



SASB Report

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About the Sustainability Account Standards

Board Standards

SASB Standards guide company disclosure of material sustainability topics and metrics. The standards provide a sector-specific approach across 77 different industries; each industry is assigned a set of environmental, social, and governance topics that are likely to affect a company's performance. Morningstar believes that SASB's industry-centric approach and emphasis on materiality is consistent with our research-driven, investor-focused approach to ESG analysis.

As stated on [**SASB's website**](#): SASB Standards are maintained under the auspices of the [**Value Reporting Foundation \(VRF\)**](#), a global nonprofit organization that offers a comprehensive suite of resources designed to help businesses and investors develop a shared understanding of enterprise value—how it is created, preserved, or eroded.

How SASB Helped Guide Morningstar's Materiality

In 2020, Morningstar used SASB Standards to inform portions of our materiality assessment, which identified key issues that could influence the firm's enterprise value.

These include:

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

Details about how we manage the above topics and the issues prioritized by Morningstar employees and stakeholders are explored in Morningstar's [**2021 Enterprise Sustainability Report**](#).

Alignment with SASB Standards

In our [**2020 corporate sustainability report**](#) and [**data tear sheet**](#), we provided details on the SASB and Global Reporting Initiative codes that directly tie to the data we've disclosed. This year, we are providing this dedicated SASB Report, examining explicit alignment with the SASB Standards.

This effort increases comparability across our peer group in the industry and allows investors to benchmark our performance against other organizations to better understand our position.

The diversity of our offering suggests that we currently align most directly with the SASB Professional and Commercial Services subindustry. Morningstar's business has grown substantially in recent years. We will always serve the professional and commercial services industry but may expand into new marketplaces as we continue to evolve.



Michael Jantzi's Role at the Value Reporting Foundation

In 2021, SASB merged with the International Integrated Reporting Council to form the VRF. This created a global organization with a unified strategy, single governing board, and principles-based approach to provide the best tools for companies and investors.

Michael Jantzi, founder of Sustainalytics, sits on the board of the VRF. Morningstar views Michael's involvement as an opportunity to have a voice at the forefront of sustainability disclosure in a rapidly evolving global landscape. It also highlights our commitment to the creation and adoption of globally aligned sustainability disclosure standards and integrated reporting.

It's important to note that the VRF board is not involved in setting the SASB Standards. SASB Standards are overseen by an independent board (Sustainability Accounting Standards Board) that is accountable for the due process, outcomes, and ratification of the SASB Standards, including any changes to the Standards. Accordingly, Michael's role on the VRF board doesn't present a conflict of interest

with respect to Morningstar's use of Sustainalytics' ESG rating strategy and leveraging the SASB Standards.

How to Reach Out

At Morningstar, we hold our material issues and transparent disclosure at the center of our strategic planning. With our continued alignment with SASB Standards, we will report back with our progress and learnings, and we look forward to engaging with our stakeholders on these issues.

We invite your feedback at [**EnterpriseSustainability@
morningstar.com**](mailto:EnterpriseSustainability@morningstar.com)



Data Security

Measurement	2021	Morningstar Notes	SASB Code
Description of approach to identifying and addressing data security risks	See details on Morningstar’s approach in the following file .	—	SV-PS-230a.1
Description of policies and practices relating to collection, usage, and retention of customer information	See details on Morningstar’s approach in the following file .	—	SV-PS-230a.2
Number of data breaches	In 2021, Morningstar had one noteworthy security incident.	See Page 64 of our sustainability report for details on how we define a data incident.	SV-PS-230a.3
Percentage involving customers’ confidential business information or personally identifiable information	100% (one incident)	—	SV-PS-230a.3
Number of customers affected	Two impacted parties were affected and informed of the noteworthy security incident.	—	SV-PS-230a.3



Workforce Diversity & Engagement

Measurement	2021	Morningstar Notes	SASB Code
Percentage of gender and racial/ethnic group representation for executive management and all other employees:		Morningstar defines executive management as anyone reporting to the CEO or highest executive. Values may not add up to 100% if individuals chose not to disclose their race/ethnicity or gender information.	
Women in Management	12%		SV-PS-330a.1
White in Management	88%		SV-PS-330a.1
Asian in Management	6%		SV-PS-330a.1
Hispanic in Management	0%		SV-PS-330a.1
Black in Management	0%		SV-PS-330a.1
Two or More Races in Management	0%		SV-PS-330a.1



Workforce Diversity & Engagement

Measurement	2021	Morningstar Notes	SASB Code
Women—All Other Employees	42%	'All Other Employees' refers to all global employees that are not in executive management.	SV-PS-330a.1
White—All Other Employees	68%		SV-PS-330a.1
Asian—All Other Employees	22%		SV-PS-330a.1
Hispanic—All Other Employees	5%		SV-PS-330a.1
Black—All Other Employees	3%		SV-PS-330a.1
Two or More Races—All Other Employees	2%		SV-PS-330a.1
Voluntary Turnover Rate for Employees	17.1%		SV-PS-330a.2
Involuntary Turnover Rate for employees	1.4%		SV-PS-330a.2
Employee Engagement as a Percentage	81%		SV-PS-330a.3



Professional Integrity

Measurement	2021	Morningstar Notes	SASB Code
Description of approach to ensuring professional integrity	Morningstar enjoys a worldwide reputation for integrity and independence. Our Code of Ethics sets out our high standards for ethical behavior, including the ethical handling of conflicts of interest and compliance with applicable laws, rules, and regulations. Our Code of Ethics is applicable to all our employees and members of our board of directors. We require all employees and board members to certify annually that they have read and will abide by its provisions. In addition to the Code of Ethics, Morningstar has governance policies on topics such as human rights, information security, and antibribery as well as compliance procedures to further guide employees' conduct. Our Supplier Code of Conduct outlines ethical principles applicable to our vendors. Copies of these policies can be found at Morningstar's Sustainability Policy Center .	—	SV-PS-510a.1
Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Material legal proceedings are disclosed in our 2021 Form 10-K in Item 3.	—	SV-PS-510a.2



Activity Metrics

Measurement	2021	Morningstar Notes	SASB Code
Number of Full-Time Employees	9,556	—	SV-PS-000.A
Number of Non-Full Time Employees	110	—	SV-PS-000.A
Employee Hours Worked	Morningstar does not disclose	Morningstar does not disclose details on our employee hours worked as nearly 100% of our workforce are salaried employees who do not have fixed working hours. Given the nature of our business, makeup of our employee population, and cultural emphasis on trust, we do not ask employees to track their working hours, thereby limiting our abilityto report/disclose aggregated statistics. If regulation requiring rigorous employee time tracking is implemented across any of our affected regions in the future, we will disclose this information.	SV-PS-000.B