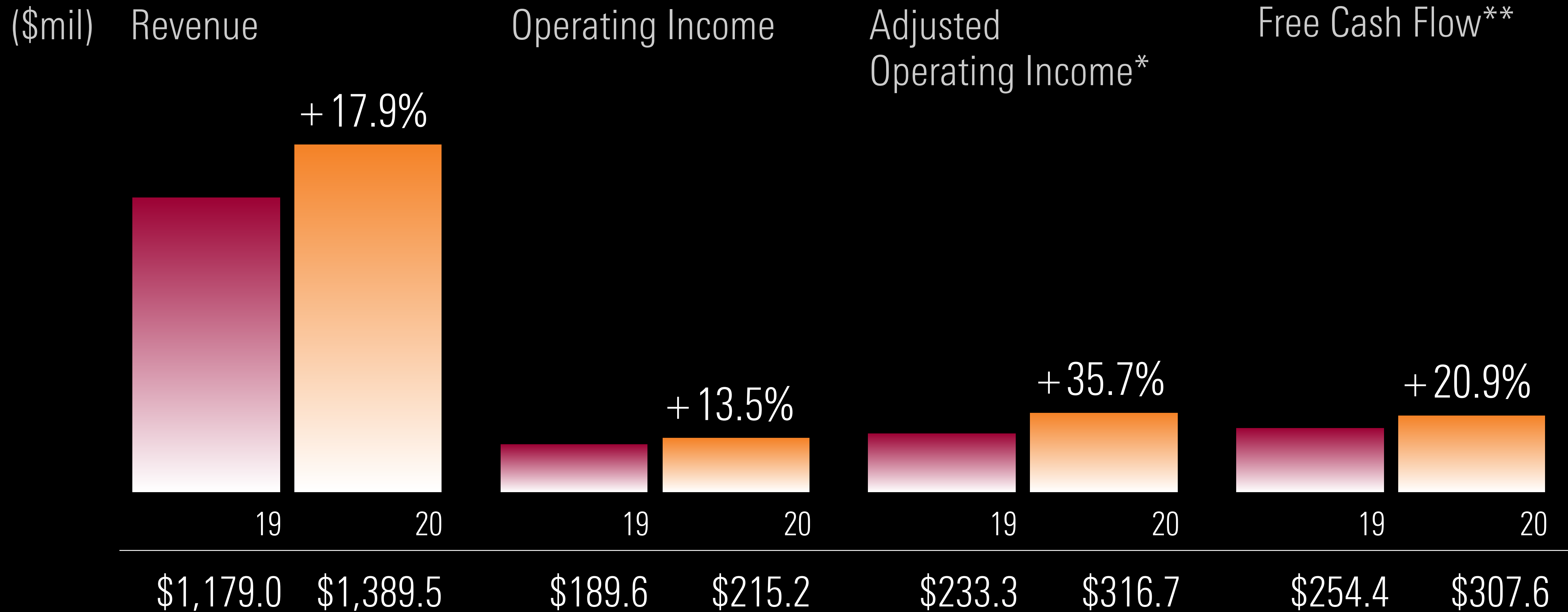
MORNINGSTAR Data

Inorganic (~40% of Growth)

MORNINGSTAR | **DBRS**

 **SUSTAINALYTICS**

2020 Performance



* Adjusted operating income and free cash flow are non-GAAP measures.

** Free cash flow is defined as operating cash flow less capital expenditures.

2020 Success Factors

Business Resilience

8.2%

Organic Revenue Growth

10.4%

License-Based
Organic Revenue Growth

Organic revenue growth is a non-GAAP measure.

2020 Success Factors

Business Resilience

8.2%

Organic Revenue Growth

10.4%

License-Based
Organic Revenue Growth

Prudent Cost Maintenance

+300 bps

Adjusted Operating
Margin Increase

3.2%

Opex Growth (Ex M&A)*

Organic revenue growth is a non-GAAP measure. *Excluding the impacts from DBRS Morningstar and Sustainalytics and M&A-related expenses.

2020 Success Factors

Business Resilience

8.2%

Organic Revenue Growth

10.4%

License-Based
Organic Revenue Growth

Prudent Cost Maintenance

+300 bps

Adjusted Operating
Margin Increase

3.2%

Opex Growth (Ex M&A)*

Capital Deployment & Cash Flow

\$74.5 mil

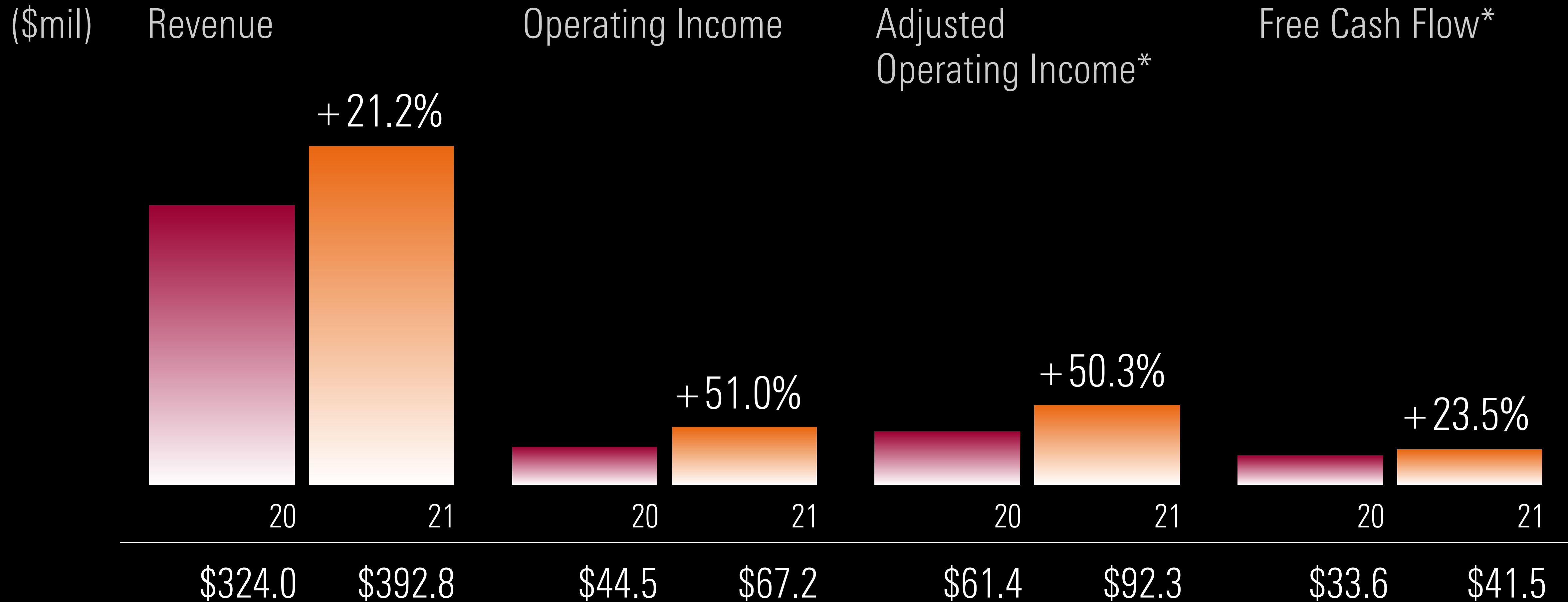
M&A / Equity Method Investments

\$308 mil

Free Cash Flow

Organic revenue growth is a non-GAAP measure. *Excluding the impacts from DBRS Morningstar and Sustainalytics and M&A-related expenses.

Q1 2021 Performance

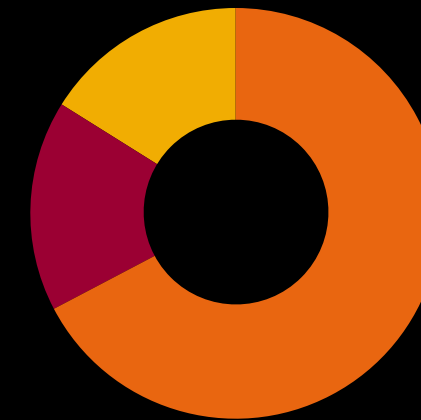


*Adjusted operating income and free cash flow are non-GAAP financial measures.

A Successful Long-Term Operating Model

Revenue

- ▷ Strong and Growing Recurring Base
- ▷ Leverage to Market Conditions
- ▷ Organic Focus



License-Based	67.3%
Transaction-Based	16.6%
Asset-Based	16.1%

Operating Expense

- ▷ Weighted to Compensation & Benefits
- ▷ Leverage in Cost Structure
- ▷ Prudent Management & Balancing Objectives



Comp. & Benefits	65.1%
Other	34.9%

Cash Flow & Balance Sheet

- ▷ Stable Cash Flow Profile
- ▷ Balanced Capital Allocation
- ▷ Strong Balance Sheet & Flexibility



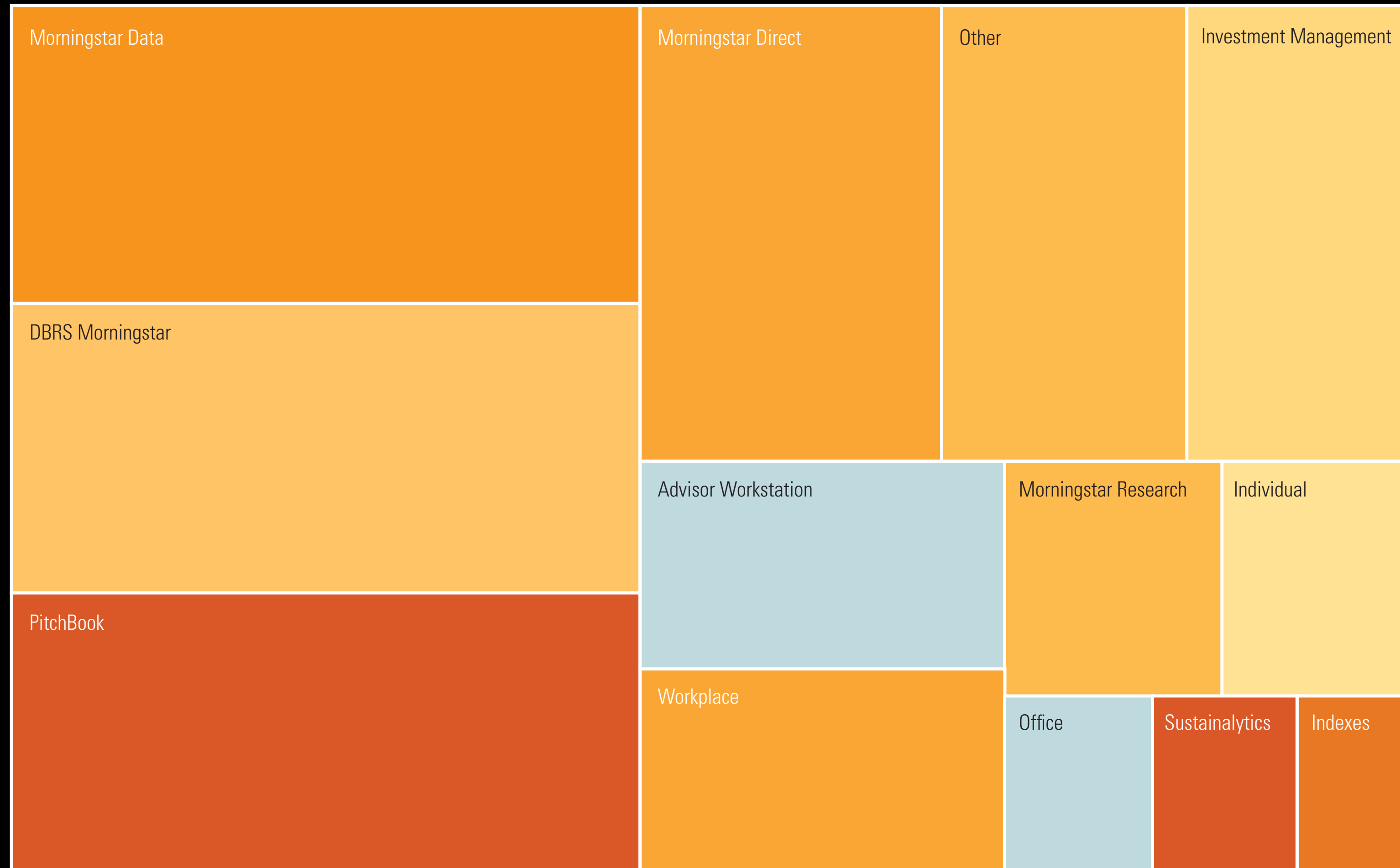
	(\$mil)
Capital Expenditures	76.7
M&A	74.5
Debt Repayment (Net)	63.4
Dividends Paid	51.4
Shares Repurchased	41.9

Data as of Dec. 31, 2020.

Our Four Strategic Priorities



Delivering Differentiated Insights



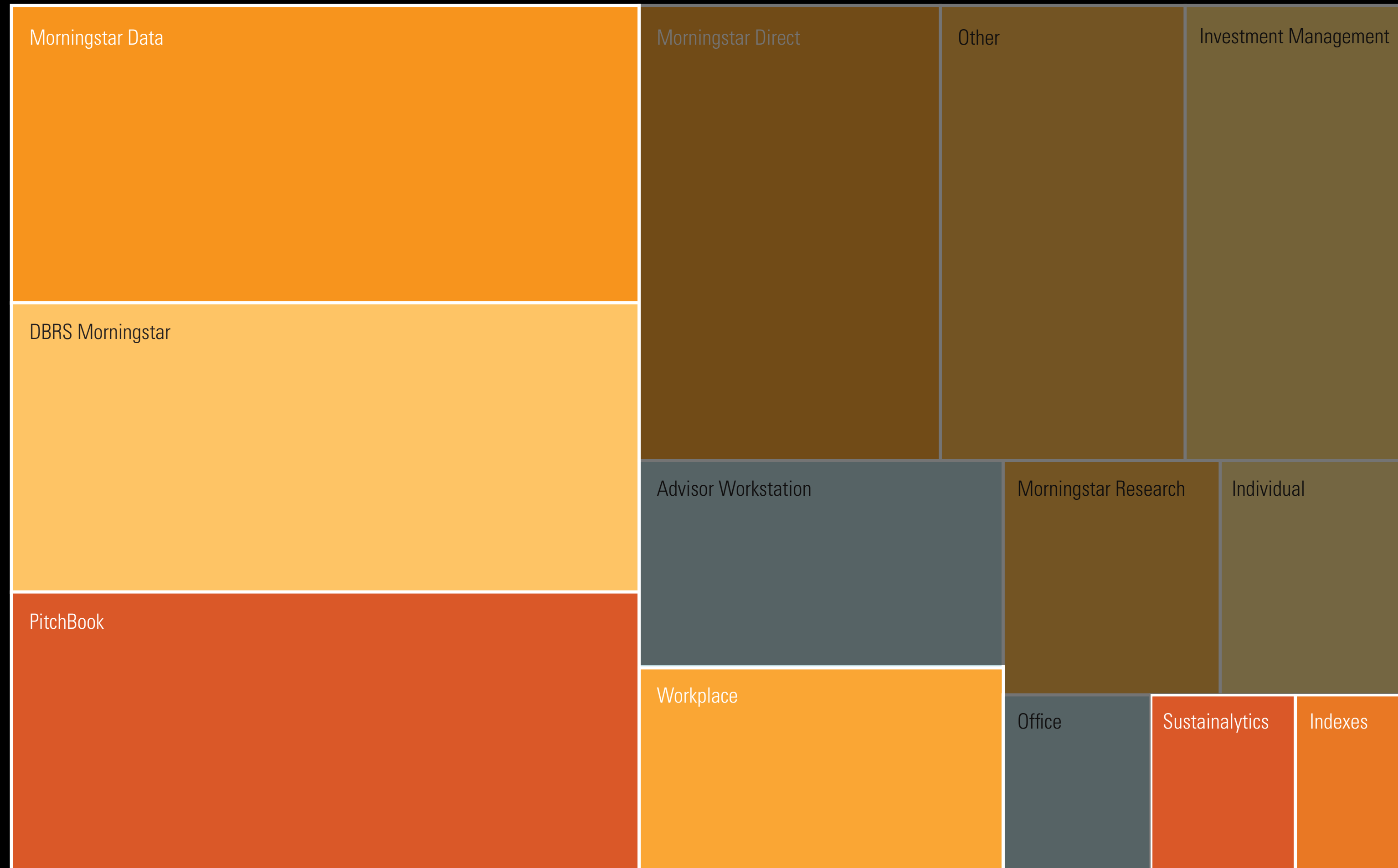
2020 Revenue Growth



High

Low

Delivering Differentiated Insights



2020 Revenue Growth

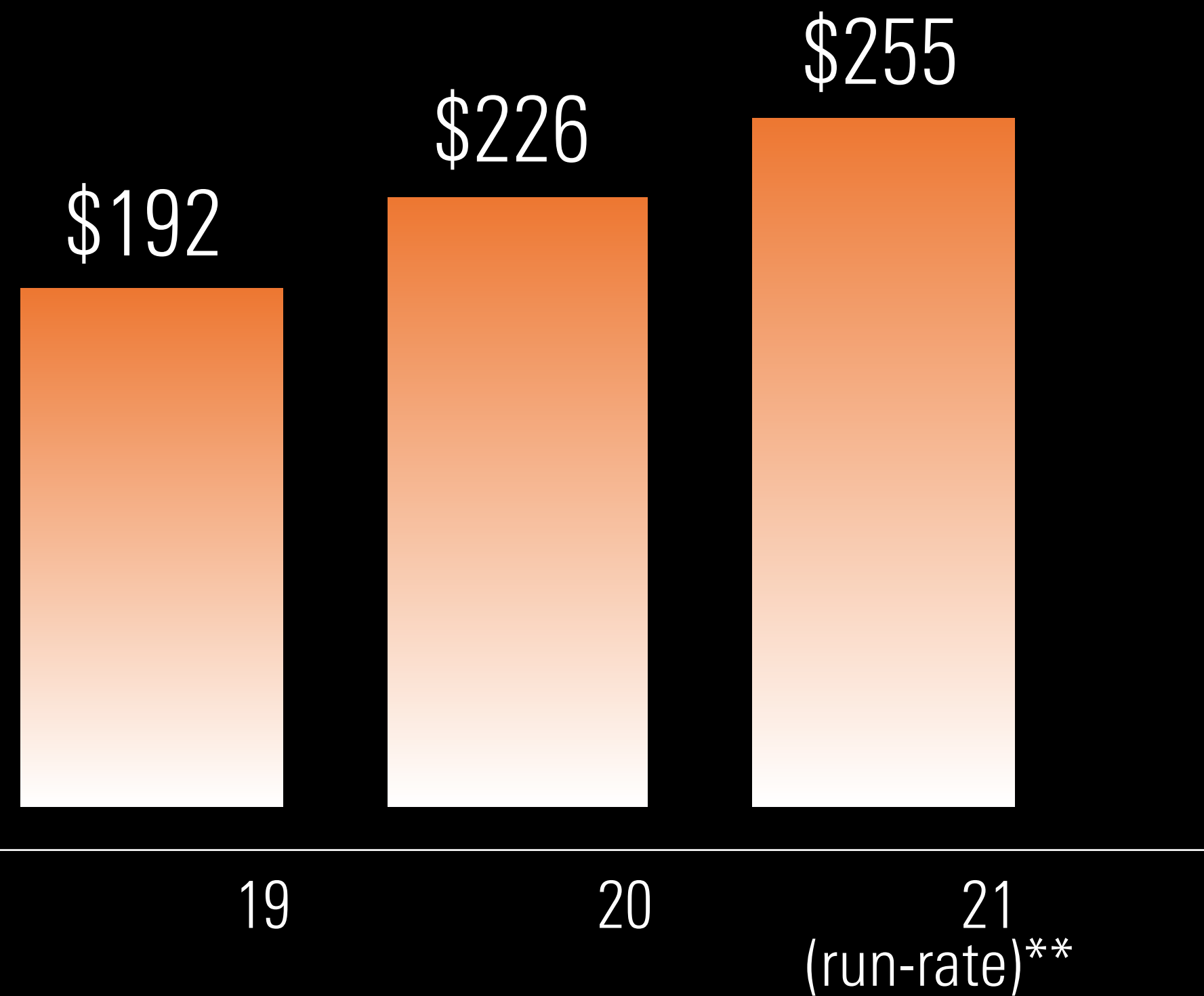


High

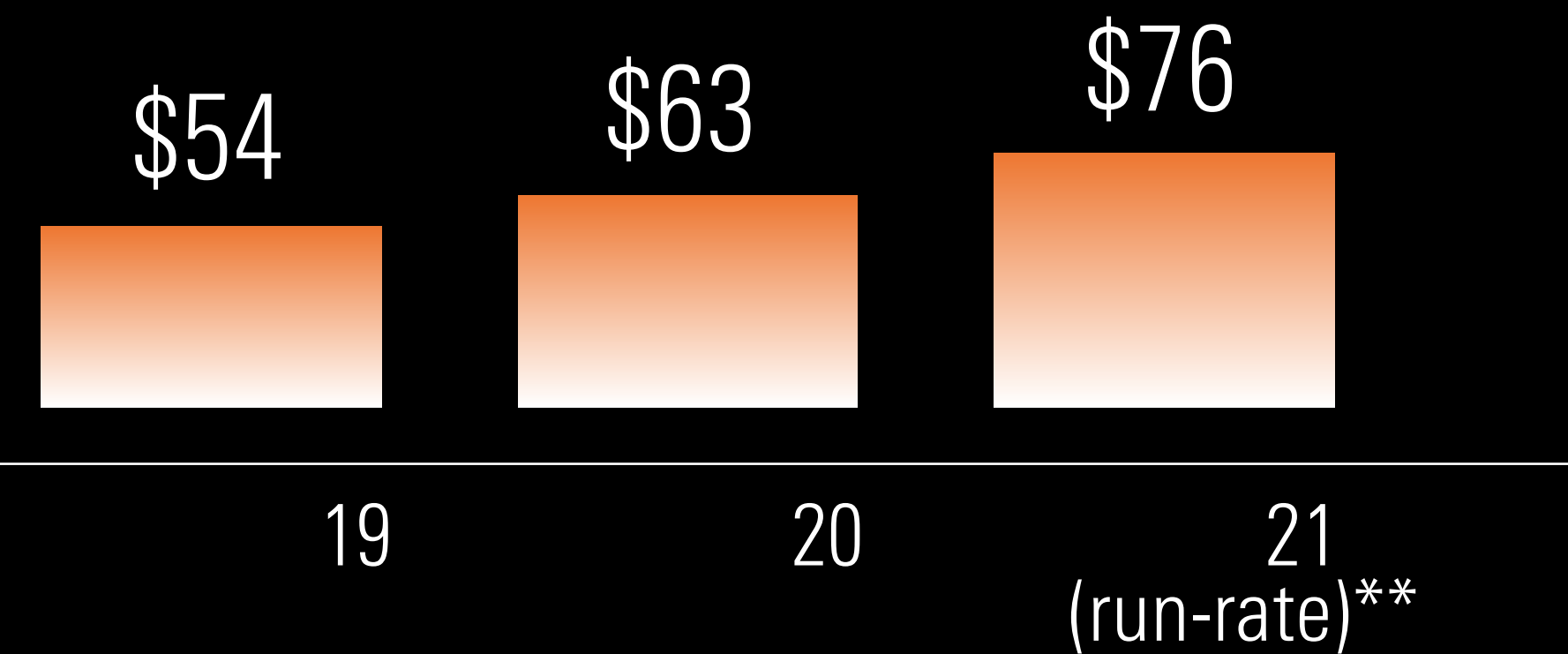
Low

Delivering Differentiated Insights

Data & Research Spend (\$mil)*



Capitalized Software Development (\$mil)

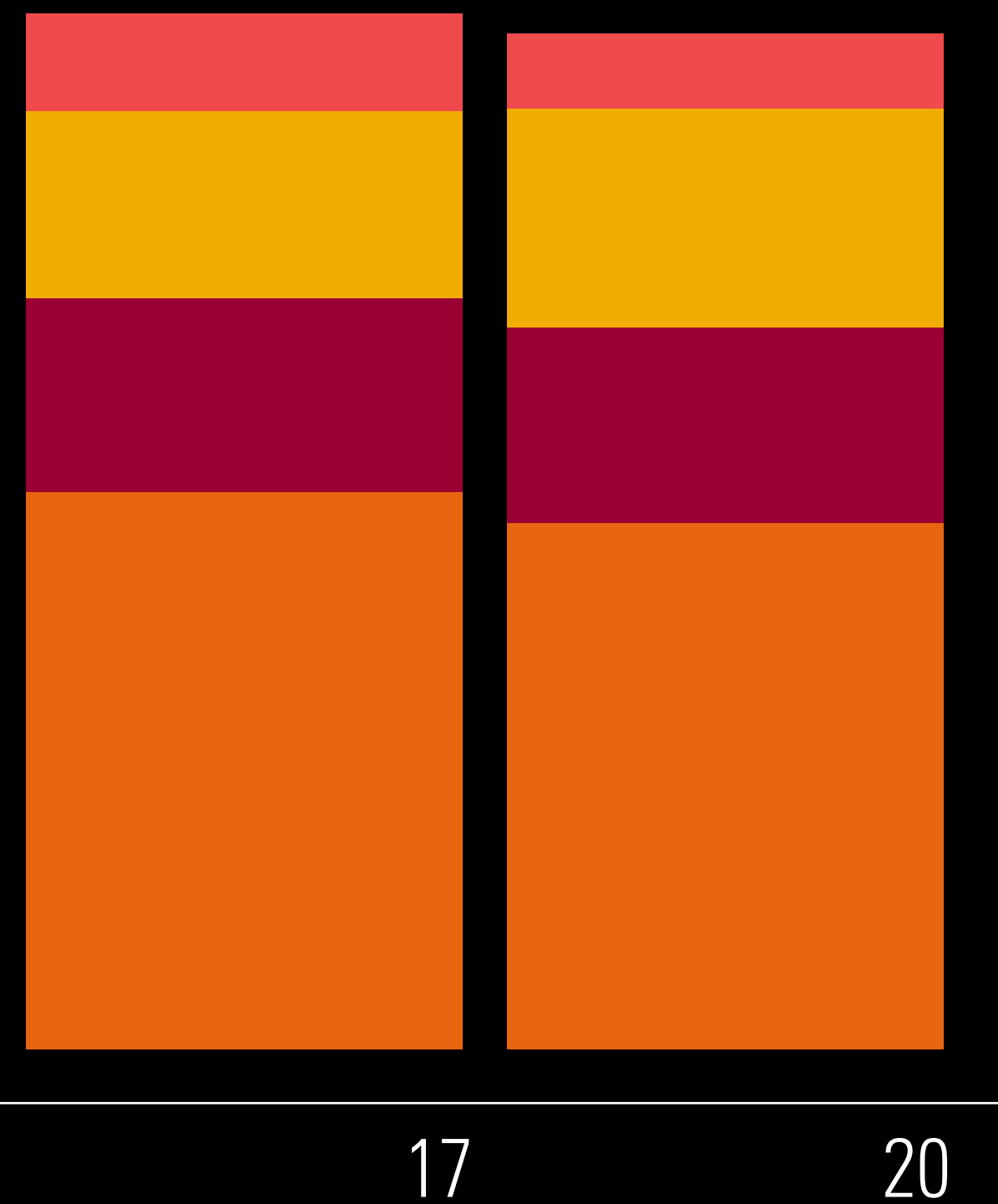


* Includes costs such as analyst compensation, direct data purchases, and product development.

** Run-rates for 2021 based on annualizing Q1 figures.

Drive Operational Excellence and Scalability

Operating Expense as a % of Revenue

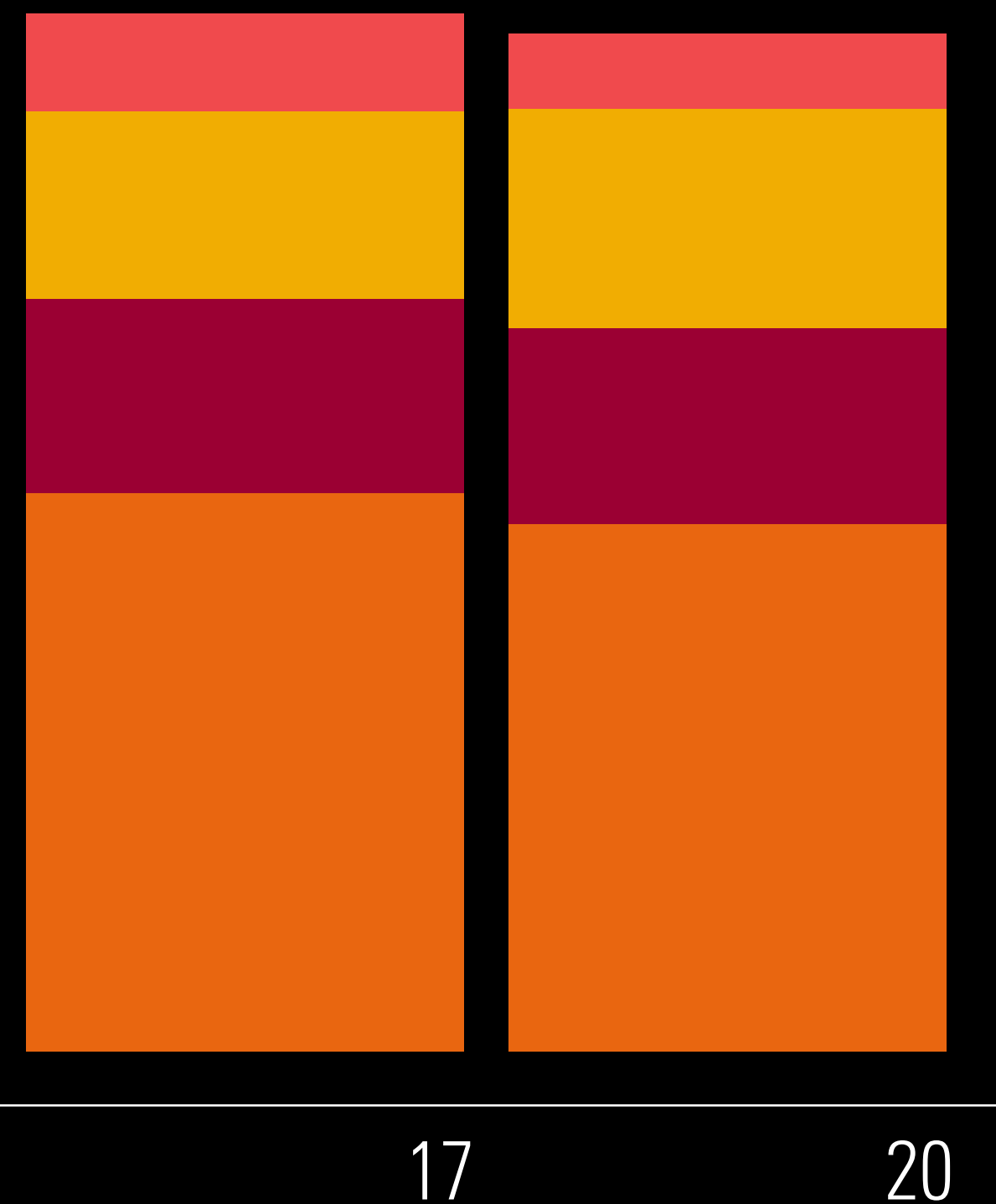


Expense Categories	2017	2020
● COGS ¹	42.4%	40.0%
● Sales & Marketing	14.7%	14.9%
● G&A ²	14.2%	16.5%
● D&A ³	7.4%	5.8%
Profitability		
Operating Margin	18.6%	15.5%
Adj. Operating Margin	21.2%	22.8%

1. Adjusted COGS excludes M&A-related expenses. 2. Adjusted G&A excludes M&A-related expenses and earn-outs.
3. Adjusted D&A excludes M&A-related amortization.

Drive Operational Excellence and Scalability

Operating Expense as a % of Revenue



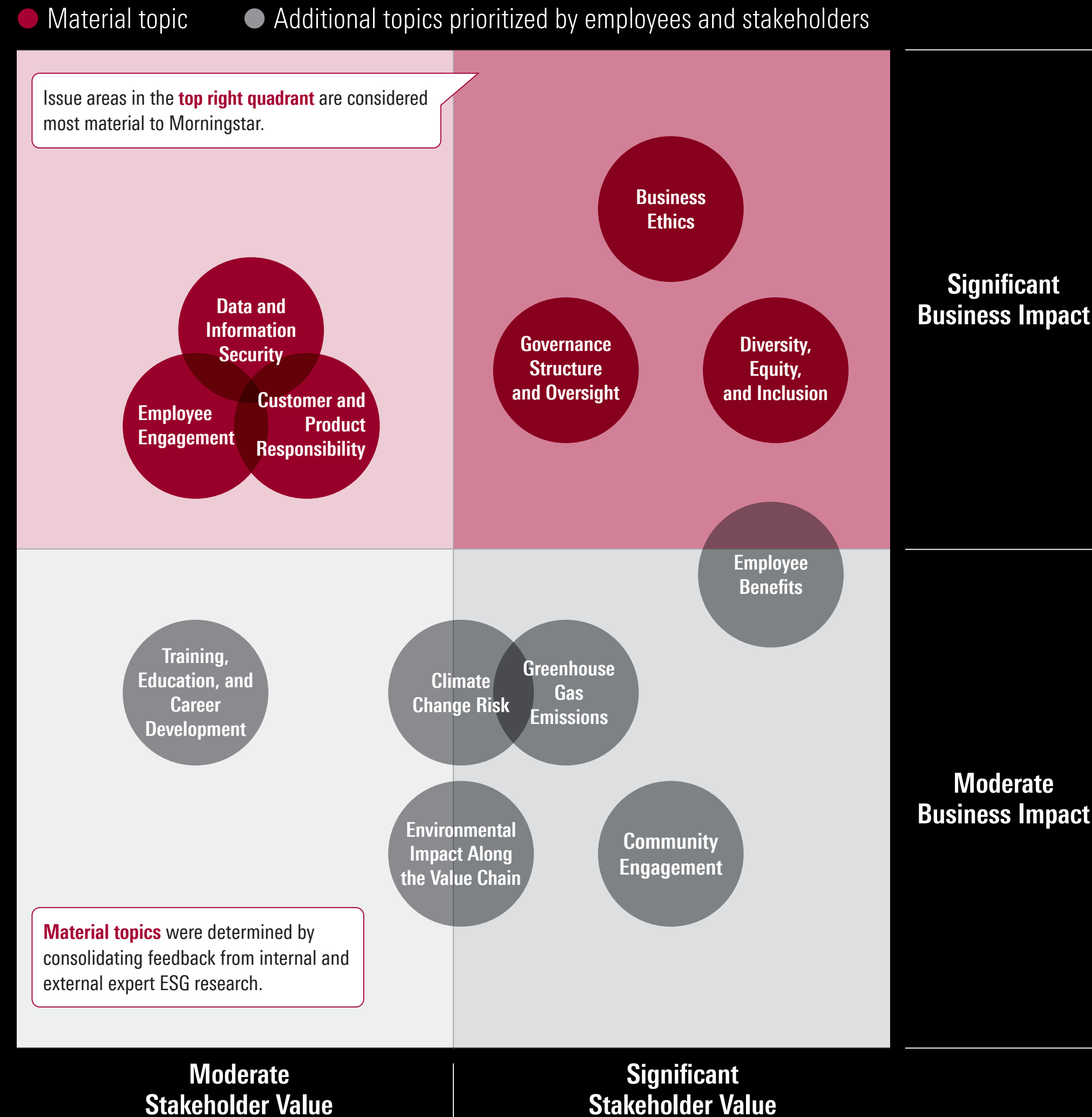
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● D&A ³	7.4%	5.8%
Profitability		
Operating Margin	18.6%	15.5%
Adj. Operating Margin	21.2%	22.8%

Future Focus Areas for Scale

- ▷ Technology & System Infrastructure
- ▷ Cloud Computing
- ▷ Production & Development Costs
- ▷ Go-To-Market Capabilities
- ▷ Automation & Efficiency
- ▷ Resource Allocation

1. Adjusted COGS excludes M&A-related expenses. 2. Adjusted G&A excludes M&A-related expenses and earn-outs.
3. Adjusted D&A excludes M&A-related amortization.

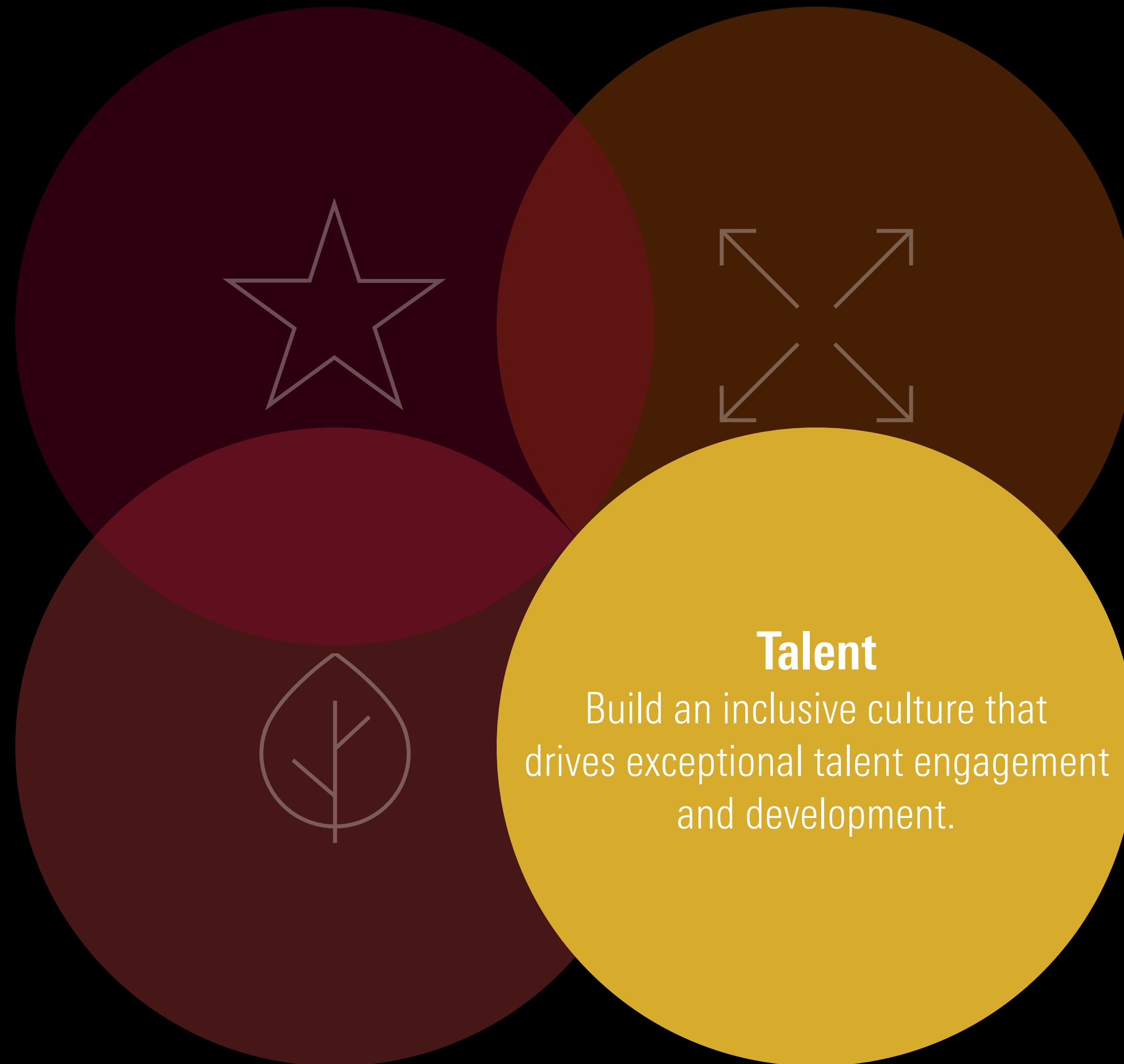
Establish Leading ESG Position By Example



Material Topics

- ▷ Business Ethics
- ▷ Diversity, Equity, and Inclusion
- ▷ Governance Structure
- ▷ Data and Information Security
- ▷ Employee Engagement
- ▷ Customer and Product Responsibility

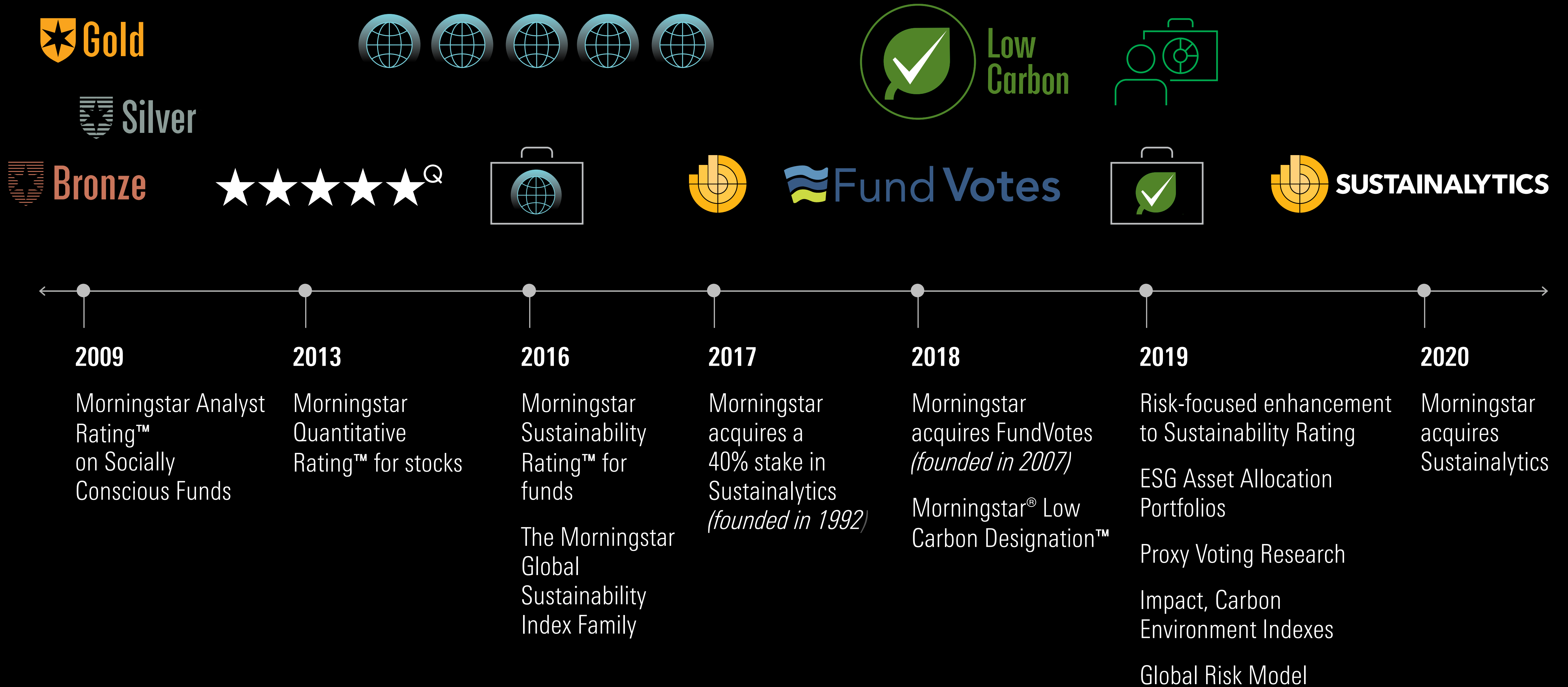
Our Four Strategic Priorities



Our Path to ESG Leadership

Michael Jantzi
Founder of Sustainalytics,
a Morningstar company

Our Path to ESG Leadership Began Over a Decade Ago



Sustainalytics Overview

Who We Are

Toronto
New York
Boston
Washington DC

London
Paris
Frankfurt
Amsterdam
Brussels

Stockholm
Copenhagen
Zielena Gora (Poland)
Bucharest, Timisoara (Romania)

Tokyo
Sydney

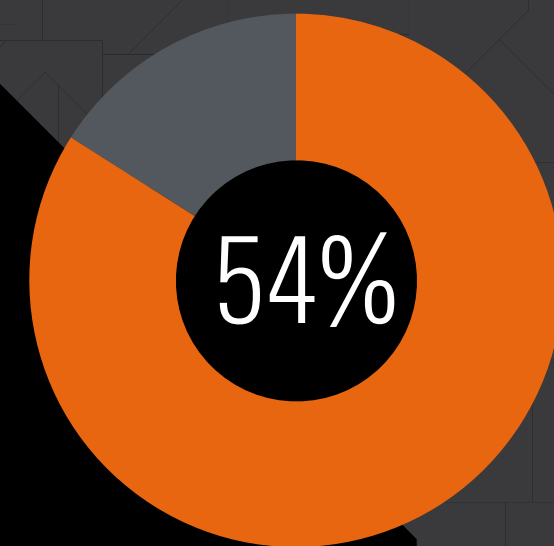
900+
Team Members



350+ Analysts
135 Client
Relations Staff



64% Women
36% Men



Women in senior
management

54
Nationalities

49
Languages
Spoken



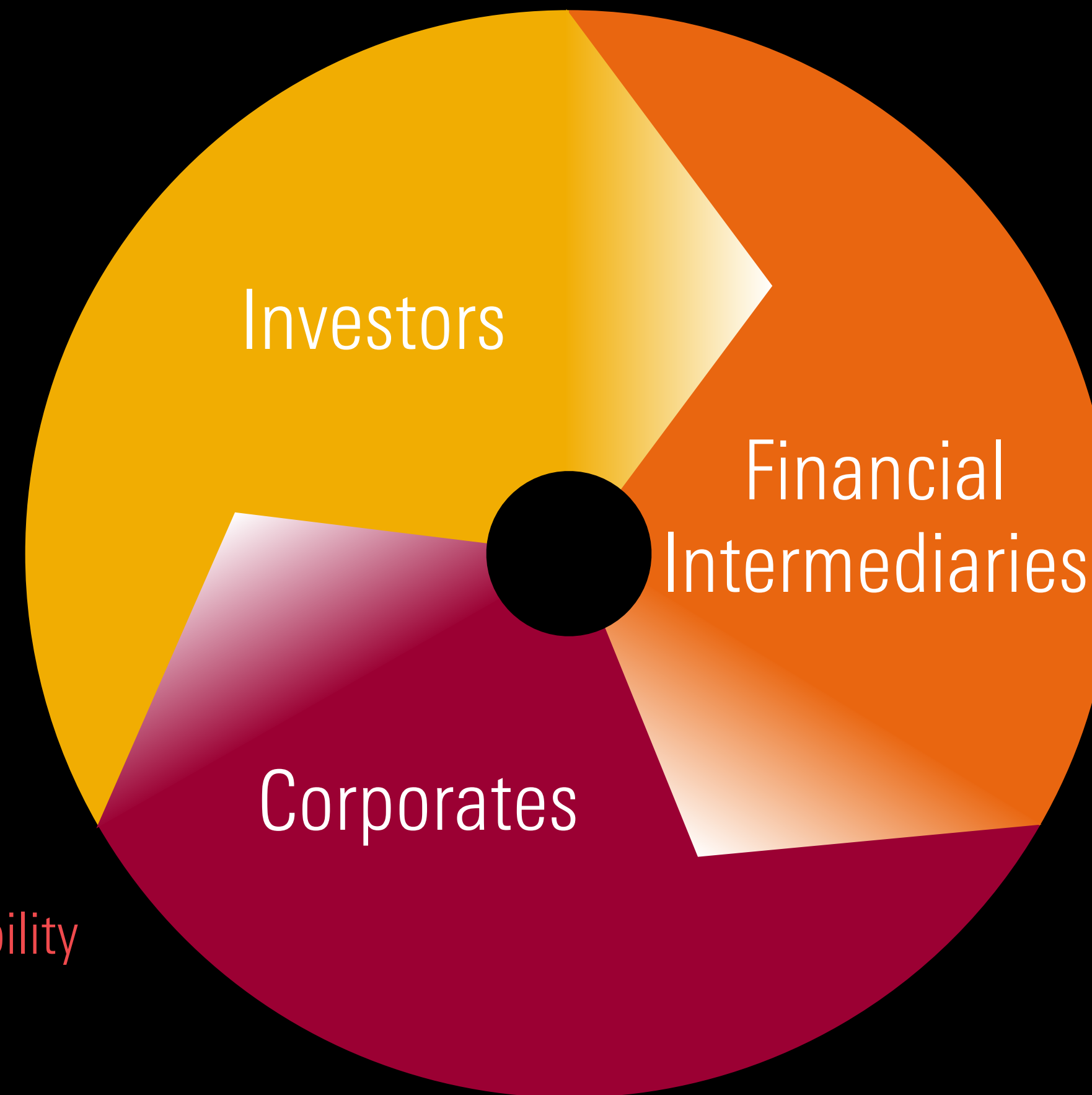
Sustainable Finance Ecosystem

Investors

Empowering investors (the owners and managers of capital) to create portfolios that align with a more just and sustainable world.

Corporates

Supporting corporates to measure, report, and promote their sustainability and impact performance.



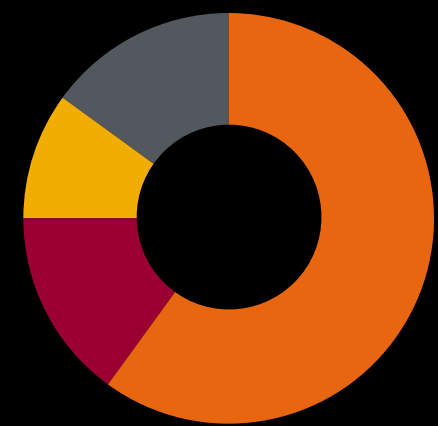
Financial Intermediaries

Helping banks, insurers, brokers, exchanges and other platforms to offer financing and investment solutions related to ESG and impact.

Who We Serve: Investors and Corporates

Investors

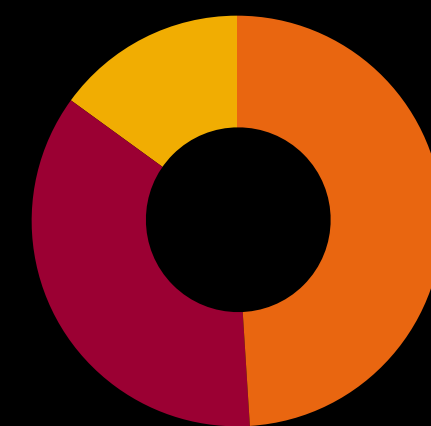
Client Types by Segments



Asset Managers	60%
Asset Owners	15%
Wealth Managers	10%
Other	15%

Corporates

Regional Breakdown of Corporate Clients

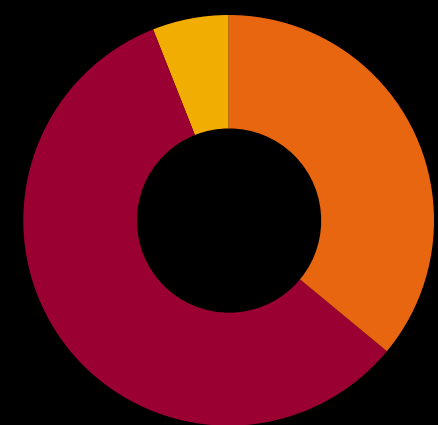


Americas	49%
EMEA	36%
APAC	15%

430+

Corporate Issuer Clients Worldwide

Clients by Regions

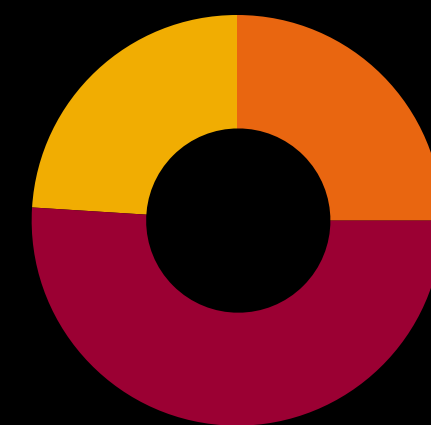


Americas	36%
EMEA	58%
APAC	6%

800+

Clients Worldwide

Regional Breakdown of CIBs



Americas	25%
EMEA	51%
APAC	24%

275+

Corporate Banking Partners Worldwide

What We Do

Investors

ESG Research

ESG Risk Ratings

EU Action Plan Solutions

Corporate Governance
Research & Ratings

Carbon Risk Ratings

Compliance & Screening

Controversial Product Involvement

Norms-based Screening

Defense Research

Human Rights Radar

Positive Impact

Sustainable Products Research

Impact Metrics

Delivery Platforms

Global Access (Investor
Platform)

API & Data feed Solutions

Partner Platforms

Stewardship

Engagement Services

ESG Voting Policy Overlay

Fiduciary Voting

Corporates

Sustainable Finance Solutions

Green, Social, Sustainability Bonds Second
Party Opinions

Climate Bond Verification

Sustainability-Linked Loan Services

Corporate Issuer Solutions

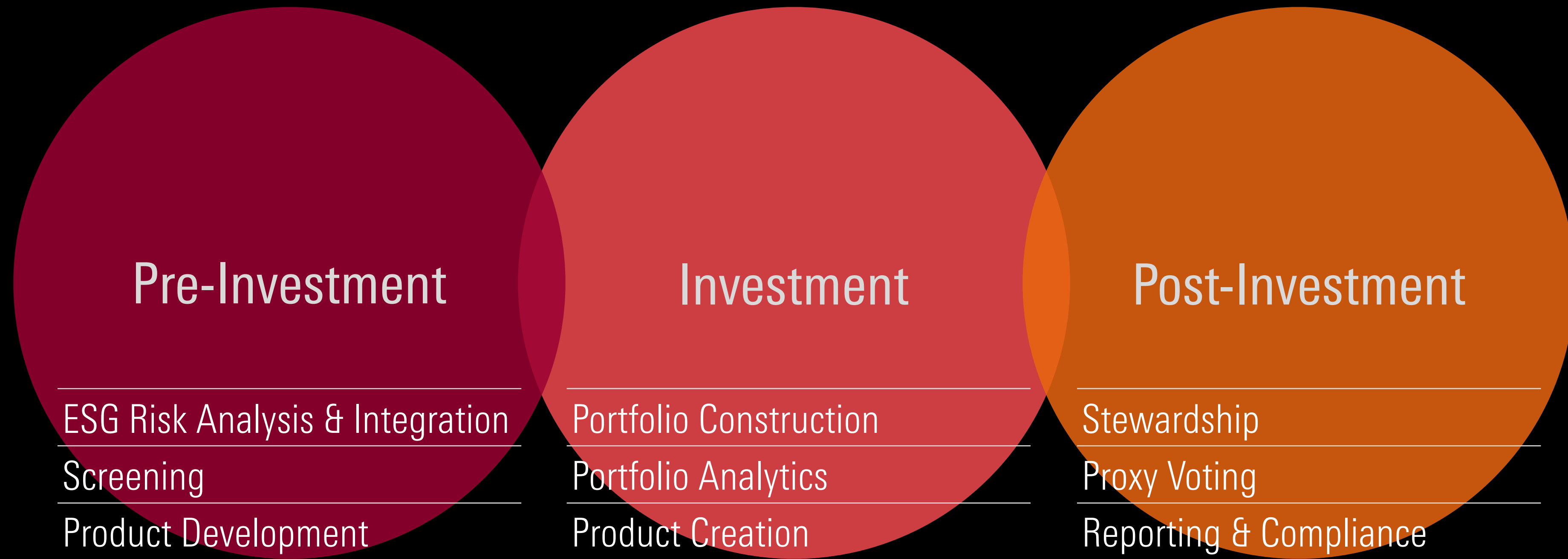
ESG Ratings Licenses

Benchmarking

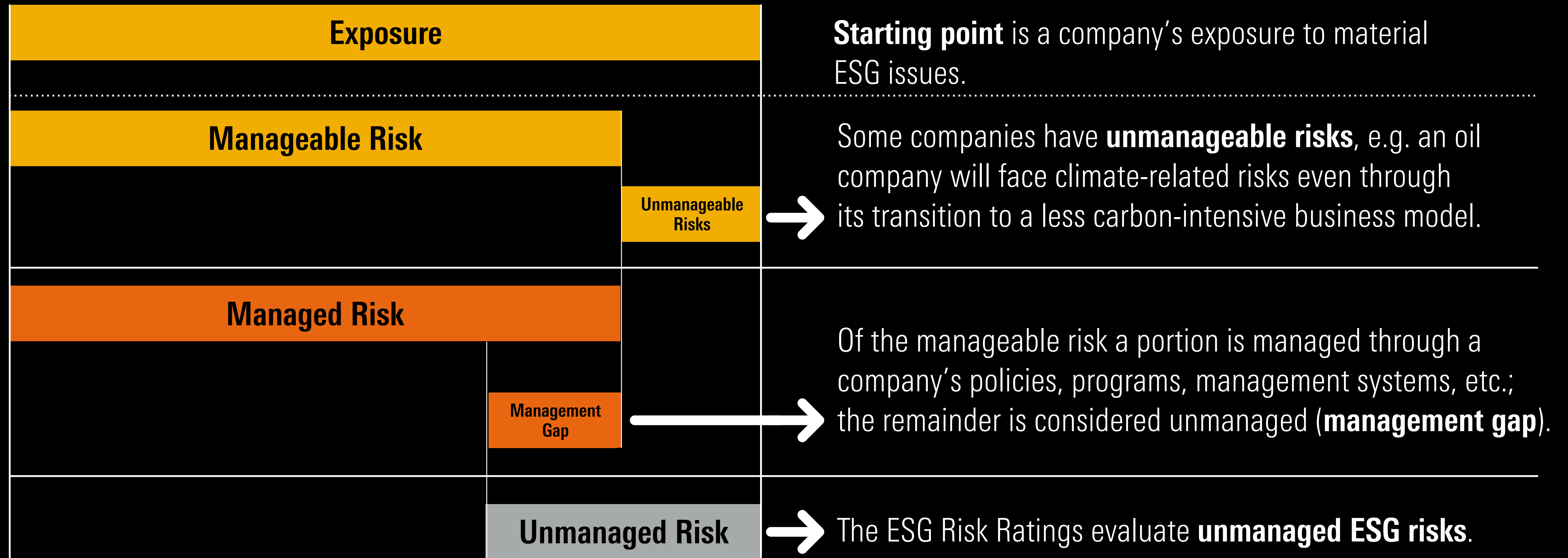
Supply Chain ESG Assessments

Socio-Economic Impact Reporting

ESG Investment Value Chain



Market Leading ESG Risk Rating and Research



Market Leading ESG Risk Rating and Research

Sustainalytics ESG Risk Rating Report

Exxon Mobil Corp.

Integrated Oil & Gas United States NYS:XOM

ESG Risk Rating

34.9

Updated Apr 15, 2021

+2.4

Momentum

High Risk

ESG Risk Rating Category Distribution

ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = lowest risk)
Global Universe	10124/13717	74th
Oil & Gas Producers INDUSTRY	45/279	17th
Integrated Oil & Gas SUBINDUSTRY	15/52	28th

Peers Comparison

Peers (Market cap \$122.9 - \$1918.7bn)

Peers	Exposure	Management	ESG Risk Rating
1. Total SE	74.4 High	73.2 Strong	28.4 Medium
2. Exxon Mobil Corp.	68.8 High	58.1 Strong	34.9 High
3. Royal Dutch Shell PLC	76.4 High	62.5 Strong	36.0 High
4. Chevron Corporation	72.6 High	52.3 Strong	40.5 Severe
5. Saudi Arabian Oil Co.	71.6 High	38.3 Average	48.1 Severe

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Sustainalytics ESG Risk Rating Report

Workday Inc

Enterprise and Infrastructure Software United States NAS:WDAY

ESG Risk Rating

13.8

Updated Oct 2, 2020

-2.0

Momentum

Low Risk

ESG Risk Rating Category Distribution

ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = lowest risk)
Global Universe	665/13717	6th
Software & Services INDUSTRY	15/787	3rd
Enterprise and Infrastructure Software SUBINDUSTRY	6/296	3rd

Peers Comparison

Peers (Market cap \$52.7 - \$63.1bn)

Peers	Exposure	Management	ESG Risk Rating
1. Workday Inc	31.0 Low	59.8 Strong	13.8 Low
2. VMware Inc	29.0 Low	53.8 Strong	14.5 Low
3. Autodesk Inc	31.7 Low	55.4 Strong	15.3 Low
4. Dassault Systemes SA	28.0 Low	47.7 Average	15.5 Low
5. Atlassian Corp. Plc	31.6 Low	40.4 Average	19.7 Low

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material

ks, e.g. an oil
en through
business model.

ed through a
nt systems, etc.;
management gap).

and ESG risks.

Sustainalytics Has Supported 600+ Sustainable Bonds

172+

North America

262+

Europe

8+

Middle East

175+

Asia Pacific

47+

Latin Americas

Greenergy Renovables
@Grenargy_eu

.@Sustainalytics, la agencia de rating #ESG, ha posicionado a Greenergy entre las tres primeras empresas del sector #renovable y entre las cinco mejores de un total de 575 compañías del sector #utilities a nivel mundial.

ESG - EXTERNAL RECOGNITION

OUR FIRST ESG RATING ACHIEVED

ESG Risk Rating: **13.6** LOW RISK

SUSTAINALYTICS

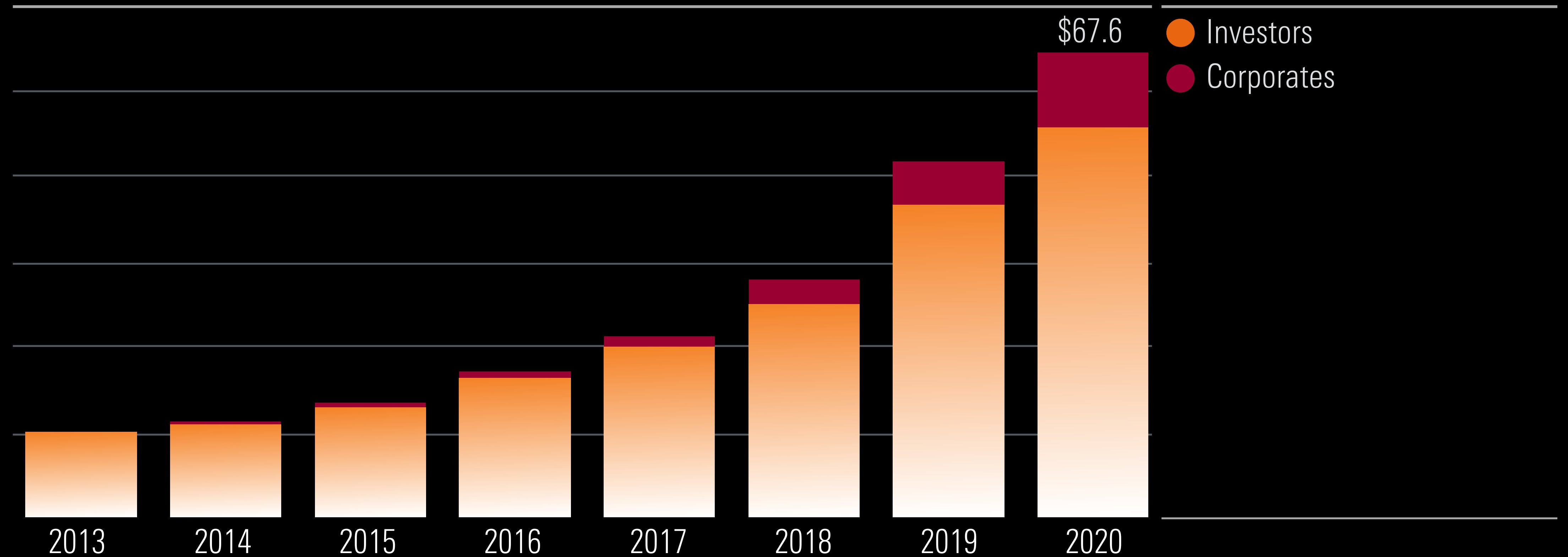
OUR EMPLOYEES TRUST LEVEL TESTED

4:38 AM · Apr 8, 2021

7 0 Share this Tweet

Rapid Growth in Core ESG & Sustainable Finance Solutions

Sustainalytics Total Sales* (\$mil)

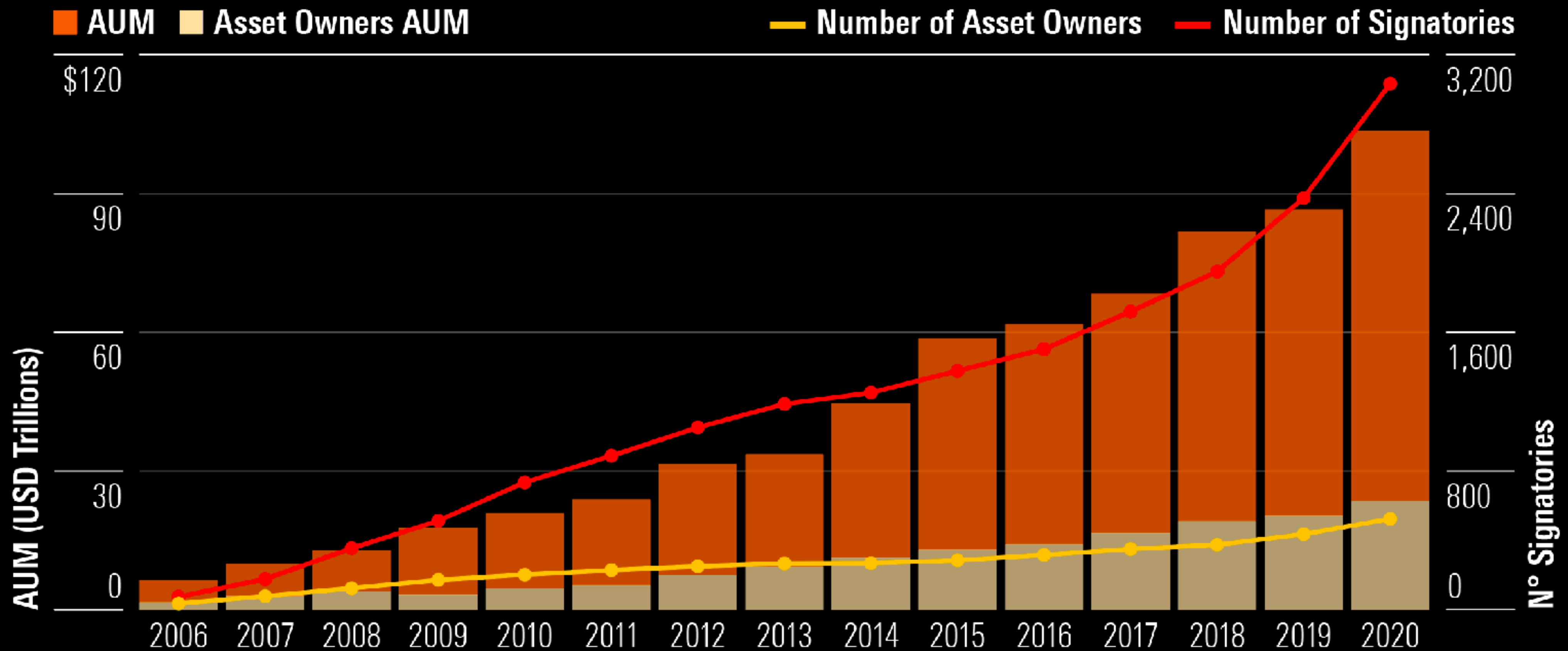


*Sales is a Non-GAAP measure of aggregate annualized contract value during a given year, and includes both recurring and non-recurring items. Sales differs from Revenue, a GAAP measure, which includes the effects of revenue accruals and deferrals under generally accepted accounting principles.

Looking Ahead:
Growth of the ESG Market Is Robust

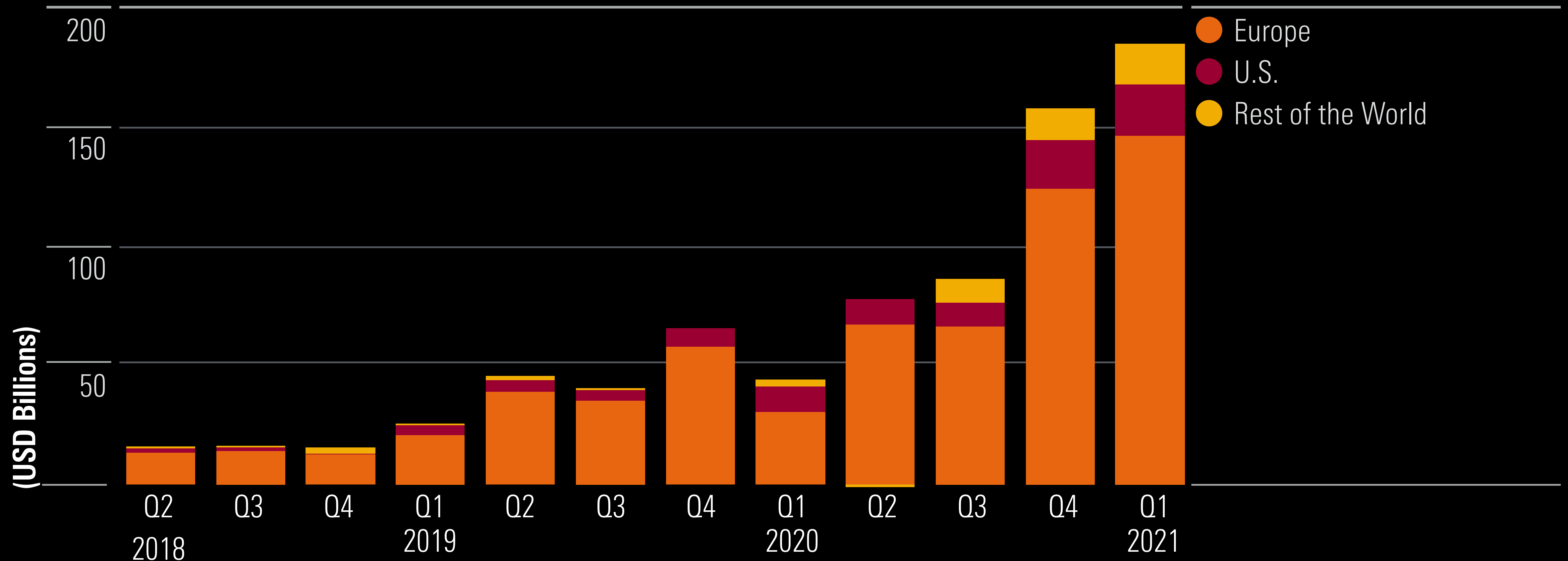
Market Trends: Sustainable Investing Continues to Grow

Signatory Assets Under Management



Market Trends: Sustainable Fund Flows are Increasing

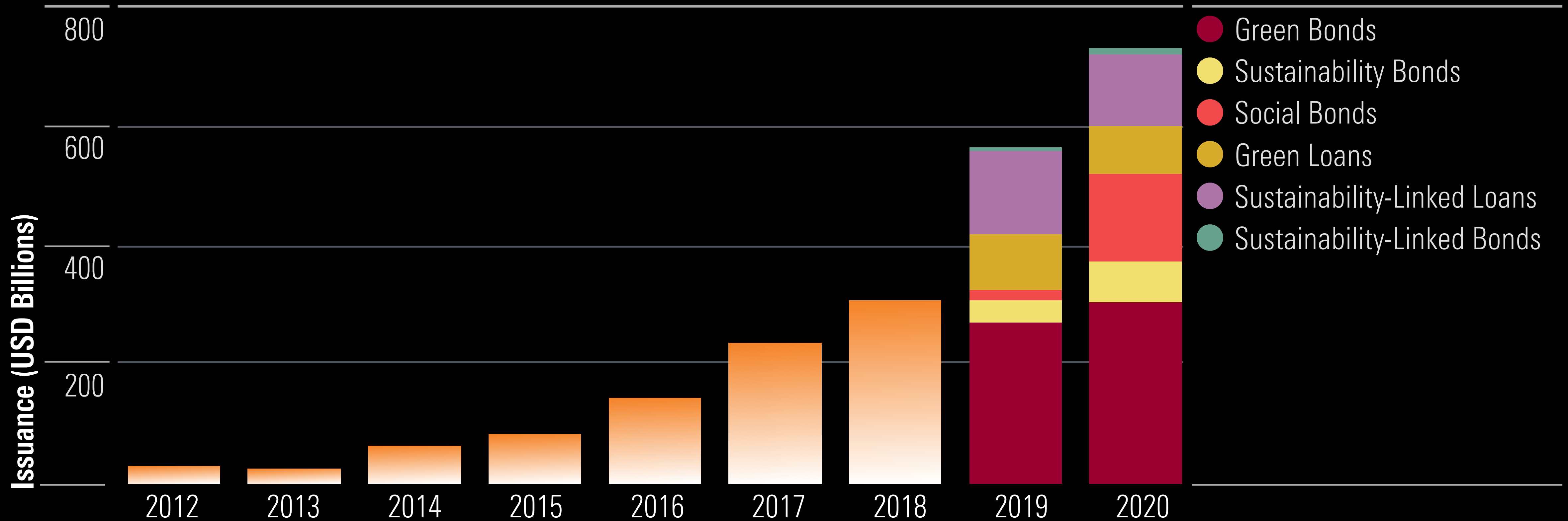
Quarterly Global Sustainable Fund Flows



Source: Morningstar

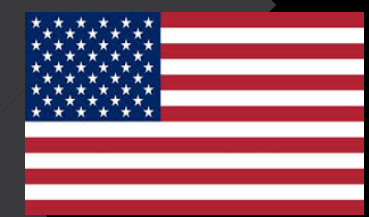
Market Trends: Sustainable Finance Market Continues to Expand

Global Sustainable Debt Issuance



Source: Bloomberg NEF

ESG Regulatory Initiatives are Serving as Tailwinds



Robust Regulatory Environment



Corporate Disclosure Standards

The New Sustainability:
Morningstar + Sustainalytics = ESG Leadership

Morningstar and Sustainalytics: Across All Relevant Channels

The Market Standard Across:

Core Investor Audiences:

Individual Investors
Financial Advisors
Wealth Managers
Asset Managers
Institutional Investors
Corporates

Asset Classes:

Equity
Fixed Income
Private Markets
Credit

Investment Vehicles:

Securities
Funds
Portfolios

Audience Workflows:

Create
Manage
Communicate

Sustainalytics + Morningstar Empower All Investor Workflows

Pre-Investment

Investment

Post-Investment

MORNINGSTAR Direct

Search for Securities and Research...

Name	Type	Last Modified
Strategies	Screen	5/21/2020
Ben Lapham List	List	5/15/2020
Sustainable Funds US (M...	List	5/5/2020
Sustainable Landscape U.S...	List	4/16/2020
Vendor list	List	4/16/2020
Sustainable Landscape U.S...	List	4/8/2020
CFR Strategies	Screen	4/2/2020

Name	Last Modified
ESG Text Account	5/16/2020
test	10/28/2019
Udov's Portfolio	10/23/2019
Test	9/20/2019
GEY	7/1/2019
US ESG	6/11/2019
ESG ESG	6/6/2019
ESG ESG	6/6/2019
ESG ESG	4/24/2019

Investment Analysis | *Managed Investments (formerly Grid View)

Search for Securities and Research

Screener

Create your Universe

Investment Type: Open-End Fund, Exchange-Traded Fund

Domicile: United States

Morningstar Sustainability Rating (mo-end): Include Value: 5 Globes, 4 Globes

Low Carbon Designation (qtr-end): Yes

Employs Exclusions for Gambling (yr-end): Yes

Portfolio Product Involvement % - Animal Testing (mo-end): Less than or Equal to Value: 10

Sustainable Investment Impact Fund - Overall (yr-end): Yes

Charts and Tables

Date

2 days ago

2 days ago

2 days ago

2 days ago

2 days ago

MORNINGSTAR

Sustainable Funds U.S. Landscape Report

More funds, more flows, and impressive returns in 2020.

Morningstar Manager Research
10 February 2021

Contents

- 1 Introduction
- 2 Key Takeaways
- 3 The Sustainable Funds Universe
- 12 Sustainable Fund Flows
- 22 Investment Performance
- 27 Sustainability Performance
- 32 Conclusion
- 33 Appendix

Introduction

The turbulent events of 2020—the global coronavirus pandemic, continued weather extremes, the movement for racial justice in the United States, and the U.S. presidential election—underscored the salience of sustainability concerns to investment managers and strengthened the rationale for end investors to invest in a sustainable way. Indeed, investors are embracing sustainable investments more than ever. A study released in November estimated that 1 in 3 dollars of overall assets under management in the U.S. is now subject to some type of sustainable investment strategy.¹

What does that mean, exactly? Sustainable investing generally refers to the full consideration of environmental, social, and corporate governance, or ESG, concerns within an investment strategy, both to enhance investment performance and contribute to better societal outcomes. The basic consideration of ESG issues to enhance investment performance has also become widespread even among traditional investment managers, who are beginning to recognize the materiality of ESG risks and opportunities in security selection.

Jon Hale
Director, Sustainable Investing Research
+1 212-686-8093
jon.hale@morningstar.com

Vanguard Growth Index Admiral VIGAX

Display Benchmark 1: Russell 1000 Growth TR USD
Display Benchmark 2: S&P 500 TR USD
Return Date: 4/30/2020
Portfolio Date: 3/31/2020

Risk/Reward

	Inv	Bmk1	Cat Avg
Return	12.29	13.34	10.41
Std Dev	15.66	15.29	15.31
Alpha	-1.07	0.00	-2.56
Beta	1.01	1.00	0.99
R2	89.33	100.00	86.66
Tracking Error	1.29	0.00	1.76
Information Ratio (arbit)	-0.81	0.00	-1.66
Excess Return	-1.04	0.00	-2.92
Sharpe Ratio	0.75	0.82	0.65
Sorino Ratio	1.20	1.32	0.99

Performance

Time Period: 5/1/2015 to 4/30/2020

Return

40.00
35.00
30.00
25.00
20.00
15.00
10.00
5.00
0.00
-5.00

2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 YTD

Ratings

Morningstar Rating Overall: ****
Morningstar Analyst Rating: Silver

Morningstar Sustainability Rating

Sustainability Rating: 30 (3 Globes)

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Factor Profile

Time Period: 4/1/2015 to 3/31/2020

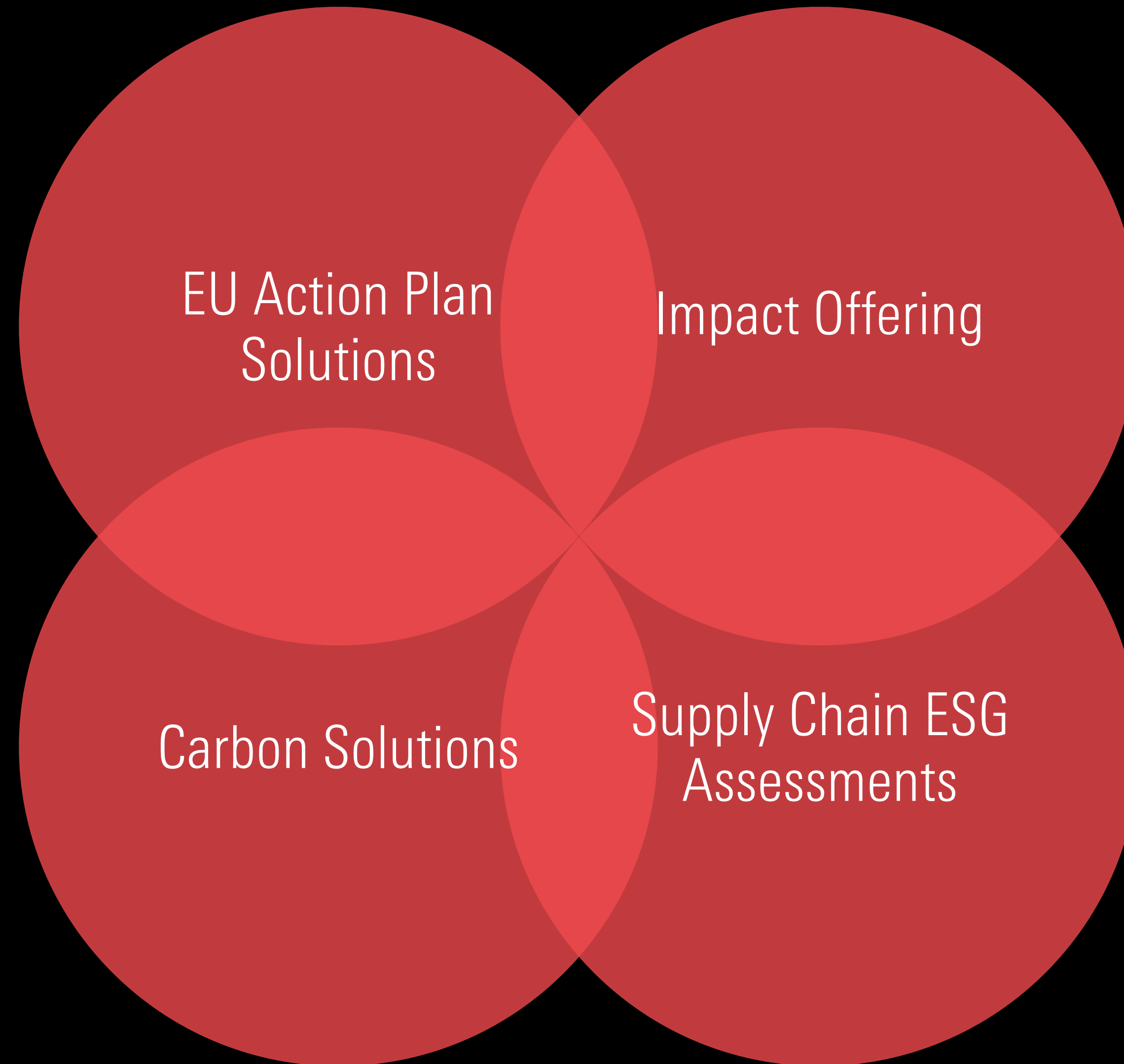
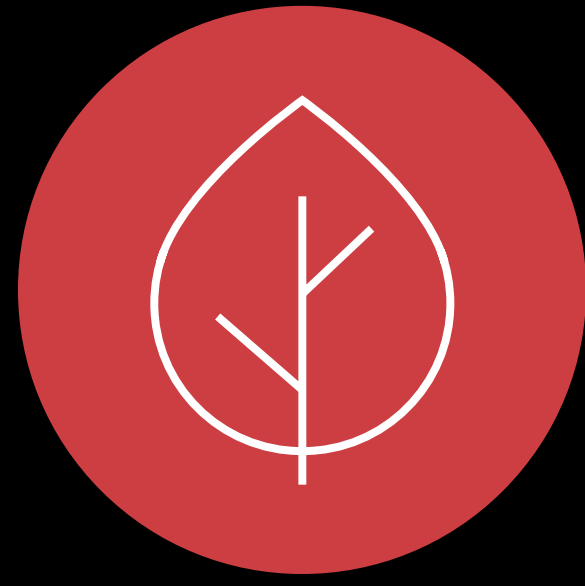
Portfolio Date: 3/31/2020

Style	Yield	Momentum	Quality	Volatility	Liquidity	Size
Growth	High	High	High	High	High	Large

Holdings Based Style

3
2
1

2021 Product Portfolio: Strategic Innovation Priorities



Walking the Talk

Transforming Values into Core Competencies

OUR MISSION

Empowering investor success



Transform Morningstar's values into core competencies

Support Enterprise Sustainability Working Group to align BU, functional, regional goals

Operationalize ESG data and sustainability metrics in critical strategy and functions

Articulate and communicate our roadmap for key stakeholders

Reinforce and communicate the firm's sustainability strategy

Enhance Morningstar policies pertaining to Sustainability

Position Morningstar as a provider of record for Sustainability-aware clients

Harness the energies and expertise of Morningstar businesses and employees to drive the sustainability roadmap

Position for ESG leadership in the financial services industry

Turn our research IP and product capabilities inward

Leverage the ES Working Group to harness the global expertise and innovation potential for multiple audiences

Appendix:

Reconciliation of Non-GAAP Measure with the
Nearest Comparable GAAP Measure

Reconciliation from operating income to adjusted operating income:

(\$mil)	2017	2018	2019	2020
Consolidated revenue growth	14.2%	11.9%	15.6%	17.9%
Adoption of accounting changes/ M&A	6.6%	0.1%	8.4%	9.5%
Effect of foreign currency translations	—	0.4%	(1.2%)	0.2%
Organic revenue growth	7.6%	11.4%	8.4%	8.2%

Reconciliation from consolidated revenue growth to organic revenue growth:

(\$mil)	2017	2018	2019	2020
GAAP operating income	\$169.8	\$215.8	\$189.6	\$215.2
M&A costs	—	—	7.2	14.9
All intangible amortization	23.6	20.7	36.5	58.8
Earn-out	—	—	—	27.8
Adjusted operating income	\$193.4	\$236.5	\$233.3	\$316.7

Reconciliation from operating margin to adjusted operating margin:

(\$mil)	2017	2018	2019	2020
Operating margin	18.6%	21.2%	16.1%	15.5%
add: intangible amortization expense and all M&A-related expenses	2.6%	2.0%	3.7%	7.3%
Adjusted operating margin	21.2%	23.2%	19.8%	22.8%

Reconciliation from cash provided by operating activities to free cash flow:

(\$mil)	2017	2018	2019	2020
Cash provided by operating activities	\$250.1	\$314.8	\$334.4	\$384.3
Capital expenditures	(66.6)	(76.1)	(80.0)	(76.7)
Free cash flow	183.5	238.7	254.4	307.6