MORNINGSTAR Indexes

Morningstar Index Operations Committee Charter

June2026

Introduction

The purpose of the Morningstar Index Operations Committee (IOpeC) is to govern the processes, systems and exception handling of the day-to-day management of all live indexes, including index rebalancing and reconstitution, restatements, market classification and contingency management. The IOpeC also oversees the annual review of index methodologies, ensuring methodologies remain fit for purpose and continue to achieve their stated objectives.

The IOpeC is responsible for governing the operations of both Morningstar owned indexes as well as client owned indexes where for which Morningstar provides calculation services.

The IOpeC reports to the Senior Management of Morningstar Indexes, escalating matters to the Index Oversight Committee (IOC) as warranted. The IOpeC is comprised of members of the Index team with expertise in data, operations, corporate actions, product development, index launch, client service and index management and provides the first layer of governance over index operations.

Committee Responsibilities

The primary responsibilities of the IOpeC include, but are not limited to, the following:

1. **Index Rebalancing and Reconstitution**—Review and approve the regular rebalance and reconstitution of all indexes reconstituted and rebalanced, ensuring that index methodologies remain fit for purpose, as escalated by the Index Management & Analytics team.
2. **Methodology Reviews –** In conjunction with the Index Methodology Committee, conduct reviews of index methodologies as appropriate and as required.
3. **Index Eligibility** – To review securities whose eligibility is indeterminant after applying the domicile rules (at the relevant reconstitution or corporate action) as outlined in the respective index methodologies, and/or as escalated by the Index Eligibility sub-Committee.
4. **Market Classification** – Review and approve the annual market classification.
4. **Restatements and Corrections**—Review and approve any index corrections and restatements as outlined by the Indexes Recalculation Guidelines, after considering factors like market impact, turnover, transaction costs and operational impact to market participants and stakeholders.
5. **Complex Corporate Actions** – Review and approve complex corporate actions treatment, particularly where not explicitly addressed by the relevant Corporate Actions Methodology, and/or as escalated by the Corporate Actions team.
6. **Data Exceptions** – Review and approve any exceptional data handling or challenges for use in index calculation and rebalance.
7. **Contingencies –** Approve triggering of contingency plans due to insufficient inputs, market stress or disruption, failure of critical infrastructure or other relevant incidents.
6. **Consultation –** Commission and oversee any consultation process related to areas for which the IOpeC is responsible (e.g. market classifications, restatements).
7. **Annual Review –** Annually review and reassess the adequacy of this Charter and notify any changes to the Indexes Oversight Committee.
8. **Other Duties**: Perform such other duties and responsibilities, consistent with this Charter.

Committee Members

The IOpeC will consist of at least six voting members (including the Chair) each of whom must be employed in the index team and have significant experience in index operations, methodology or calculations. The voting members shall have significant experience in index data, index operations, index management, product development, index launches and client services within the Index business.

At its discretion, the IOpeC can appoint proxy members with relevant index and research expertise from within the Indexes team. Proxy members can vote in time sensitive situations to enable the IOpeC to meet the required quorum for the transaction of business.

The IOpeC will have a Chair, who will be responsible for, with input from the other voting members of the Committee, calling, establishing agendas for, and supervising the IOpeC meetings. The Chair is responsible for ensuring that the activities of the IOpeC are periodically reported to the Indexes Oversight Committee and Senior Management of Morningstar Indexes.

The Senior Management of Morningstar Indexes shall appoint the Chair of the IOpeC and is responsible for approving the removal and addition of proposed new members (voting or proxy), and furthermore is empowered to require the removal or addition of members (voting or proxy). Appointments to the IOpeC, including the Chair of the Committee, shall conform to Morningstar's by-laws, this Charter, and applicable laws and regulations, as appropriate under the circumstances.

Meetings

The IOpeC will meet at least monthly in person or virtually. It may meet more frequently, if deemed necessary to comply with the responsibilities defined in this Charter.

The IOpeC shall have the authority to establish its own rules and procedures consistent with Morningstar's by-laws for notice and conduct of its meetings should it deem it desirable to do so.

A majority of the voting members of the IOpeC shall constitute a quorum and is required for meetings to be conducted, and for the transaction of business. In the event that a majority of voting members is not able to join a meeting or transact business, proxy members will count towards quorum. The action of a majority of the members present at any meeting at which there is a quorum, shall be an the act of the IOpeC. The IOpeC may also take any action permitted in this Charter by majority written consent.

The IOpeC may request any employee of Morningstar to attend a meeting or to meet with any members of, or consultants to, the IOpeC.

Agenda items can be requested by IOpeC members and other members of the Index team.

Any communications between the IOpeC and legal counsel in the course of obtaining legal advice will be considered privileged communications of Morningstar, subject to the IOpeC taking the necessary steps to preserve the privileged nature of these communications. The IOpeC will keep adequate minutes of its proceedings and shall maintain copies of such minutes and each written consent to action taken without a meeting.

Conflicts of Interest

All members (voting and proxy) of the IOpeC must disclose any activities or engagements that could conflict with their position as a member of the IOpeC. The IOpeC will maintain a record of potential conflicts of interest and report those to the IOC and the Chief Compliance Officer for Indexes.

Index Eligibility sub-Committee

The Index Eligibility sub-Committee ("IEC") is responsible for reviewing securities whose eligibility is indeterminate after applying the domicile rules at ranking or following the application of a corporate action. The IEC will apply the domicile eligibility criteria as detailed in the Morningstar Market Indexes methodology and Morningstar Global Markets indexes methodology. The IEC will also provide advice to the Index Management & Analytics and Operations team on style assignments as needed for fast-track IPOs or post-event reevaluations.

The Index Eligibility sub-Committee meets prior to each ranking and on an as-needed basis, and require the attendance of a quorum of committee members. Proper documentation on which securities were reviewed, the eligibility decision, and the rationale for the decision will be maintained, and retained for at least 5 years. The IEC meeting minutes of IEC will be shared with IOpeC.

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.

Morningstar Index Methodology Committee

The Morningstar Index Methodology Committee oversees all new index development, index methodology changes, and cessation of indexes for any indexes where Morningstar owns the intellectual property. This committee is also charged with ensuring that indexes align with Morningstar Research principles and values. The group comprises members of the index team with index research, product development, product management, client service, index implementation, and operation expertise who provide the first layer of governance over index design and methodology.

Morningstar Index Services Methodology & Administration Committee

The purpose of the Morningstar Index Services Methodology & Administration Committee is to oversee all new index development, index methodology changes, and cessation of indexes for any indexes where Morningstar provides calculation and administration services but does not own the Intellectual Property of the indexes. The group is comprised of members of the index team with index research, product development, product management, client service, index implementation and operation expertise who provide the first layer of governance over the index calculation services and administration business, with regard to index design and methodology.

Morningstar Index Operations Committee

The Morningstar Index Operations Committee governs the processes, systems, and exception handling of the day-to-day management of all live indexes, including index rebalancing and reconstitution, restatements, market classification, and contingency management. The committee oversees the annual review of index methodology (as required by U.K. and EU benchmark regulations, or BMR), ensuring that methodologies remain fit for purpose and continue to achieve their stated investment objectives. The group comprises members of the index team with data, operations, corporate actions, product development, index launch, client service, and index management experience who provide the first layer of governance over index operations.

Morningstar Index Oversight Committee

The Morningstar Index Oversight Committee is responsible for the index oversight function as per the requirements of the European Benchmark Regulations (the "BMR"), providing independent oversight of all aspects of the governance of benchmark administration. Its remit extends to all calculation and administration-related business activities of Morningstar Indexes, including administration of Morningstar-owned benchmarks as well as client-owned benchmarks and index calculation. The oversight function is part of the organizational structure of Morningstar but is separate and independent from the index business, index management, and the other index committees.

Contact Us

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