

Enterprise Sustainability

2025  
Corporate  
Sustainability  
Report Data

## Materiality Matrix

Over the past two decades, access to data has expanded, and the investment industry's interpretation of the factors that can influence measures of firm value has broadened to encompass environmental, social, and governance-related factors.

Morningstar's material ESG issues, or MEIs, are those issues that our analysts, employees, and outside experts believe could have a tangible effect on the enterprise value of the company. MEIs may affect the firm's value drivers, revenue growth, and the overall context in which we operate.

Our MEI framework allows us to focus on the environmental, workplace, and governance issues that we believe may add value or reduce risk. This framework helps us articulate goals, build processes, and compose performance improvement strategies that relate to these issues.<sup>i</sup>

We identify our most relevant MEIs by conducting an assessment that draws on a range of sources. We reference frameworks and research from outside organizations, such as the International Sustainability Standards Board and a range of ESG research firms. We leverage the internal expertise of Morningstar's equity research and finance teams. We seek to identify the MEIs that matter deeply to Morningstar's stakeholders, including our colleagues, clients, and shareholders, by conducting interviews, surveys, and external research.

In 2025, we reviewed our materiality assessment in the context of shifting regulatory requirements and emerging risks and opportunities for the firm. We made several adjustments, expanding our workforce MEI to reflect Morningstar's strategy for attracting, developing, engaging, and retaining talent over time. Our workforce now includes issues previously captured separately: employee

engagement, training & education, and employee benefits. Additionally, we combined GHG emissions and environmental impact along the value chain MEIs into a single issue, environmental impact and carbon emissions, to reflect a more holistic understanding of our impact. This represents alignment with the firm's original analysis and the materiality assessments of industry peers.

Key MEIs for Morningstar continue to include customer and product responsibility—our commitment to address customer expectations pertaining to product impact and quality. Other MEIs include the firm's governance structure and oversight; business ethics; data privacy and security; and workforce issues that can influence our ability to attract and retain talent.

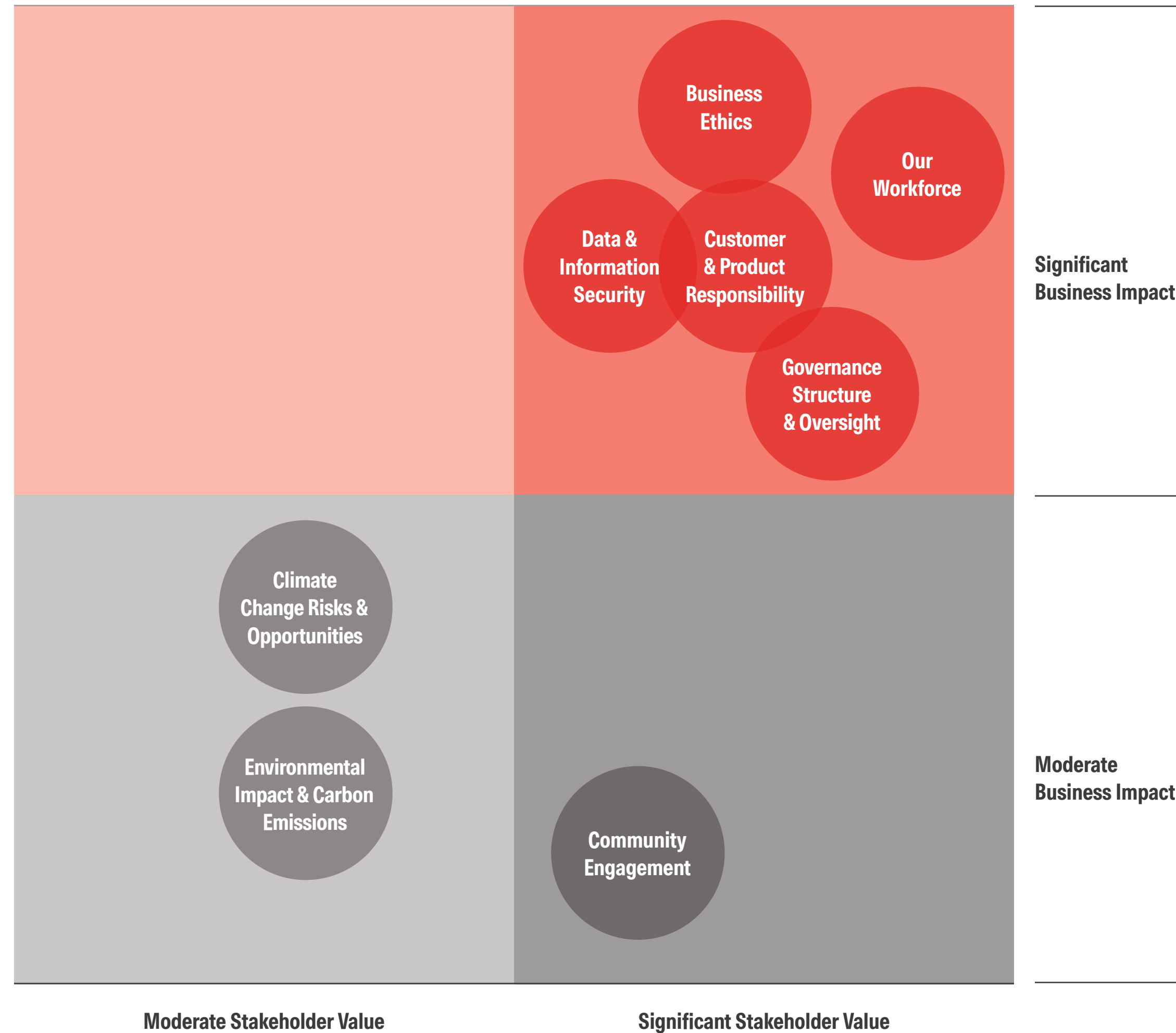
These material issues inform our long-term strategic planning. Our work in each of these areas is tracked by corresponding datasets,

which we make available in this and other reports. Reporting like this enables employees, investors, executive leadership, and other stakeholders to monitor, track, and understand our approach to and performance in these areas. For example, data points pertaining to our workplace include year-over-year shifts in measures of employee engagement, which we gather from anonymous, regular surveys.

Sustainability-focused materiality assessments are a developing discipline, and the environment in which Morningstar operates is shifting quickly. New standards, technologies, and regulations may require companies to adjust both the approach and scope of these assessments over time. This report reflects the materiality assessment and priorities that informed our 2025 strategy to building an enduring, sustainable business.

# Materiality Matrix

- Material topic
- Additional topics prioritized by employees and stakeholders



This visual represents Morningstar’s current MEIs. A topic positioned high on the vertical axis suggests that sustainability experts believe the issue is likely to affect Morningstar’s business performance. Items on the right of the graph represent high-priority issues for Morningstar stakeholders. Issues pertaining to business ethics, our workforce, data & information security, customer & product responsibility, and governance structure & oversight are considered most material to Morningstar's business performance and are high-priority issues for Morningstar’s stakeholders. Morningstar holds these material issues at the center of our mission and values, which guide our strategic planning to add value to our business. Our intention is to report our progress on a regular basis.

### Business Impact

We believe these MEIs are likely to affect our immediate business success and performance.

### Stakeholder Value

These additional issues matter deeply to Morningstar colleagues and other stakeholders.

## Sustainability Data

Morningstar applies its own research and tools to prioritize transparency and sustainability throughout its workplace, governance, and business operations. Our reporting and data disclosure is led by materiality. When determining data disclosures, we use Morningstar Sustainalytics' materiality framework as an input to assess the topics most important to our organization and our industry. Outlined below are the definitions of Morningstar Sustainalytics' Material ESG Issues that pertain to Morningstar's business, which have guided the data disclosure on the following pages.

### MEI.0 Corporate Governance

Corporate Governance comprises six pillars:

- ▶ Board/Management Quality and Integrity
- ▶ Board Structure
- ▶ Ownership and Shareholder Rights
- ▶ Remuneration
- ▶ Audit and Financial Reporting
- ▶ Stakeholder Governance

These six pillars represent foundational structures for the management of ESG risks.

### MEI.4 Business Ethics

Business Ethics focuses on the management of general professional ethics, such as taxation and accounting, anticompetitive practices, and intellectual property issues. Business ethics may include bribery and corruption for subindustries that do not have bribery and corruption as a separate material ESG issue. Additional subindustry-specific topics—such as medical ethics and ethics regarding the provision of financial services, and so on—may also be included in this issue. In addition, ethical considerations related to customer selection may also be included here for some subindustries if products or services may be used to violate human rights, for example.

### MEI.6 Data Privacy and Security

Data Privacy and Security focuses on data governance practices, including how companies collect, use, manage, and protect data. The

emphasis is on measures taken to ensure safe and secure use and/or maintenance of customers' personally identifiable data.

### MEI.8 Carbon—Own Operations

Carbon—Own Operations refers to a company's management of risks related to its own operational energy use and greenhouse gas emissions (*scope 1 and 2*). It also includes parts of scope 3 emissions, such as transport and logistics. It does not include emissions in the supply chain or during the use phase/end-of-life cycle of a product.

### MEI.13 Human Capital

Human Capital focuses on the management of human resources. It includes the management of risks related to scarcity of skilled labor through retention and recruitment programs and includes career development measures such as training programs. Additionally, it includes labor relations issues, such as the management of freedom of association and diversity issues, as well as working hours and minimum wages.

In this appendix, we reference external standards alignment including the Sustainability Accounting Standards Board, the Global Reporting Initiative, and the U.N. Sustainable Development Goals. GRI and SDG codes are disclosed at the data point level. To review our SASB-aligned report, see Page 84. For a more comprehensive overview of our SDG alignment, see Page 90.

Unless otherwise noted, this report covers data as of Dec. 31, 2025. In some instances, the data tables include 2019–24 data for comparison purposes. This provides insight into areas of growth or challenge as we progress as a firm.

**Employee Engagement**

[MEI.13 Human Capital]

Metric	Framework Alignment	2020	2021	2022	2023	2024	2025
Employee Engagement <sup>ii</sup>	SASB: SV-PS-330a.3	79%	79%	80%	69%	64%	66%
Employee Turnover Rate	GRI: 401-1	11.9% <sup>iii</sup>	18.7% <sup>iii</sup>	18.9%	21.7%	16.6%	17.3%
Voluntary Turnover	GRI: 401-1, SASB: SV-PS-330a.2	—	16.7% <sup>iii</sup>	15.8%	11.8%	13.1%	12.0%
Involuntary Turnover	GRI: 401-1, SASB: SV-PS-330a.2	—	2.0% <sup>iii</sup>	3.1%	9.9%	3.5%	5.3%
Retention Rate	—	—	—	—	80.2%	85.2%	84.0%
Internal Hiring Rate	—	—	—	—	51.3% <sup>iii</sup>	54.0%	51.7%
Average Tenure (Years)	—	—	—	—	4.4	5.0	5.3
CEO Pay Ratio	GRI: 2-21	126:1	88:1	114:1	114:1	125:1	104:1
Percentage of Employees Who Report Feeling Motivated to Go Above and Beyond What's Expected of Their Role	—	85%	86%	84%	68% <sup>iii</sup>	67%	65%
Percentage of Employees Who Report Understanding How Their Work Is Connected to Company Strategy	—	87%	88%	89%	83%	86%	85%

**Employee Benefits and Training, Education, and Career Development**

[MEI.13 Human Capital]

Metric	2020	2021	2022	2023	2024	2025
Shared Ownership Participation	16%	18%	17%	11%	12%	10%
Percentage of Employees Using the Educational Stipend	39% <sup>iii</sup>	39% <sup>iii</sup>	41% <sup>iii</sup>	52% <sup>iii</sup>	55% <sup>iii</sup>	63%
Percentage of Employees Using the Flex Stipend	—	—	—	—	—	86%
Global Flex Stipend Spend (USD) <sup>iv</sup>	1.3M	1.7M	2.4M	3.5M	3.5M	5.7M
Spend (USD) per Employee on Education and Career Programs	591	495 <sup>iii</sup>	481	532 <sup>iii</sup>	527 <sup>iii</sup>	443
Percentage of Employees Who Believe Morningstar Provides Opportunities for Skill Development	77%	75%	78%	71%	71%	78%

**Our Workforce**

[MEI.13 Human Capital]

Metric	Submetric	Framework Alignment	2020	2021	2022	2023	2024	2025
Number of Full-Time Employees	—	—	7,979	9,556	12,224	11,334	11,085	10,973
Percentage of Employees in Each Major Region	Americas	—	41%	37%	35%	38%	37%	36%
	APAC (ex India)	—	17%	12%	9%	4%	4%	4%
	EMEA	—	11%	17%	17%	18%	18%	17%
	India	—	31%	34%	39%	40%	41%	43%
Number of Jurisdictions Where We Have Employees Located	—	—	31	29	32	32	32	31
Number of Nationalities	—	—	87	100	116	116	115	118
Number of Languages Spoken	—	—	32	34	37	37	36	36
Employee Age Distribution of Full Workforce	<30	—	—	—	—	—	41.8%	39.9%
	30–50	—	—	—	—	—	50.9%	52.3%
	>50	—	—	—	—	—	7.3%	7.8%
Employee Gender Composition of Full Workforce	Male	SASB: SV-PS-330a.1	60.6%	57.7%	58.8%	60.4%	60.2%	60.1%
	Female	GRI: 405-1	39.4%	42.3%	41.2%	39.6%	39.8%	39.7%
	Other	SDG: 5.1, 5.5, 8.5, 10.3	—	—	—	—	—	0.0%
	Undisclosed		—	—	—	—	—	0.2%

**Our Workforce**

[MEI.13 Human Capital]

Metric	Submetric	Framework Alignment	2020	2021	2022	2023	2024	2025
Gender Composition of Executive Management	Male	SASB: SV-PS-330a.1	86.7%	86.7%	93.3%	80.0%	80.0%	69.2%
	Female	GRI: 405-1	13.3%	13.3%	6.7%	20.0%	20.0%	30.8%
	Other	SDG: 5.1, 5.5, 8.5, 10.3	—	—	—	—	—	0.0%
	Undisclosed		—	—	—	—	—	0.0%
Race/Ethnicity of US Workforce	White	SASB: SV-PS-330a.1, GRI: 405-1	69.2%	68.0%	65.9%	65.0%	64.8%	60.0%
	Asian	SASB: SV-PS-330a.1, GRI: 405-1	21.0%	21.4%	21.4%	22.1%	21.9%	20.9%
	Hispanic or Latino	SASB: SV-PS-330a.1, GRI: 405-1	3.8%	4.3%	5.0%	5.1%	5.3%	5.2%
	Black or African American	SASB: SV-PS-330a.1, GRI: 405-1	3.2%	3.4%	4.4%	4.6%	4.9%	5.0%
	Native Hawaiian or Other Pacific Islander	SASB: SV-PS-330a.1, GRI: 405-1	0.2%	0.2%	0.3%	0.3%	0.2%	0.2%
	American Indian or Alaska Native	SASB: SV-PS-330a.1, GRI: 405-1	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%
	Two or More Races	SASB: SV-PS-330a.1, GRI: 405-1	2.5%	2.6%	2.9%	2.8%	2.8%	2.8%
	Undisclosed	SASB: SV-PS-330a.1, GRI: 405-1	—	—	—	—	—	5.8%
Race/Ethnicity of US Executive Management	White	SASB: SV-PS-330a.1, GRI: 405-1	92.9%	92.9%	84.6%	85.7%	85.7%	83.3%
	Asian	SASB: SV-PS-330a.1, GRI: 405-1	7.1%	7.1%	15.4%	14.3%	14.3%	16.7%

**Community Engagement**

[MEI.13 Human Capital]

Metric	Submetric	2020	2021	2022	2023	2024	2025
Employee Volunteer Participation	—	—	—	43%	63%	58%	58%
Total Employee Volunteer Hours Annually	—	—	—	—	—	31,129	24,293
Employee Donation Participation	—	—	51%	47% <sup>iii</sup>	57%	53%	60%
Overall Community Involvement Participation Rate (Donations or Volunteering)	Morningstar	—	—	67%	65%	66%	62%
	Industry Average	—	—	33%	30%	35%	36%
Total Donations (USD)	Morningstar & Employees	>1M	>1.7M	>2.2M	>1.6M <sup>iii</sup>	>2.5M	>2.6M

**Governance Structure & Business Ethics**

[MEI.0 Corporate Governance, MEI.4 Business Ethics]

Metric	Submetric	Framework Alignment	2020	2021	2022	2023	2024	2025
Board Tenure (Years)	0-5	GRI: 405-1, 2-9	40%	40%	40%	20%	10%	20%
	6-10	GRI: 405-1, 2-9	10%	20%	20%	40%	40%	30%
	11-15	GRI: 405-1, 2-9	10%	10%	10%	0%	10%	10%
	>15	GRI: 405-1, 2-9	40%	30%	30%	40%	40%	40%
Board Age Distribution	Average	GRI: 405-1	61	59	60	61	62	62
	Range	GRI: 405-1	39-73	40-70	41-71	42-72	43-73	44-74
Board Gender Composition	Male	SDG:5.5, GRI: 405-1	60%	50%	50%	50%	50%	40%
	Female	SDG:5.5, GRI: 405-1	40%	50%	50%	50%	50%	50%
	Other	SDG:5.5, GRI: 405-1	—	—	—	—	—	0%
	Undisclosed	SDG:5.5, GRI: 405-1	—	—	—	—	—	10%
Percentage of Board Considered Independent	—	GRI: 2-9	70%	70%	80%	80%	80%	80%
Race/Ethnicity of Board	White	SASB: SV-PS-330a.1, GRI: 405-1	—	70.0%	70.0%	70.0%	66.7%	60.0%
	Asian	SASB: SV-PS-330a.1, GRI: 405-1	—	20.0%	20.0%	20.0%	22.2%	20.0%
	Hispanic or Latino	SASB: SV-PS-330a.1, GRI: 405-1	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Black or African American	SASB: SV-PS-330a.1, GRI: 405-1	—	10.0%	10.0%	10.0%	11.1%	10.0%
	Undisclosed	SASB: SV-PS-330a.1, GRI: 405-1	—	—	—	—	—	10.0%



**Data and Information Security**

[MEI.6 Data Privacy and Security]

Metric	Submetric	Framework Alignment	2020	2021	2022	2023	2024	2025
Material Security Incident	Total Incidents	GRI:418-1	—	1	0	0	0	0
	Impacted Parties	GRI:418-1	—	2	0	0	0	0
	Percentage of Incidents Involving Confidential Business Information (CII)	GRI:418-1	—	100%	0%	0%	0%	0%
	Percentage of Incidents Involving Personally Identifiable Information (PII)	GRI:418-1	—	100%	0%	0%	0%	0%
Disaster Recovery Testing	Percentage of Application-Based Revenue Protected by Demonstrated DR Capability	—	—	95%	83%	93%	95%	98%
	Percentage of Applications that Underwent Successful DR Testing	—	—	97%	96%	93%	95%	88% <sup>v</sup>

**Environmental Impact**

[MEI.8 Carbon—Own Operations]

Metric	Submetric	Framework Alignment	2019	2020	2021	2022	2023	2024	2025
Scope 1 GHG Emissions (tCO <sub>2</sub> e)	Fuel	SDG: 12.2, GRI: 305-1	352	458	556	367	290	239	157
	Fugitives	SDG: 12.2, GRI: 305-1	122	122	60	0	0	0	0
	Subtotal	SDG: 12.2, GRI: 305-1	474	580	616	367	290	239	157
Scope 2 GHG Emissions (tCO <sub>2</sub> e)	Electricity Location-Based	SDG: 12.2, GRI: 305-2	7,838	6,485	6,342	6,672	6,771	6,867	6,480
	Electricity Market-Based	SDG: 12.2, GRI: 305-2	7,813	6,382	6,066	6,270	6,176	1,932	1,512
Scope 3 GHG Emissions (tCO <sub>2</sub> e)	Air Business	SDG: 12.2, GRI:305-3	4,120	908	691	1,692	3,113	4,325	3,773
	Hotels	SDG: 12.2, GRI:305-3	658	121	73	953	549	536	422
	Rail Business	SDG: 12.2, GRI:305-3	49	8	9	26	29	38	24
	Road	SDG: 12.2, GRI:305-3	373	60	57	153	272	319	261
	IT Waste	SDG: 12.2, GRI:305-3	—	—	—	—	—	—	0.2
	Office Waste	SDG: 12.2, GRI:305-3	206	103	60	129	139	97	104
	Cloud Services	SDG: 12.2, GRI:305-3	—	—	—	—	—	3,321	3,206
	Upstream Leased Assets	SDG: 12.2, GRI:305-3	—	—	—	—	—	—	163
	Subtotal	SDG: 12.2, GRI:305-3	5,406	1,200	890	2,953	4,102	8,636	7,953

**Environmental Impact**

[MEI.8 Carbon—Own Operations]

Metric	Submetric	Framework Alignment	2019	2020	2021	2022	2023	2024	2025
Total Emissions (tCO <sub>2</sub> e) (Location-Based)	—	SDG: 12.2	13,718	8,265	7,848	9,992	11,163	15,742 <sup>vi</sup>	14,590
Total Emissions (tCO <sub>2</sub> e) (Market-Based)	—	SDG: 12.2	13,693	8,162	7,572	9,590	10,568	10,807 <sup>vi</sup>	9,622
Total Emissions to Revenue Ratio (per million USD) (tCO <sub>2</sub> e) (Location-Based)	—	GRI: 305-4	11.6 <sup>iii</sup>	5.9	4.6	5.3	5.5	6.9 <sup>vi</sup>	6.0
Total Emissions to Revenue Ratio (per million USD) (tCO <sub>2</sub> e) (Market-Based)	—	GRI: 305-4	11.6 <sup>iii</sup>	5.9	4.5	5.1	5.2	4.8 <sup>vi</sup>	3.9
Percentage of Total Office Electricity GHG Emissions by Region (Location-Based)	Americas	—	—	—	—	—	—	39%	34%
	EMEA	—	—	—	—	—	—	11%	9%
	APAC	—	—	—	—	—	—	50%	57%
Percentage of Total Office Electricity GHG Emissions Reduced Due to REC Purchases by Region (Market-Based)	Americas	—	—	—	—	—	—	100%	100%
	EMEA	—	—	—	—	—	—	47%	68%
	APAC	—	—	—	—	—	—	90%	95%

**Environmental Impact**

[MEI.8 Carbon—Own Operations]

Metric	Framework Alignment	2019	2020	2021	2022	2023	2024	2025
Total Energy Consumption (kWh)	SDG: 12.2, 8.4	—	—	22,977,303	22,661,354	22,924,755	22,137,637	22,036,841
Total Energy Consumption per Employee (kWh)	SDG: 12.2, 8.4	—	—	2,404 <sup>iii</sup>	1,854	2,023	1,997	2,008
Data Center Energy Consumption (kWh)	SDG: 12.2, 13.1	—	—	6,720,479	6,363,545	4,330,965	3,689,196	3,023,056
Percentage of Electricity Consumption That Is Renewable	SDG: 12.2, 13.1	1%	3%	5%	8%	9%	73%	95%
Percentage of Offices Run Using 100% Electricity	SDG: 12.2	—	—	—	42% <sup>iii</sup>	40% <sup>iii</sup>	35%	24%
Percentage of Critical and High Priority Spend Suppliers With Public Climate Commitments	—	—	—	—	46%	47%	63%	67%
Water Consumption per Employee (Cubic Meter)	SDG: 12.2	—	13	14	14	16	18	20
Office Waste Consumption per Employee (Kg)	SDG: 12.2	—	26	13	21	27	27	32
Percentage of Office Waste Recycled, Composted, or Anaerobically Digested	SDG: 12.2	—	—	—	—	24%	55%	58%
Percentage of IT Assets Incinerated or Landfilled	—	—	—	—	—	—	—	0%
Percentage of IT Assets Recycled	—	—	—	—	—	—	—	28%
Percentage of IT Assets Refurbished or Resold	—	—	—	—	—	—	—	72%
Percentage of Environmentally Certified Office Spaces (Percentage of Sq. Ft.)	SDG: 12.2, 13.1	—	—	—	—	61%	64%	65%

## Endnotes

- i. Readers are cautioned that our actual future results may vary significantly from what we expected and that terminology used herein may not be comparable to similarly titled measures reported by other companies or by Morningstar in other contexts.
- ii. In 2025, Morningstar implemented a new engagement score methodology, aligned closer to industry standards to better enable external comparison. The previous methodology considered employee satisfaction scores, motivation scores, and future sentiment scores, while the new methodology considers motivation, pride, recommendation, and present and future commitment level sentiment.
- iii. Enhanced data collection processes including streamlined methodology and improved data quality resulted in the restatement of certain historical figures, as reflected in the Sustainability Data Appendix.
- iv. Global spend on flex stipend from 2020–24 refers to spend on the educational stipend, as the flex stipend program was added in 2025, incorporating a wellness spend into the education stipend program.
- v. In 2025, the percentage of applications that underwent successful disaster recovery testing declined year over year from 95% to 88% because of ongoing migrations from on-premises data storage to cloud-based infrastructure. Testing on newly implemented infrastructure typically identifies a higher volume of initial issues. These tests enable the identification and remediation of defects, strengthening system resilience over time.
- vi. Scope 3 Category 1—Purchased Goods & Services: The Amazon Web Services Customer Carbon Footprint Tool underwent significant greenhouse gas emissions calculation methodology changes in October 2025. This affected both current and historical emissions calculations. Morningstar’s AWS-attributed emissions are now higher compared with previous reporting. As a result, Morningstar is restating 2024 cloud service provider emissions numbers. [Find AWS release notes here](#). The updated methodology now includes scope 1 diesel, refrigerants, and natural gas; scope 2 electricity consumption; scope 3.2 IT hardware, buildings, and equipment; scope 3.3 fuel- and energy-related activities; and scope 3.4 upstream transportation and distribution. While AWS offers both location-based and market-based emissions in its Customer Carbon Footprint Tool, Morningstar currently opts to use only location-based emissions in the calculation of its scope 3 purchased goods & services emissions.

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