November 20, 2023

Morningstar Equity Indexes December Rebalance and Reconstitution Reminder

Morningstar Indexes has migrated all equity indexes calculations in-house with Program Cirrus. Cirrus-related changes to "TotalOutstandingShares" (TOS) and "FloatFactor" (Float) will be implemented in the December 2023 reconstitution and rebalance. Clients are encouraged to review the below reminders, to ensure readiness for the upcoming reconstitution and rebalance.

- The December 2023 reconstitution and rebalance will first be made available on December 8, 2023, in the "PCON_20231208" file. The changes will also be reflected in the corporate action "CPACT_20231208" file. Clients eligible for the pro forma files should already be receiving the daily pro forma PCON file in your SFTP.

- Within the "PCON_20231208" file, the rebalanced index composition can be identified by the "ReconRebal" flag = TRUE, with an effective date of December 18, 2023. The composition will reflect the updated TOS and Float data, as collected by Morningstar Indexes. For more information on how to navigate the PCON file, please refer to the Cirrus FAQ document (pg 8).

- Clients may highlight any changes to TOS and Float that you would like Morningstar Indexes to consider through the end of day December 12, 2023. Any material changes identified after December 12, 2023, will be considered as part of our weekly TOS review process.

- To better understand the potential impact of the updated TOS and Float data, Morningstar Indexes has also performed a Cirrus simulated June 2023 reconstitution with the updated data, please see attached link for more information.

If you do not see the PCON files in your SFTP, require assistance processing the PCON files, or have any other questions about this notification, please reach out to Indexes@morningstar.com as soon as possible.

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About Morningstar Indexes
Morningstar Indexes was built to keep up with the evolving needs of investors—and to be a leading-edge advocate for them. Our rich heritage as a transparent, investor-focused leader in data and research uniquely equips us to support individuals, institutions, wealth managers and advisors in navigating investment opportunities across major asset classes, styles, and strategies. From traditional benchmarks and unique IP-driven indexes to index design, calculation and distribution services, our solutions span an investment landscape as diverse as investors themselves.