

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE QUARTERLY PERIOD ENDED June 30, 2025**  
**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from        to  
Commission File Number: 000-51280

**MORNINGSTAR, INC.**

(Exact Name of Registrant as Specified in its Charter)



**Illinois**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**36-3297908**  
(I.R.S. Employer  
Identification Number)

**22 West Washington Street**  
**Chicago, Illinois**  
(Address of Principal Executive Offices)

**60602**  
(Zip Code)

**(312) 696-6000**  
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common stock, no par value	MORN	NASDAQ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 25, 2025, there were 42,177,737 shares of the company's common stock, no par value, outstanding.

**MORNINGSTAR, INC. AND SUBSIDIARIES  
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## PART 1. FINANCIAL INFORMATION

### Item 1. Financial Statements

#### Morningstar, Inc. and Subsidiaries Unaudited Consolidated Statements of Income

(in millions, except per share amounts)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 605.1	\$ 571.9	\$ 1,187.0	\$ 1,114.7
Operating expense:				
Cost of revenue	230.6	222.7	462.0	440.8
Sales and marketing	119.7	111.3	232.3	215.9
General and administrative	82.0	80.3	158.5	160.6
Depreciation and amortization	48.5	49.1	95.8	96.3
Total operating expense	480.8	463.4	948.6	913.6
Other operating income	0.8	—	0.8	—
Operating income	125.1	108.5	239.2	201.1
Non-operating expense, net:				
Interest expense, net	(7.4)	(10.3)	(12.8)	(21.8)
Net realized gains on sale of investments, reclassified from other comprehensive income	1.9	0.2	2.2	2.8
Other expense, net	(3.1)	(8.9)	(3.6)	(5.6)
Non-operating expense, net	(8.6)	(19.0)	(14.2)	(24.6)
Income before income taxes and equity in investments of unconsolidated entities	116.5	89.5	225.0	176.5
Equity in investments of unconsolidated entities	(1.2)	(1.2)	(3.8)	(2.7)
Income tax expense	26.3	19.2	53.7	40.5
Consolidated net income	\$ 89.0	\$ 69.1	\$ 167.5	\$ 133.3
Net income per share:				
Basic	\$ 2.11	\$ 1.61	\$ 3.94	\$ 3.11
Diluted	\$ 2.09	\$ 1.60	\$ 3.91	\$ 3.09
Dividends per common share:				
Dividends declared per common share	\$ 0.46	\$ 0.41	\$ 0.91	\$ 0.81
Dividends paid per common share	\$ 0.46	\$ 0.41	\$ 0.91	\$ 0.81
Weighted average shares outstanding:				
Basic	42.2	42.8	42.5	42.8
Diluted	42.5	43.1	42.8	43.1

See notes to unaudited consolidated financial statements.

**Morningstar, Inc. and Subsidiaries**  
**Unaudited Consolidated Statements of Comprehensive Income**

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Consolidated net income	\$ 89.0	\$ 69.1	\$ 167.5	\$ 133.3
Other comprehensive income (loss), net				
Foreign currency translation adjustment	41.6	(1.4)	58.6	(12.0)
Unrealized gains on securities:				
Unrealized holding gains arising during period	1.5	0.2	1.7	2.1
Reclassification of net realized gains on investments included in net income	(1.4)	(0.2)	(1.6)	(2.1)
Other comprehensive income (loss), net	41.7	(1.4)	58.7	(12.0)
Comprehensive income	<u>\$ 130.7</u>	<u>\$ 67.7</u>	<u>\$ 226.2</u>	<u>\$ 121.3</u>

See notes to unaudited consolidated financial statements.

**Morningstar, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**

(in millions, except share amounts)		As of June 30, 2025 (unaudited)	As of December 31, 2024
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$	503.5	\$ 502.7
Investments		38.1	48.3
Accounts receivable, less allowance for credit losses of \$7.2 million and \$7.1 million, respectively		384.0	358.1
Income tax receivable		18.0	12.4
Deferred commissions		38.6	39.2
Prepaid expenses		49.3	42.1
Other current assets		10.8	11.3
Total current assets		1,042.3	1,014.1
Goodwill		1,618.2	1,562.0
Intangible assets, net		413.3	408.8
Property, equipment, and capitalized software, less accumulated depreciation and amortization of \$854.6 million and \$790.4 million, respectively		225.6	218.9
Operating lease assets		164.5	181.2
Investments in unconsolidated entities		77.2	85.3
Deferred tax assets		51.9	43.2
Deferred commissions		28.8	26.6
Other assets		8.7	8.8
Total assets	\$	3,630.5	\$ 3,548.9
<b>Liabilities and equity</b>			
Current liabilities:			
Deferred revenue	\$	594.2	\$ 540.8
Accrued compensation		179.5	272.2
Accounts payable and accrued liabilities		90.2	87.3
Operating lease liabilities		39.3	35.1
Income tax payable		8.0	30.5
Other current liabilities		9.8	1.4
Total current liabilities		921.0	967.3
Operating lease liabilities		155.9	170.3
Accrued compensation		21.7	21.0
Deferred tax liabilities		29.9	27.6
Long-term debt		838.8	698.6
Deferred revenue		21.9	22.4
Income tax payable		13.1	11.7
Other long-term liabilities		13.7	11.4
Total liabilities	\$	2,016.0	\$ 1,930.3
Equity:			
Morningstar, Inc. shareholders' equity:			
Common stock, no par value, 200,000,000 shares authorized, of which 42,176,959 and 42,869,380 shares were outstanding as of June 30, 2025 and December 31, 2024, respectively		—	—

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Treasury stock at cost, 12,773,450 and 12,010,630 shares as of June 30, 2025 and December 31, 2024, respectively	(1,216.0)	(993.9)
Additional paid-in capital	853.0	822.7
Retained earnings	2,038.2	1,909.2
Accumulated other comprehensive loss:		
Currency translation adjustment	(60.7)	(119.3)
Unrealized loss on available-for-sale investments	—	(0.1)
Total accumulated other comprehensive loss	(60.7)	(119.4)
Total equity	1,614.5	1,618.6
Total liabilities and equity	<u>\$ 3,630.5</u>	<u>\$ 3,548.9</u>

See notes to unaudited consolidated financial statements.

**Morningstar, Inc. and Subsidiaries**  
**Unaudited Consolidated Statements of Equity**  
**For the three and six months ended June 30, 2025 and 2024**

(in millions, except share and per share amounts)	Morningstar, Inc. Shareholders' Equity						
	Common Stock		Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
	Shares Outstanding	Par Value					
<b>Balance as of December 31, 2024</b>	42,869,380	\$ —	\$ (993.9)	\$ 822.7	\$ 1,909.2	\$ (119.4)	\$ 1,618.6
Net income		—	—	—	78.5	—	78.5
Other comprehensive income (loss):							
Unrealized gain on available-for-sale investments, net of tax		—	—	—	—	0.2	0.2
Reclassification of realized gains on investments included in net income, net of tax		—	—	—	—	(0.2)	(0.2)
Foreign currency translation adjustment, net		—	—	—	—	17.0	17.0
Other comprehensive income, net		—	—	—	—	17.0	17.0
Issuance of common stock related to vesting of stock units, net of shares withheld for taxes on settlements of stock units	69	—	—	—	—	—	—
Reclassification of awards previously liability-classified that were converted to equity		—	—	16.0	—	—	16.0
Stock-based compensation		—	—	9.1	—	—	9.1
Common shares repurchased	(368,199)	—	(110.7)	—	—	—	(110.7)
Dividends declared (\$0.46 per share)		—	—	—	(19.3)	—	(19.3)
<b>Balance as of March 31, 2025</b>	42,501,250	\$ —	\$ (1,104.6)	\$ 847.8	\$ 1,968.4	\$ (102.4)	\$ 1,609.2
Net income		—	—	—	89.0	—	89.0
Other comprehensive income (loss):							
Unrealized gain on available-for-sale investments, net of tax		—	—	—	—	1.5	1.5
Reclassification of realized gain on investments included in net income, net of tax		—	—	—	—	(1.4)	(1.4)
Foreign currency translation adjustment, net		—	—	—	—	41.6	41.6
Other comprehensive loss, net		—	—	—	—	41.7	41.7
Issuance of common stock related to vesting of stock awards, net of shares withheld for taxes on settlements of stock awards	74,151	—	1.2	(13.2)	—	—	(12.0)
Stock-based compensation		—	—	18.4	—	—	18.4
Common shares repurchased	(398,442)	—	(112.6)	—	—	—	(112.6)
Dividends declared (\$0.46 per share)		—	—	—	(19.2)	—	(19.2)
<b>Balance as of June 30, 2025</b>	42,176,959	\$ —	\$ (1,216.0)	\$ 853.0	\$ 2,038.2	\$ (60.7)	\$ 1,614.5

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Morningstar, Inc. Shareholders' Equity							
(in millions, except share and per share amounts)	Common Stock		Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
	Shares Outstanding	Par Value					
<b>Balance as of December 31, 2023</b>	42,728,182	\$ —	\$ (985.5)	\$ 789.0	\$ 1,610.8	\$ (86.5)	\$ 1,327.8
Net income		—	—	—	64.2	—	64.2
Other comprehensive income (loss):							
Unrealized gain on available-for-sale investments, net of tax		—	—	—	—	1.9	1.9
Reclassification of realized gains on investments included in net income, net of tax		—	—	—	—	(1.9)	(1.9)
Foreign currency translation adjustment, net		—	—	—	—	(10.6)	(10.6)
Other comprehensive loss, net		—	—	—	—	(10.6)	(10.6)
Issuance of common stock related to vesting of stock units, net of shares withheld for taxes on settlements of stock units	17,388	—	—	(3.2)	—	—	(3.2)
Reclassification of awards previously liability-classified that were converted to equity		—	—	10.8	—	—	10.8
Stock-based compensation		—	—	11.4	—	—	11.4
Dividends declared (\$0.41 per share)		—	—	—	(17.3)	—	(17.3)
<b>Balance as of March 31, 2024</b>	42,745,570	\$ —	\$ (985.5)	\$ 808.0	\$ 1,657.7	\$ (97.1)	\$ 1,383.1
Net income		—	—	—	69.1	—	69.1
Other comprehensive income (loss):							
Unrealized gain on available-for-sale investments, net of tax		—	—	—	—	0.2	0.2
Reclassification of realized gain on investments included in net income, net of tax		—	—	—	—	(0.2)	(0.2)
Foreign currency translation adjustment, net		—	—	—	—	(1.4)	(1.4)
Other comprehensive loss, net		—	—	—	—	(1.4)	(1.4)
Issuance of common stock related to vesting of stock awards, net of shares withheld for taxes on settlements of stock awards	93,002	—	1.6	(15.9)	—	—	(14.3)
Reclassification of awards previously liability-classified that were converted to equity		—	—	0.4	—	—	0.4
Stock-based compensation		—	—	14.2	—	—	14.2
Dividends declared (\$0.41 per share)		—	—	—	(17.4)	—	(17.4)
<b>Balance as of June 30, 2024</b>	42,838,572	\$ —	\$ (983.9)	\$ 806.7	\$ 1,709.4	\$ (98.5)	\$ 1,433.7

See notes to unaudited consolidated financial statements.



**Morningstar, Inc. and Subsidiaries**  
**Unaudited Consolidated Statements of Cash Flows**

(in millions)	Six months ended June 30,	
	2025	2024
<b>Operating activities</b>		
Consolidated net income	\$ 167.5	\$ 133.3
Adjustments to reconcile consolidated net income to net cash flows from operating activities:		
Depreciation and amortization	95.8	96.3
Deferred income taxes	(13.8)	(13.9)
Stock-based compensation expense	27.5	25.6
Provision for bad debt	1.9	4.5
Equity in investments of unconsolidated entities	3.8	2.7
Other, net	(1.0)	1.5
Changes in operating assets and liabilities:		
Accounts receivable	(17.4)	0.1
Accounts payable and accrued liabilities	(4.3)	1.0
Accrued compensation and deferred commissions	(78.0)	(31.6)
Income taxes, current	(26.1)	10.4
Deferred revenue	35.4	32.6
Other assets and liabilities	(1.3)	(16.2)
Cash provided by operating activities	190.0	246.3
<b>Investing activities</b>		
Purchases of investment securities	(15.2)	(9.6)
Proceeds from maturities and sales of investment securities	26.1	19.7
Capital expenditures	(68.8)	(66.0)
Acquisitions, net of cash acquired	(39.1)	—
Purchases of investments in unconsolidated entities	(2.5)	(3.6)
Other, net	4.9	—
Cash used for investing activities	(94.6)	(59.5)
<b>Financing activities</b>		
Common shares repurchased	(221.6)	—
Dividends paid	(38.8)	(34.6)
Proceeds from revolving credit facility	265.0	90.0
Repayment of revolving credit facility	(125.0)	(105.0)
Repayment of term facility	—	(58.1)
Employee taxes withheld for stock awards	(12.0)	(17.5)
Other, net	(0.2)	0.1
Cash used for financing activities	(132.6)	(125.1)
Effect of exchange rate changes on cash and cash equivalents	38.0	(8.4)
Net increase in cash and cash equivalents	0.8	53.3
Cash and cash equivalents—beginning of period	502.7	337.9
Cash and cash equivalents—end of period	\$ 503.5	\$ 391.2
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for income taxes	\$ 93.7	\$ 44.1
Cash paid for interest	\$ 17.1	\$ 25.2

See notes to unaudited consolidated financial statements.

# MORNINGSTAR, INC. AND SUBSIDIARIES

## NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Basis of Presentation of Interim Financial Information

The accompanying unaudited consolidated financial statements of Morningstar, Inc. and subsidiaries (Morningstar, we, our, the company) have been prepared to conform to the rules and regulations of the Securities and Exchange Commission (SEC). The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates. In the opinion of management, the statements reflect all adjustments, which are of a normal recurring nature, necessary to present fairly our financial position, results of operations, equity, and cash flows. These financial statements and notes are unaudited and should be read in conjunction with our Audited Consolidated Financial Statements and Notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 28, 2025 (our Annual Report).

The acronyms that appear in the Notes to our Unaudited Consolidated Financial Statements refer to the following:

ASC: Accounting Standards Codification

ASU: Accounting Standards Update

FASB: Financial Accounting Standards Board

### 2. Summary of Significant Accounting Policies

Our significant accounting policies are included in Note 2 of the Notes to our Audited Consolidated Financial Statements included in our Annual Report.

#### *Recently Issued Accounting Pronouncements Not Yet Adopted*

**Income Taxes:** In December 2023, the FASB issued ASU No. 2023-09: *Improvements to Income Tax Disclosures (Topic 740)* (ASU No. 2023-09), which requires additional disclosures primarily related to the income tax rate reconciliation and income taxes paid. The standard is effective for annual financial periods beginning after December 15, 2024. The guidance is to be applied on a prospective basis with the option to apply the standard retrospectively. We are evaluating the effect that ASU No. 2023-09 will have on our income tax disclosures.

**Income Statement:** In November 2024, the FASB issued ASU No. 2024-03: *Disaggregation of Income Statement Expenses (DISE)* (ASU No. 2024-03), which requires additional disclosure of the nature of expenses included in the income statement. The standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. This standard is effective for our fiscal year beginning on January 1, 2027 and interim periods beginning on January 1, 2028. Early adoption is permitted. Entities should apply the guidance prospectively although retrospective application is permitted. We have not made a decision on early adoption and are evaluating the effect that ASU No. 2024-03 will have on our disclosures.

### 3. Credit Arrangements

#### *Debt*

The following table summarizes our debt as of June 30, 2025 and December 31, 2024:

(in millions)	As of June 30, 2025	As of December 31, 2024
Amended 2022 Term Facility, net of unamortized debt issuance costs of \$0.2 million and \$0.2 million, respectively	\$ 349.8	\$ 349.8
Amended 2022 Revolving Credit Facility	140.0	—
2.32% Senior Notes due October 26, 2030, net of unamortized debt issuance costs of \$1.0 million and \$1.2 million, respectively	349.0	348.8
Total debt	<u>\$ 838.8</u>	<u>\$ 698.6</u>

### *Credit Agreement*

On May 6, 2022, the company entered into a senior credit agreement (the 2022 Credit Agreement), providing the company with a five-year multi-currency credit facility with an initial borrowing capacity of up to \$1.1 billion, including a \$650.0 million term loan and a \$450.0 million revolving credit facility. The 2022 Credit Agreement also provided for the issuance of letters of credit and a swingline facility. The 2022 Credit Agreement was amended twice in September 2022 and again most recently in June 2024 (Amended 2022 Credit Agreement) to, among other items, eliminate the options for a second term loan draw and increase both the term loan and revolving credit facility to \$650.0 million each, raising the total borrowing capacity to \$1.3 billion (Amended 2022 Term Facility and Amended 2022 Revolving Credit Facility, respectively), and to update the reference rate for credit extensions in Canadian dollars. Aside from the increased borrowing capacity, the Amended 2022 Credit Agreement left the 2022 Credit Agreement terms largely unchanged. As of June 30, 2025, our total outstanding debt under the Amended 2022 Credit Agreement was \$489.8 million, net of debt issuance costs, with borrowing availability of \$510.0 million under the Amended 2022 Revolving Credit Facility.

The interest rate applicable to any loan under the Amended 2022 Credit Agreement is, at the company's option, either: (i) the applicable Secured Overnight Financing Rate plus an applicable margin for such loans, which ranges between 1.00% and 1.48%, based on the company's consolidated leverage ratio or (ii) the lender's base rate plus the applicable margin for such loans, which ranges between 0.00% and 0.38%, based on the company's consolidated leverage ratio.

The portions of deferred debt issuance costs related to the Amended 2022 Revolving Credit Facility are included in other current and non-current assets, and the portion of deferred debt issuance costs related to the Amended 2022 Term Facility is reported as a reduction to the carrying amount of the Amended 2022 Term Facility. Debt issuance costs related to the Amended 2022 Revolving Credit Facility are amortized on a straight-line basis to interest expense over the term of the Amended 2022 Credit Agreement. Debt issuance costs related to the Amended 2022 Term Facility are amortized to interest expense using the effective interest method over the term of the Amended 2022 Credit Agreement.

### *Private Placement Debt Offering*

On October 26, 2020, we completed the issuance and sale of \$350.0 million aggregate principal amount of 2.32% senior notes due October 26, 2030 (the 2030 Notes), in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended. Proceeds were primarily used to repay a portion of the company's outstanding debt under the company's prior credit facility. Interest on the 2030 Notes is paid semi-annually on each October 30 and April 30 during the term of the 2030 Notes and at maturity, with the first interest payment date having occurred on April 30, 2021. As of June 30, 2025, our total outstanding debt, net of issuance costs, under the 2030 Notes was \$349.0 million.

### *Compliance with Covenants*

Each of the Amended 2022 Credit Agreement and the 2030 Notes include customary representations, warranties, and covenants, including financial covenants, that require us to maintain specified ratios of consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) to consolidated interest charges and consolidated funded indebtedness to consolidated EBITDA, which are evaluated on a quarterly basis. We were in compliance with these financial covenants as of June 30, 2025.

## **4. Acquisitions, Goodwill, and Other Intangible Assets**

### *2025 Acquisitions*

#### Morningstar Credit Analytics (formerly Dealview Technologies Limited (DealX))

On March 1, 2025, we completed our acquisition of the remaining 65% equity interest in DealX, a provider of standardized US commercial mortgage-backed security (CMBS) and global collateralized loan obligation (CLO) data. We began consolidating the financial results of DealX in our consolidated financial statements as of March 1, 2025. DealX is included in the Morningstar Credit segment.

The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to FASB ASC 805, *Business Combinations* (FASB ASC 805), which requires that assets acquired and liabilities assumed be recognized at fair value as of the acquisition date. As of March 31, 2025, we completed our initial determination of the fair values of the acquired identifiable assets and liabilities based on the financial data available. Based on the timing of the close of this transaction, certain valuation calculations are considered preliminary due to information that may subsequently become available, and values assigned to various assets and liabilities could change.

The acquisition date fair value of certain assets and liabilities, including intangible assets acquired and related weighted average expected life calculations, are provisional and subject to revision within one year of the acquisition date. Any changes in the fair values of the assets acquired and liabilities assumed during the measurement period may result in adjustments to goodwill. During the second quarter of 2025, we did not record significant adjustments to the purchase price allocation compared with the preliminary estimates recorded in the first quarter of 2025.

The preliminary allocation of the estimated fair values of the assets acquired and liabilities assumed includes \$9.7 million of goodwill, which is not deductible for income tax purposes, and \$13.1 million of acquired intangible assets, as follows:

	(in millions)	Weighted average useful life (years)
Customer-related assets	\$ 0.6	10
Technology-based assets	12.5	5
Total intangible assets	<u>\$ 13.1</u>	

#### Lumonic Inc. (Lumonic)

On March 3, 2025, we acquired Lumonic, a private credit portfolio monitoring and management platform. We began consolidating the financial results of Lumonic in our consolidated financial statements as of March 3, 2025. Lumonic is included in the PitchBook segment.

The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to FASB ASC 805, which requires that assets acquired and liabilities assumed be recognized at fair value as of the acquisition date. As of March 31, 2025, we completed our initial determination of the fair values of the acquired identifiable assets and liabilities based on the financial data available. Based on the timing of the close of this transaction, certain valuation calculations are considered preliminary due to information that may subsequently become available, and values assigned to various assets and liabilities could change.

The acquisition date fair value of certain assets and liabilities, including intangible assets acquired and related weighted average expected life calculations, are provisional and subject to revision within one year of the acquisition date. Any changes in the fair values of the assets acquired and liabilities assumed during the measurement period may result in adjustments to goodwill. During the second quarter of 2025, we did not record significant adjustments to the purchase price allocation compared with the preliminary estimates recorded in the first quarter of 2025.

The preliminary allocation of the estimated fair values of the assets acquired and liabilities assumed includes \$22.4 million of goodwill, which is not deductible for income tax purposes, and \$10.6 million of acquired intangible assets, as follows:

	(in millions)	Weighted average useful life (years)
Customer-related assets	\$ 1.4	15
Technology-based assets	9.1	8
Intellectual property	0.1	3
Total intangible assets	<u>\$ 10.6</u>	

## Goodwill

The company has seven operating segments, which are presented as the following five reportable segments: Morningstar Direct Platform, PitchBook, Morningstar Credit, Morningstar Wealth, and Morningstar Retirement. Beginning with the first quarter of 2025 reporting, the company changed the name of the Morningstar Data and Analytics reportable segment to the Morningstar Direct Platform.

The company's operating segments also represent the company's reporting units to which goodwill is assigned. The company allocated goodwill by reporting unit in accordance with FASB ASC 350 *Intangibles—Goodwill and Other* (FASB ASC 350). Under this reporting unit structure, the consolidated goodwill balance was allocated based on each reporting unit's relative fair value at January 1, 2021. The company used a market approach and assigned goodwill to the reporting units. The following table shows the changes in our goodwill balances from December 31, 2024 to June 30, 2025:

(in millions)	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement	Total Reportable Segments	Corporate and All Other	Total
Balance as of December 31, 2024	\$ 594.0	\$ 607.4	\$ 105.2	\$ 92.7	\$ 93.5	\$ 1,492.8	\$ 69.2	\$ 1,562.0
Acquisition of DealX	—	—	9.7	—	—	9.7	—	9.7
Acquisition of Lumonic	—	22.4	—	—	—	22.4	—	22.4
Foreign currency translation	16.2	—	5.3	1.7	—	23.2	0.9	24.1
Balance as of June 30, 2025	<u>\$ 610.2</u>	<u>\$ 629.8</u>	<u>\$ 120.2</u>	<u>\$ 94.4</u>	<u>\$ 93.5</u>	<u>\$ 1,548.1</u>	<u>\$ 70.1</u>	<u>\$ 1,618.2</u>

We perform our annual impairment reviews in the fourth quarter or when impairment indicators and triggering events are identified. The company did not record any goodwill impairment in the first six months of 2025. Refer to Note 7 for detailed segment information.

## Intangible Assets

The following table summarizes our intangible assets:

(in millions)	As of June 30, 2025				As of December 31, 2024			
	Gross	Accumulated Amortization	Net	Weighted Average Useful Life (years)	Gross	Accumulated Amortization	Net	Weighted Average Useful Life (years)
Customer-related assets	\$ 590.8	\$ (309.7)	\$ 281.1	14	\$ 572.4	\$ (281.1)	\$ 291.3	14
Technology-based assets	331.9	(219.1)	112.8	8	301.9	(205.5)	96.4	8
Intellectual property & other	91.4	(72.0)	19.4	8	88.6	(67.5)	21.1	8
Total intangible assets	<u>\$ 1,014.1</u>	<u>\$ (600.8)</u>	<u>\$ 413.3</u>	12	<u>\$ 962.9</u>	<u>\$ (554.1)</u>	<u>\$ 408.8</u>	12

The following table summarizes our amortization expense related to intangible assets:

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Amortization expense	\$ 15.3	\$ 17.5	\$ 29.7	\$ 35.2

We amortize intangible assets using the straight-line method over their estimated useful lives.

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As of June 30, 2025, we expect intangible amortization expense for the remainder of 2025, each of the next four subsequent years and thereafter to be as follows:

(in millions)	As of June 30, 2025	
Remainder of 2025 (July 1 through December 31)	\$	30.9
2026		57.0
2027		50.4
2028		46.3
2029		43.1
Thereafter		185.6
Total	\$	413.3

Our estimates of future amortization expense for intangible assets may be affected by future acquisitions, divestitures, changes in the estimated useful lives, impairments, and foreign currency translation.

## 5. Income Per Share

The following table shows how we reconcile our net income and the number of shares used in computing basic and diluted net income per share:

(in millions, except per share amounts)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>Basic net income per share:</b>				
Consolidated net income	\$ 89.0	\$ 69.1	\$ 167.5	\$ 133.3
Weighted average common shares outstanding	42.2	42.8	42.5	42.8
Basic net income per share	\$ 2.11	\$ 1.61	\$ 3.94	\$ 3.11
<b>Diluted net income per share:</b>				
Consolidated net income	\$ 89.0	\$ 69.1	\$ 167.5	\$ 133.3
Weighted average common shares outstanding	42.2	42.8	42.5	42.8
Net effect of dilutive stock awards	0.3	0.3	0.3	0.3
Weighted average common shares outstanding for computing diluted income per share	42.5	43.1	42.8	43.1
Diluted net income per share	\$ 2.09	\$ 1.60	\$ 3.91	\$ 3.09

During the periods presented, we have outstanding restricted stock units (RSUs), market stock units (MSUs), and performance stock units (PSUs) that are excluded from our calculation of diluted earnings per share as their effect is antidilutive. The amount of these potential antidilutive shares was immaterial.

## 6. Revenue

### Disaggregation of Revenue

The following table presents our revenue disaggregated by revenue type. Sales and usage-based taxes are excluded from revenue.

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
License-based	\$ 428.4	\$ 401.7	\$ 846.4	\$ 801.9
Asset-based	82.4	84.7	168.1	161.7
Transaction-based	94.3	85.5	172.5	151.1
Consolidated revenue	<u>\$ 605.1</u>	<u>\$ 571.9</u>	<u>\$ 1,187.0</u>	<u>\$ 1,114.7</u>

### Contract Liabilities

Our contract liabilities represent deferred revenue. We record contract liabilities when cash payments are received or due in advance of our performance, including amounts which may be refundable. As of June 30, 2025, the contract liabilities balance increased \$52.9 million from December 31, 2024, primarily driven by cash payments received or payable in advance of satisfying our performance obligations. We recognized \$395.5 million of revenue in the six months ended June 30, 2025 that was included in the contract liabilities balance as of December 31, 2024.

We expect to recognize revenue related to our contract liabilities, including future billings, for the remainder of 2025, each of the next four subsequent years and thereafter as follows:

(in millions)	As of June 30, 2025
Remainder of 2025 (July 1 through December 31)	\$ 703.2
2026	517.4
2027	148.7
2028	44.7
2029	18.5
Thereafter	21.9
Total	<u>\$ 1,454.4</u>

The aggregate amount of revenue we expect to recognize for the remainder of 2025 and subsequent years is higher than our contract liability balance of \$616.1 million as of June 30, 2025. The difference represents the value of future obligations for signed contracts that have yet to be billed.

The table above does not include variable consideration for unsatisfied performance obligations related to certain of our license-based, asset-based, and transaction-based contracts as of June 30, 2025. We are applying the optional exemption available under FASB ASC 606 *Revenue from Contracts with Customers* (FASB ASC 606), as the variable consideration relates to these unsatisfied performance obligations being fulfilled as a series. The performance obligations related to these contracts are expected to be satisfied over the next 1 to 3 years as services are provided to the client. For certain license-based contracts, variable consideration is received for services performed based on the number of future users, which is not known until the services are performed. The variable consideration for this revenue can be affected by the number of user licenses, which cannot be reasonably estimated. For asset-based contracts, all the consideration received for services performed is based on future asset values, which are not known until the services are performed. The variable consideration for this revenue can be affected by changes in the underlying value of fund assets due to client redemptions, additional investments, or movements in the market. For transaction-based contracts, the consideration received for most Internet advertising services performed is based on the number of impressions, which is not known until the impressions are created. The variable consideration for this revenue can be affected by the timing and quantity of impressions in any given period and cannot be reasonably estimated.

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As of June 30, 2025, the table above also does not include revenue for unsatisfied performance obligations related to certain of our license-based and transaction-based contracts with durations of one year or less since we are applying the optional exemption under FASB ASC 606. For certain license-based contracts, the remaining performance obligation is expected to be less than one year based on the corresponding subscription terms or the existence of cancellation terms that may be exercised causing the contract term to be less than one year from June 30, 2025. For transaction-based contracts, such as new credit rating issuances and Morningstar-sponsored conferences, the related performance obligations are expected to be satisfied within the next 12 months.

### *Contract Assets*

Our contract assets represent accounts receivable, less allowance for credit losses, and deferred commissions.

The following table summarizes our contract assets balance:

(in millions)	As of June 30, 2025	As of December 31, 2024
Accounts receivable, less allowance for credit losses	\$ 384.0	\$ 358.1
Deferred commissions	67.4	65.8
Total contract assets	<u>\$ 451.4</u>	<u>\$ 423.9</u>

## **7. Segment and Geographical Area Information**

### *Segment Information*

Our segments are generally organized around the company's products offerings. The company has concluded that it has seven operating segments, which are presented as the following five reportable segments:

- Morningstar Direct Platform
- PitchBook
- Morningstar Credit
- Morningstar Wealth
- Morningstar Retirement

The operating segments of Morningstar Sustainalytics and Morningstar Indexes do not individually meet the quantitative segment reporting thresholds and have been combined and presented as part of Corporate and All Other, which is not a reportable segment. Corporate and All Other provides a reconciliation between revenue from our total reportable segments and consolidated revenue amounts.

Beginning with the first quarter of 2025 reporting, the company changed the name of the Morningstar Data and Analytics reportable segment to Morningstar Direct Platform.

Morningstar Direct Platform provides investors comprehensive data, research and insights, and investment analysis to empower investment decision-making. Morningstar Direct Platform includes product areas such as Morningstar Data, Morningstar Direct, and Morningstar Advisor Workstation.

PitchBook provides investors with access to a broad collection of data and research covering the private capital markets, including venture capital, private equity, private credit and bank loans, and merger and acquisition (M&A) activities. Investors can also access Morningstar's data and research on public equities.

Morningstar Credit provides investors with credit ratings, research, data, and credit analytics solutions that contribute to the transparency of international and domestic credit markets. Morningstar Credit includes the Morningstar DBRS product area and the Morningstar Credit data and credit analytics product areas.

Morningstar Wealth provides investment products, platform capabilities, and individual investor tools powered by Morningstar's independent research and data. We serve financial advisors through model portfolios, separately managed accounts, and technology platforms, and individuals through Morningstar Investor, which offers direct access to Morningstar's research and insights.



Morningstar Retirement offers products designed to help individuals reach their retirement goals. Its offerings include managed retirement accounts, fiduciary services, Morningstar Lifetime Allocation funds, and custom models.

FASB ASC 280 *Segment Reporting* (FASB ASC 280) establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assess performance. The company's chief executive officer, who is considered to be its CODM, reviews segment revenue and Segment Adjusted Operating Income presented on an operating segment basis for purposes of making operating decisions and assessing financial performance. For each segment, the CODM uses segment revenue and Segment Adjusted Operating Income in the annual budget and forecasting process. The CODM considers budget-to-actual variance when making decisions about allocating capital and personnel.

We define Segment Adjusted Operating Income as operating income (loss) excluding intangible amortization expense, the impact of merger, acquisition, and divestiture-related activity which, when applicable, may include certain non-recurring expenses such as pre-deal due diligence, transaction costs, contingent consideration, severance, and post-close integration costs (M&A-related expenses), and certain other one-time, non-recurring items which management does not consider when evaluating ongoing performance (other non-recurring items).

Although these adjustments are excluded from Segment Adjusted Operating Income, they are included in reported consolidated operating income and are included in the reconciliation to consolidated results. The CODM does not consider these adjustments for the purposes of making decisions to allocate resources among segments or to assess segment performance.

Expenses presented as part of the company's segments include allocations of shared costs. Shared costs include technology, investment research, sales, facilities, and marketing. These allocations are based on expected utilization of shared resources. Adjusted Operating Income is the reported measure that the company believes is most consistent with those used in measuring the corresponding amount in the consolidated financial statements.

The CODM does not review any information regarding total assets on a segment basis. Operating segments do not record intersegment revenues; therefore, there is none to be reported.

The following tables present information about the company's reportable segments for the three and six months ended June 30, 2025 and 2024, along with the items necessary to reconcile the segment information to the totals reported in the accompanying consolidated financial statements. Prior period segment information is presented on a comparable basis to the basis on which current period segment information is presented and reviewed by the CODM.

(in millions)	Three months ended June 30, 2025					
	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement	Total Reportable Segments
Revenue by type:						
License-based	\$ 207.7	\$ 164.7	\$ 5.0	\$ 19.7	\$ 0.4	\$ 397.5
Asset-based	—	—	—	35.2	32.0	67.2
Transaction-based	1.5	1.8	80.0	9.4	—	92.7
Total segment revenue	209.2	166.5	85.0	64.3	32.4	557.4
Less:						
Compensation expense <sup>(1)</sup>	58.2	76.3	41.1	28.7	11.3	
Other segment items <sup>(2)</sup>	54.7	37.4	13.4	32.6	5.7	
Adjusted operating income (loss)	\$ 96.3	\$ 52.8	\$ 30.5	\$ 3.0	\$ 15.4	\$ 198.0

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(in millions)	Six months ended June 30, 2025					
	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement	Total Reportable Segments
Revenue by type:						
License-based	\$ 406.9	\$ 326.5	\$ 9.6	\$ 38.8	\$ 0.9	\$ 782.7
Asset-based	—	—	—	71.3	64.4	135.7
Transaction-based	1.5	3.7	148.4	15.5	—	169.1
Total segment revenue	408.4	330.2	158.0	125.6	65.3	1,087.5
Less:						
Compensation expense <sup>(1)</sup>	115.9	152.4	79.6	58.9	22.9	
Other segment items <sup>(2)</sup>	109.1	72.7	26.5	64.5	12.4	
Adjusted operating income (loss)	\$ 183.4	\$ 105.1	\$ 51.9	\$ 2.2	\$ 30.0	\$ 372.6

(in millions)	Three months ended June 30, 2024					
	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement	Total Reportable Segments
Revenue by type:						
License-based	\$ 195.7	\$ 150.1	\$ 3.7	\$ 19.9	\$ 0.5	\$ 369.9
Asset-based	—	—	—	35.8	32.8	68.6
Transaction-based	1.2	1.6	73.9	6.9	—	83.6
Total segment revenue	196.9	151.7	77.6	62.6	33.3	522.1
Less:						
Compensation expense <sup>(1)</sup>	54.0	70.2	37.7	31.2	10.8	
Other segment items <sup>(2)</sup>	55.6	34.2	12.0	33.6	5.2	
Adjusted operating income (loss)	\$ 87.3	\$ 47.3	\$ 27.9	\$ (2.2)	\$ 17.3	\$ 177.6

(in millions)	Six months ended June 30, 2024					
	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement	Total Reportable Segments
Revenue by type:						
License-based	\$ 392.4	\$ 295.7	\$ 7.9	\$ 40.4	\$ 1.0	\$ 737.4
Asset-based	—	—	—	69.4	60.7	130.1
Transaction-based	1.2	3.6	130.0	11.8	—	146.6
Total segment revenue	393.6	299.3	137.9	121.6	61.7	1,014.1
Less:						
Compensation expense <sup>(1)</sup>	107.6	146.3	73.1	63.6	21.3	
Other segment items <sup>(2)</sup>	107.5	65.7	24.6	65.8	8.9	
Adjusted operating income (loss)	\$ 178.5	\$ 87.3	\$ 40.2	\$ (7.8)	\$ 31.5	\$ 329.7

(1) Compensation expense includes salaries, bonus, commissions, severance, employee benefits, payroll taxes, and stock-based compensation incurred for employees directly associated with each reportable segment. Allocated compensation expense related to corporate and centralized functions is reported within Other segment items.

(2) Other segment items for each reportable segment includes:

Morningstar Direct Platform - allocated expenses, infrastructure costs, and other overhead costs.

PitchBook - allocated expenses, infrastructure costs, professional fees, and other overhead costs.

Morningstar Credit - allocated expenses, infrastructure costs, professional fees, and other overhead costs.

Morningstar Wealth - allocated expenses, infrastructure costs, and other overhead costs.

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Morningstar Retirement - allocated expenses, infrastructure costs, and other overhead costs.

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Reconciliation of reportable segment revenue to consolidated revenue:				
Total reportable segment revenue	\$ 557.4	\$ 522.1	\$ 1,087.5	\$ 1,014.1
Corporate and All Other <sup>(3)</sup>	47.7	49.8	99.5	100.6
Total consolidated revenue	\$ 605.1	\$ 571.9	\$ 1,187.0	\$ 1,114.7
Reconciliation of reportable segment adjusted operating income to income before income taxes:				
Total reportable segment adjusted operating income	\$ 198.0	\$ 177.6	\$ 372.6	\$ 329.7
Corporate and All Other <sup>(4)</sup>	(54.6)	(46.6)	(93.8)	(87.9)
Intangible amortization expense	(15.3)	(17.5)	(29.7)	(35.2)
M&A-related expenses	(3.8)	(5.0)	(10.7)	(5.5)
Other non-recurring items	0.8	—	0.8	—
Operating Income	125.1	108.5	239.2	201.1
Non-operating expense, net	(8.6)	(19.0)	(14.2)	(24.6)
Equity in investments of unconsolidated entities	(1.2)	(1.2)	(3.8)	(2.7)
Income before income taxes	\$ 115.3	\$ 88.3	\$ 221.2	\$ 173.8

(3) Corporate and All Other provides a reconciliation between revenue from our Total Reportable Segments and consolidated revenue amounts. Corporate and All Other includes Morningstar Sustainalytics and Morningstar Indexes as sources of revenues. Revenue from Morningstar Sustainalytics was \$27.3 million and \$29.2 million for the three months ended June 30, 2025 and 2024, respectively, and \$56.1 million and \$60.0 million for the six months ended June 30, 2025 and 2024, respectively. Revenue from Morningstar Indexes was \$20.4 million and \$20.6 million for the three months ended June 30, 2025 and 2024, respectively, and \$43.4 million and \$40.6 million for the six months ended June 30, 2025 and 2024, respectively.

(4) Corporate and All Other includes unallocated corporate expenses as well as adjusted operating income (loss) from Morningstar Sustainalytics and Morningstar Indexes. For the second quarters of 2025 and 2024, unallocated corporate expenses were \$50.1 million and \$46.1 million, respectively. For the first six months of 2025 and 2024, unallocated corporate expenses were \$91.9 million and \$87.0 million, respectively. Unallocated corporate expenses include finance, human resources, legal, and other management-related costs that are not considered when segment performance is evaluated.

The following table presents depreciation expense by reportable segment:

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Morningstar Direct Platform	\$ 11.2	\$ 9.5	\$ 22.0	\$ 17.7
PitchBook	8.1	8.3	15.9	15.7
Morningstar Credit	2.0	1.7	4.0	3.6
Morningstar Wealth	4.4	5.0	8.9	9.7
Morningstar Retirement	2.7	2.6	5.3	5.4
Total Reportable Segments	28.4	27.1	56.1	52.1
Corporate and All Other <sup>(5)</sup>	4.8	4.4	9.9	8.6
Total	\$ 33.2	\$ 31.5	\$ 66.0	\$ 60.7

(5) Corporate and All Other provides a reconciliation between depreciation expense from our Total Reportable Segments and consolidated depreciation expense. Corporate and All Other includes unallocated corporate expenses of depreciation expense related to finance, human resources, legal, and other management-related costs that are not considered when segment performance is evaluated as well as depreciation expense from Morningstar Sustainalytics and Morningstar Indexes.

### Geographical Area Information

The tables below summarize our revenue, long-lived assets, which includes property, equipment, and capitalized software, net, and operating lease assets by geographical area. Revenue is attributed to geographical area based on country in which the sale was contracted.

Revenue by geographical area (in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
United States	\$ 431.6	\$ 410.3	\$ 856.1	\$ 801.2
Asia	12.2	13.0	24.1	25.7
Australia	16.2	15.7	31.3	30.7
Canada	38.6	37.8	71.7	70.4
Continental Europe	55.0	50.1	105.6	99.8
United Kingdom	48.2	42.0	91.9	80.9
Other	3.3	3.0	6.3	6.0
Total International	173.5	161.6	330.9	313.5
Consolidated revenue	\$ 605.1	\$ 571.9	\$ 1,187.0	\$ 1,114.7

Property, equipment, and capitalized software, net by geographical area (in millions)	As of June 30, 2025	As of December 31, 2024
United States	\$ 184.3	\$ 189.5
Asia	9.8	9.6
Australia	1.5	1.6
Canada	17.6	6.6
Continental Europe	6.5	5.3
United Kingdom	5.7	6.1
Other	0.2	0.2
Total International	41.3	29.4
Consolidated property, equipment, and capitalized software, net	\$ 225.6	\$ 218.9

Operating lease assets by geographical area (in millions)	As of June 30, 2025	As of December 31, 2024
United States	\$ 84.9	\$ 92.9
Asia	41.7	44.2
Australia	2.0	2.4
Canada	6.8	7.7
Continental Europe	17.1	19.1
United Kingdom	11.9	14.7
Other	0.1	0.2
Total International	79.6	88.3
Consolidated operating lease assets	\$ 164.5	\$ 181.2

## 8. Fair Value Measurements

The tables below present information about items that are measured at fair value:

(in millions)	Fair Value as of June 30, 2025	Level within the Fair Value Hierarchy as of June 30, 2025		
		Level 1	Level 2	Level 3
Cash equivalents	\$ 70.6	\$ 70.6	\$ —	\$ —
Investments:				
Marketable equity investments, exchange-traded funds, and mutual funds	32.9	32.9	—	—
Marketable debt securities	1.4	1.4	—	—
Investments in unconsolidated entities:				
Non-current investment in Wealth Advisors	27.3	27.3	—	—
<b>Total</b>	<b>\$ 132.2</b>	<b>\$ 132.2</b>	<b>\$ —</b>	<b>\$ —</b>

(in millions)	Fair Value as of December 31, 2024	Level within the Fair Value Hierarchy as of December 31, 2024		
		Level 1	Level 2	Level 3
Cash equivalents	\$ 43.5	\$ 43.5	\$ —	\$ —
Investments:				
Marketable equity investments, exchange-traded funds, and mutual funds	42.3	42.3	—	—
Marketable debt securities	2.4	2.4	—	—
Investments in unconsolidated entities:				
Investment in SmartX Advisory Solutions	24.7	—	—	24.7
Non-current investment in Wealth Advisors	24.9	24.9	—	—
<b>Total</b>	<b>\$ 137.8</b>	<b>\$ 113.1</b>	<b>\$ —</b>	<b>\$ 24.7</b>

In 2024, our investment in SmartX Advisory Solutions was measured at fair value on a nonrecurring basis due to the identification of an impairment trigger, leading to \$12.4 million of impairment losses. The fair value was estimated using an income approach with significant, unobservable inputs, which include the extent and timing of future cash flows, revenue growth rates, and discount rates.

## 9. Investments in Unconsolidated Entities

As of June 30, 2025 and December 31, 2024, our investment in unconsolidated entities balance totaled \$77.2 million and \$85.3 million, respectively. We have investments in both equity method investments and investments in equity securities with and without a readily determinable fair value.

The carrying amount of investments in equity securities without a readily determinable fair value was \$42.8 million and \$41.1 million as of June 30, 2025 and December 31, 2024, respectively. We did not record any material adjustments or impairment losses in the first six months of 2025 or 2024.

## 10. Leases

We lease office space and certain equipment under various operating and finance leases, with most of our lease portfolio consisting of operating leases for office space.

We determine whether an arrangement is, or includes, an embedded lease at contract inception. Operating lease assets and lease liabilities are recognized at the commencement date and are initially measured using the present value of lease payments over the defined lease term. Lease expense is recognized on a straight-line basis over the lease term. For finance leases, we also recognize a finance lease asset and finance lease liability at inception, with lease expense recognized as interest expense and amortization.

A contract is or contains an embedded lease if the contract meets all the below criteria:

- there is an identified asset;
- we obtain substantially all the economic benefits of the asset; and
- we have the right to direct the use of the asset.

For initial measurement of the present value of lease payments and for subsequent measurement of lease modifications, we are required to use the rate implicit in the lease, if available. However, as most of our leases do not provide an implicit rate, we use our incremental borrowing rate, which is a collateralized rate. To apply the incremental borrowing rate, we used a portfolio approach and grouped leases based on similar lease terms in a manner whereby we reasonably expect that the application does not differ materially from a lease-by-lease approach.

Our leases have remaining lease terms of approximately 1 year to 10 years, which may include the option to extend the lease when it is reasonably certain we will exercise that option. We do not have lease agreements with residual value guarantees, sale leaseback terms, or material restrictive covenants.

Leases with an initial term of 12 months or less are not recognized on the balance sheet. We recognize lease expense for these leases on a straight-line basis over the lease term.

Our operating lease expense for the three months ended June 30, 2025 was \$11.2 million, compared with \$10.4 million for the three months ended June 30, 2024. Charges related to our operating leases that are variable and, therefore, not included in the measurement of the lease liabilities were \$5.0 million for the three months ended June 30, 2025, compared with \$3.1 million for the three months ended June 30, 2024. We made lease payments of \$11.4 million during the three months ended June 30, 2025 and June 30, 2024.

Our operating lease expense for the six months ended June 30, 2025 was \$22.2 million, compared with \$20.8 million for the six months ended June 30, 2024. Charges related to our operating leases that are variable and, therefore, not included in the measurement of the lease liabilities were \$7.8 million for the six months ended June 30, 2025, compared with \$6.3 million for the six months ended June 30, 2024. We made lease payments of \$20.8 million during the six months ended June 30, 2025, compared with \$22.1 million during the six months ended June 30, 2024.

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The following table shows our minimum future lease commitments due in the remainder of 2025, each of the next four subsequent years and thereafter for operating leases:

(in millions)	As of June 30, 2025
Remainder of 2025 (July 1 through December 31)	\$ 24.5
2026	46.2
2027	39.3
2028	32.9
2029	21.5
Thereafter	61.4
Total minimum lease commitments	225.8
Adjustment for discount to present value	30.6
Present value of lease liabilities	\$ 195.2

The following table summarizes the weighted-average remaining lease terms and weighted-average discount rates for our operating leases:

	As of June 30, 2025
Weighted-average remaining lease term (in years)	6.0
Weighted-average discount rate	4.5 %

## 11. Stock-Based Compensation

### *Stock-Based Compensation Plans*

Our employees and our non-employee directors are eligible for awards under the Morningstar Amended and Restated 2011 Stock Incentive Plan, which provides for a variety of equity-based awards, including stock options, RSUs, MSUs, PSUs, and restricted stock.

The following table summarizes the stock-based compensation expense included in each of our operating expense categories:

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 8.2	\$ 7.0	\$ 11.7	\$ 11.6
Sales and marketing	3.1	2.6	5.0	4.5
General and administrative	7.1	4.6	10.8	9.5
Total stock-based compensation expense	\$ 18.4	\$ 14.2	\$ 27.5	\$ 25.6

As of June 30, 2025, the total unrecognized stock-based compensation cost related to outstanding RSUs, MSUs, and PSUs expected to vest was \$91.1 million, which we expect to recognize over a weighted average period of 29 months.

## 12. Income Taxes

The following table shows our effective tax rate for the three and six months ended June 30, 2025 and June 30, 2024:

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Income before income taxes and equity in investments of unconsolidated entities	\$ 116.5	\$ 89.5	\$ 225.0	\$ 176.5
Equity in investments of unconsolidated entities	(1.2)	(1.2)	(3.8)	(2.7)
Income before income taxes	\$ 115.3	\$ 88.3	\$ 221.2	\$ 173.8
Income tax expense	\$ 26.3	\$ 19.2	\$ 53.7	\$ 40.5
Effective tax rate	22.8 %	21.7 %	24.3 %	23.3 %

Our effective tax rate in the second quarter and first six months of 2025 was 22.8% and 24.3%, respectively, reflecting an increase of 1.1 and 1.0 percentage points, respectively, compared with the same periods in the prior year.

On July 4, 2025, the One Big Beautiful Bill Act (the OBBB) was enacted in the United States. The OBBB contains several changes impacting corporate taxpayers, including modifications to the capitalization of research and development expenses, changes to calculations for the limitation on deductions for interest expense, and the reestablishment of accelerated depreciation (full expensing) on fixed assets. The OBBB also includes adjustments to the calculation of certain international tax framework provisions, which were initially established by the Tax Cuts and Jobs Act of 2017. The OBBB has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing the potential implications of the OBBB; however, an estimate of the impact of the OBBB on our consolidated financial statements cannot be made at this time.

The Organization for Economic Co-operation and Development (OECD) has proposed a global minimum tax of 15% of reported profits (Pillar Two) that has been agreed upon in principle by over 140 countries. Since the proposal, many countries incorporated Pillar Two model rule concepts into their domestic laws. Although the model rules provide a framework for applying the minimum tax, countries may enact Pillar Two slightly different than the model rules and on different timelines. Other countries are also considering changes to their tax laws to adopt certain parts of the OECD's proposals. Pillar Two represents a significant change in the international tax regime and could result in increases to our effective tax rate as a result of the imposition of minimum taxes. Pillar Two did not have a material impact to our consolidated financial statements as of June 30, 2025. We are continuing to monitor developments and administrative guidance in addition to evaluating the potential impact of Pillar Two on our consolidated financial statements for future periods.

### Unrecognized Tax Benefits

The table below provides information concerning our gross unrecognized tax benefits as of June 30, 2025 and December 31, 2024, as well as the effect these gross unrecognized tax benefits would have on our income tax expense, if they were recognized.

(in millions)	As of June 30, 2025		As of December 31, 2024	
Gross unrecognized tax benefits	\$	12.3	\$	11.1
Gross unrecognized tax benefits that would affect income tax expense	\$	12.3	\$	11.1
Decrease in income tax expense upon recognition of gross unrecognized tax benefits	\$	11.9	\$	10.9

Our Consolidated Balance Sheets include the following liabilities for unrecognized tax benefits. These amounts include interest and penalties, less any associated tax benefits.



Liabilities for Unrecognized Tax Benefits (in millions)	As of June 30, 2025	As of December 31, 2024
Current liability	\$ 0.1	\$ 0.1
Non-current liability	13.1	11.7
Total liability for unrecognized tax benefits	\$ 13.2	\$ 11.8

We conduct business globally, and, as a result, we file income tax returns in US federal, state, local, and foreign jurisdictions. In the normal course of business, we are subject to examination by tax authorities throughout the world. The open tax years for our US federal tax returns and most state tax returns include the years 2020 to the present.

We are currently under audit by state and local tax authorities in the US as well as tax authorities in certain non-US jurisdictions. It is likely that the examination phase of some of these state, local, and non-US audits will conclude in 2025. It is not possible to estimate the effect of current audits on previously recorded unrecognized tax benefits.

Approximately 83% of our cash, cash equivalents, and investments balance as of June 30, 2025, was held by our operations outside of the US. With the exception of \$142.0 million in earnings of certain of our foreign subsidiaries that we disclosed in the fourth quarter of 2024, we generally consider most of our US directly-owned foreign subsidiary earnings to be permanently reinvested. We anticipate a one-time repatriation of these earnings back to the US via distribution later in 2025. We have recorded a deferred tax liability of \$7.1 million that reflects the income tax effects of the repatriation of these earnings, mostly due to non-US withholding taxes, that would be due at the time of remittance. We have not recorded deferred income taxes on the remaining balance of accumulated undistributed earnings of our foreign subsidiaries because we consider those earnings to be permanently reinvested, and we do not anticipate dividends in the foreseeable future.

Certain of our non-US operations have incurred net operating losses (NOLs), which may become deductible to the extent these operations become profitable. For each of our operations, we evaluate whether it is more likely than not that the tax benefits related to NOLs will be realized. As part of this evaluation, we consider evidence such as tax planning strategies, historical operating results, forecasted taxable income, and recent financial performance. In the year that certain non-US operations record a loss, we do not recognize a corresponding tax benefit, which increases our effective tax rate. Upon determining that it is more likely than not that the NOLs will be realized, we reduce the tax valuation allowances related to these NOLs, which results in a reduction to our income tax expense and our effective tax rate in that period.

### 13. Contingencies

We record accrued liabilities for litigation, regulatory, and other business matters when those matters represent loss contingencies that are both probable and estimable. In these cases, there may be an exposure to loss in excess of any amounts accrued. Unless a loss contingency is both probable and estimable, we do not establish an accrued liability. As litigation, regulatory, or other business matters develop, we evaluate on an ongoing basis whether such matters present a loss contingency that is probable and estimable.

#### *Data Audits and Reviews*

In our global data business, we include in our products, or directly redistribute to our customers, data and information licensed from third-party vendors. Our compliance with the terms of these licenses is reviewed internally and is also subject to audit by the third-party vendors. At any given time, we may be undergoing several such internal reviews and third-party vendor audits, and the results and findings may indicate that we may be required to make a payment for prior data usage. Due to a lack of available information and data, as well as potential variations of any audit or internal review findings, we generally are not able to reasonably estimate a possible loss, or range of losses, for these matters. In situations where more information or specific areas subject to audit are available, we may be able to estimate a potential range of losses. While we cannot predict the outcome of these processes, we do not anticipate they will have a material adverse effect on our business, operating results, or financial position.

### *Ratings and Regulatory Matters*

Our ratings and related research activities, including credit ratings, environmental, social, and governance ratings, managed investment, and equity ratings, are or may in the future become subject to regulation or increased scrutiny from executive, legislative, regulatory, and private parties. As a result, those activities may be subject to governmental, regulatory, and legislative investigations, regulatory examinations in the ordinary course of business, subpoenas, and other forms of legal process, which may lead to claims and litigation that are based on these ratings and related research activities. Our regulated businesses are generally subject to periodic reviews, inspections, examinations, and investigations by regulators in the jurisdictions in which they operate, any of which may result in claims, legal proceedings, assessments, fines, penalties, disgorgement, or restrictions on business activities. While it is difficult to predict the outcome of any particular investigation or proceeding, we do not believe the result of any of these matters will have a material adverse effect on our business, operating results, or financial position.

### *Other Matters*

We are involved from time to time in commercial disputes and legal proceedings that arise in the normal course of our business. While it is difficult to predict the outcome of any particular dispute or proceeding, we do not believe the result of any of these matters will have a material adverse effect on our business, operating results, or financial position.

## **14. Share Repurchase Program**

On December 6, 2022, the board of directors approved a share repurchase program that authorizes the company to repurchase up to \$500.0 million in shares of the company's outstanding common stock, effective January 1, 2023 (the Share Repurchase Program). This authorization replaced the then-existing share repurchase program and expires on December 31, 2025. Under this authorization, we may repurchase shares from time to time at prevailing market prices on the open market or in private transactions in amounts that we deem appropriate.

For the three months ended June 30, 2025, we repurchased a total of 398,442 shares for \$112.0 million. For the six months ended June 30, 2025, we repurchased a total of 766,641 shares for \$221.6 million. As of June 30, 2025, we have repurchased a total of 808,425 shares for \$234.6 million under the Share Repurchase Program, leaving \$265.4 million available for future repurchases.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The discussion included in this section, as well as other under sections of this Quarterly Report on Form 10-Q (this Quarterly Report), contains forward-looking statements as that term is used in the Private Securities Litigation Reform Act of 1995. These statements are based on our current expectations about future events or future financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, and often contain words such as "aim," "committed," "consider," "estimate," "future," "goal," "is designed to," "maintain," "may," "might," "objective," "ongoing," "could," "expect," "intend," "plan," "possible," "potential," "seek," "anticipate," "believe," "predict," "prospects," "continue," "strategy," "strive," "will," "would," "determine," "evaluate," or the negative thereof, and similar expressions. These statements involve known and unknown risks and uncertainties that may cause the events we discuss not to occur or to differ significantly from what we expect. For us, these risks and uncertainties include, among others:

- failing to maintain and protect our brand, independence, and reputation;
- failure to prevent and/or mitigate cybersecurity events and the failure to protect confidential information, including personal information about individuals;
- changing economic conditions, including prolonged volatility, recessions, or downturns affecting the financial sector and global financial markets, and the impacts of global trade policies, may negatively impact our financial results, including those of our asset-based businesses;
- compliance failures, regulatory action, or changes in laws applicable to our regulated businesses;
- failing to innovate our product and service offerings or meet or anticipate our clients' changing needs;
- the impact of AI technologies on our business and reputation, and the legal risks as they are incorporated into our products and tools;
- failure to detect errors in our products or failure of our products to perform properly due to defects, malfunctions, or similar problems;
- failing to recruit, develop, and retain qualified employees;
- failing to scale our operations and increase productivity in order to implement our business plans and strategies;
- liability for any losses that result from errors in our automated advisory tools or errors in the use of the information and data we collect;
- inadequacy of our operational risk management and business continuity programs to address materially disruptive events;
- failure of our strategic transactions, acquisitions, divestitures, and investments in companies or technologies to yield expected business or financial benefits, negatively impacting our operating results and our ability to deliver long-term value to shareholders;
- failing to maintain growth across our businesses due to changes in geopolitics and the regulatory landscape;
- liability relating to the information and data we collect, store, use, create, and distribute or the reports that we publish or are produced by our software products;
- the potential adverse effect of our indebtedness (and rising interest rates) on our cash flow and financial and operational flexibility;
- liability, costs, and reputational risks relating to environmental, social, and governance considerations;
- our dependence on third-party service providers in our operations;
- inadequacy of our insurance coverage;
- challenges in accounting for tax complexities in the global jurisdictions we operate in could materially affect our tax obligations and tax rates;
- the potential impact of vendor consolidation and clients' strategic decisions to replace our products and services with in-house products and services;
- our ability to build and maintain short-term and long-term shareholder value and pay dividends to our shareholders;
- our ability to maintain existing business and renewal rates and to gain new business;

- the impact of recently issued accounting pronouncements on our consolidated financial statements and related disclosures; and
- failing to protect our intellectual property rights or claims of intellectual property infringement against us.

A more complete description of these risks and uncertainties can be found in our other filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the year ended December 31, 2024 (our Annual Report), and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 as supplemented by this Quarterly Report on Form 10-Q. If any of these risks and uncertainties materialize, our actual future results and other future events may vary significantly from what we expect. We do not undertake to update our forward-looking statements as a result of new information, future events, or otherwise, except as may be required by law. You are, however, advised to review any further disclosures we make on related subjects, and about new or additional risks, uncertainties, and assumptions in our filings with the SEC on Forms 10-K, 10-Q, and 8-K.

All dollar and percentage comparisons, which are often accompanied by words such as “increase,” “decrease,” “grew,” “declined,” “was up,” “was down,” “was flat,” or “was similar” refer to a comparison with the same period in the previous year unless otherwise stated.

## **Understanding our company.**

### **Our Business**

Our mission is to empower investor success. The investing ecosystem is complex, and navigating it with confidence requires a trusted, independent voice. We deliver our perspective to institutions, advisors, and individuals with a single-minded purpose: to empower every investor with conviction that they can make better-informed decisions and realize success on their own terms.

Our strategy is to deliver insights and experiences that make us essential to investor workflow. Proprietary data sets, meaningful analytics, independent research, and effective investment strategies are at the core of the powerful digital solutions that investors across our client segments rely on. We have a keen focus on innovation across data, research, product, and delivery so that we can effectively cater to the evolving needs and expectations of investors globally.

The company has seven operating segments, which are presented as the following five reportable segments: Morningstar Direct Platform (formerly named Morningstar Data and Analytics), PitchBook, Morningstar Credit, Morningstar Wealth, and Morningstar Retirement. The operating segments of Morningstar Sustainalytics and Morningstar Indexes do not individually meet the quantitative segment reporting thresholds and have been combined and presented as part of Corporate and All Other, which is not a reportable segment. Prior-period segment information is presented on a comparable basis to the basis on which current period segment information is presented and reviewed by the chief operating decision maker (CODM). For additional information about our segment reporting, refer to Note 7 of the Notes to our Unaudited Consolidated Financial Statements.

In addition to reviewing revenue by our reportable segments, we review revenue by type. We leverage our proprietary data and research to sell products and services across our portfolio that generate revenue in three primary ways:

**License-based:** Generated mostly by our Morningstar Direct Platform and PitchBook segments, revenue through license agreements is derived on either a per user or enterprise-basis. Our license agreements typically range from one to three years and are accounted for as subscription services available to customers and not as licenses under the accounting guidance.

**Asset-based:** Generated mostly by our Morningstar Wealth and Morningstar Retirement segments, revenue where basis points and other fees are charged for assets under management or advisement (AUMA). Our asset-based arrangements typically range from one to three years.

**Transaction-based:** Revenue that is one time in nature and related Morningstar Credit recurring revenue primarily derived from surveillance and research.

### Three and Six Months Ended June 30, 2025 vs. Three and Six Months Ended June 30, 2024

#### Consolidated Results

Key Metrics (in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Consolidated revenue	\$ 605.1	\$ 571.9	5.8 %	\$ 1,187.0	\$ 1,114.7	6.5 %
Operating income	\$ 125.1	\$ 108.5	15.3 %	\$ 239.2	\$ 201.1	18.9 %
Operating margin	20.7 %	19.0 %	1.7 pp	20.2 %	18.0 %	2.2 pp
Cash provided by operating activities	\$ 99.0	\$ 152.7	(35.2)%	\$ 190.0	\$ 246.3	(22.9)%
Capital expenditures	(36.6)	(31.9)	14.7 %	(68.8)	(66.0)	4.2 %
Free cash flow	\$ 62.4	\$ 120.8	(48.3)%	\$ 121.2	\$ 180.3	(32.8)%
Cash used for investing activities	\$ (23.9)	\$ (32.8)	(27.1)%	\$ (94.6)	\$ (59.5)	59.0 %
Cash used for financing activities	\$ (108.5)	\$ (81.6)	33.0 %	\$ (132.6)	\$ (125.1)	6.0 %

pp — percentage points

#### Supplemental Information

To supplement our consolidated financial statements presented in accordance with US Generally Accepted Accounting Principles (GAAP), we use the following non-GAAP measures:

- **"Organic Revenue"** is consolidated revenue before (1) acquisitions and divestitures, (2) adoption of new accounting standards or revisions to accounting practices (accounting changes), and (3) the effect of foreign currency translations.
- **"Adjusted Operating Income (Loss)"** is consolidated operating income (loss) excluding (1) intangible amortization expense, (2) the impact of merger, acquisition, and divestiture-related activity which, when applicable, may include certain non-recurring expenses such as pre-deal due diligence, transaction costs, contingent consideration, severance, and post-close integration costs (M&A-related expenses), and (3) certain other one-time, non-recurring items which management does not consider when evaluating ongoing performance (other non-recurring items).
- **"Adjusted Operating Margin"** is operating margin excluding (1) intangible amortization expense, (2) M&A-related expenses, and (3) other non-recurring items.
- **"Free Cash Flow"** is cash provided by or used for operating activities less capital expenditures.

These non-GAAP measures may not be comparable to similarly titled measures reported by other companies and should not be considered an alternative to any measure of performance promulgated under GAAP.

We present organic revenue because we believe it helps investors better compare our period-over-period results, and our management team uses this measure to evaluate the performance of our business. We exclude revenue from acquired businesses from our organic revenue growth calculation for a period of 12 months after we complete the acquisition. For divestitures (including sale of assets), we exclude revenue in the prior-year period for which there is no comparable revenue in the current period.

We present adjusted operating income (loss) and adjusted operating margin because we believe they better reflect period-over-period comparisons and improve overall understanding of the underlying performance of the business absent the impact of intangible amortization expense, M&A-related expenses, and certain other one-time, non-recurring items.

We present free cash flow as a supplemental disclosure to help investors better understand how much cash is available after making capital expenditures. Our management team uses free cash flow as a metric to evaluate the health of our business.

## Consolidated Revenue

Revenue by type (in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
<b>Morningstar Direct Platform</b>						
License-based	\$ 207.7	\$ 195.7	6.1 %	\$ 406.9	\$ 392.4	3.7 %
Asset-based	—	—	— %	—	—	— %
Transaction-based	1.5	1.2	25.0 %	1.5	1.2	25.0 %
<b>Morningstar Direct Platform total</b>	<b>\$ 209.2</b>	<b>\$ 196.9</b>	<b>6.2 %</b>	<b>\$ 408.4</b>	<b>\$ 393.6</b>	<b>3.8 %</b>
<b>PitchBook</b>						
License-based	\$ 164.7	\$ 150.1	9.7 %	\$ 326.5	\$ 295.7	10.4 %
Asset-based	—	—	— %	—	—	— %
Transaction-based	1.8	1.6	12.5 %	3.7	3.6	2.8 %
<b>PitchBook total</b>	<b>\$ 166.5</b>	<b>\$ 151.7</b>	<b>9.8 %</b>	<b>\$ 330.2</b>	<b>\$ 299.3</b>	<b>10.3 %</b>
<b>Morningstar Credit</b>						
License-based	\$ 5.0	\$ 3.7	35.1 %	\$ 9.6	\$ 7.9	21.5 %
Asset-based	—	—	— %	—	—	— %
Transaction-based	80.0	73.9	8.3 %	148.4	130.0	14.2 %
<b>Morningstar Credit total</b>	<b>\$ 85.0</b>	<b>\$ 77.6</b>	<b>9.5 %</b>	<b>\$ 158.0</b>	<b>\$ 137.9</b>	<b>14.6 %</b>
<b>Morningstar Wealth</b>						
License-based	\$ 19.7	\$ 19.9	(1.0)%	\$ 38.8	\$ 40.4	(4.0)%
Asset-based	35.2	35.8	(1.7)%	71.3	69.4	2.7 %
Transaction-based	9.4	6.9	36.2 %	15.5	11.8	31.4 %
<b>Morningstar Wealth total</b>	<b>\$ 64.3</b>	<b>\$ 62.6</b>	<b>2.7 %</b>	<b>\$ 125.6</b>	<b>\$ 121.6</b>	<b>3.3 %</b>
<b>Morningstar Retirement</b>						
License-based	\$ 0.4	\$ 0.5	(20.0)%	\$ 0.9	\$ 1.0	(10.0)%
Asset-based	32.0	32.8	(2.4)%	64.4	60.7	6.1 %
Transaction-based	—	—	— %	—	—	— %
<b>Morningstar Retirement total</b>	<b>\$ 32.4</b>	<b>\$ 33.3</b>	<b>(2.7)%</b>	<b>\$ 65.3</b>	<b>\$ 61.7</b>	<b>5.8 %</b>
<b>Corporate and All Other <sup>(1)</sup></b>						
License-based	\$ 30.9	\$ 31.8	(2.8)%	\$ 63.7	\$ 64.5	(1.2)%
Asset-based	15.2	16.1	(5.6)%	32.4	31.6	2.5 %
Transaction-based	1.6	1.9	(15.8)%	3.4	4.5	(24.4)%
<b>Corporate and All Other total</b>	<b>\$ 47.7</b>	<b>\$ 49.8</b>	<b>(4.2)%</b>	<b>\$ 99.5</b>	<b>\$ 100.6</b>	<b>(1.1)%</b>
<b>Consolidated revenue</b>	<b>\$ 605.1</b>	<b>\$ 571.9</b>	<b>5.8 %</b>	<b>\$ 1,187.0</b>	<b>\$ 1,114.7</b>	<b>6.5 %</b>

(1) Corporate and All Other provides a reconciliation between revenue from our reportable segments and consolidated revenue. Corporate and All Other includes Morningstar Sustainalytics and Morningstar Indexes as sources of revenues.

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In the second quarter of 2025, consolidated revenue increased 5.8% to \$605.1 million. Foreign currency movements decreased revenue by \$5.1 million.

License-based revenue increased 6.6%, or 6.3% on an organic basis, during the second quarter of 2025, primarily driven by strong demand for PitchBook and Morningstar Direct Platform products.

Asset-based revenue decreased 2.7% on a reported basis and increased 0.2% on an organic basis during the second quarter of 2025. The decline in reported revenue was primarily driven by decreases in Morningstar Indexes and Morningstar Retirement products. Organic revenue growth was primarily driven by increases in Morningstar Wealth.

Transaction-based revenue increased 10.3%, or 9.4% on an organic basis, during the second quarter of 2025, primarily driven by Morningstar Credit revenue.

In the first six months of 2025, consolidated revenue increased 6.5% to \$1,187.0 million. Foreign currency movements decreased revenue by \$0.5 million.

License-based revenue increased 5.5%, or 6.2% on an organic basis, during the first six months of 2025, primarily driven by strong demand for PitchBook and Morningstar Direct Platform products.

Asset-based revenue increased 4.0%, or 7.0% on an organic basis, during the first six months of 2025, primarily driven by increases in Morningstar Retirement, Morningstar Wealth, and Morningstar Indexes.

Transaction-based revenue increased 14.2%, or 14.5% on an organic basis, during the first six months of 2025, primarily driven by Morningstar Credit revenue.

### Organic Revenue

Organic revenue increased 5.9% in the second quarter of 2025 and 7.5% in the first six months of 2025, driven by organic growth in PitchBook, Morningstar Direct Platform, and Morningstar Credit.

The table below shows a reconciliation of organic revenue to the most directly comparable GAAP financial measure.

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Consolidated revenue	\$ 605.1	\$ 571.9	5.8 %	\$ 1,187	\$ 1,114.7	6.5 %
Acquisitions	(1.0)	—	NMF	(1.3)	—	NMF
Divestitures	(3.0)	(9.3)	(67.7)%	(6.7)	(18.0)	(62.8)%
Accounting changes	—	—	— %	—	—	— %
Effect of foreign currency translations	(5.1)	—	NMF	(0.5)	—	NMF
Organic revenue	<u>\$ 596.0</u>	<u>\$ 562.6</u>	5.9 %	<u>\$ 1,178.5</u>	<u>\$ 1,096.7</u>	7.5 %

NMF — not meaningful

### Consolidated Revenue by Geographical Area

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
United States	\$ 431.6	\$ 410.3	5.2 %	\$ 856.1	\$ 801.2	6.9 %
Asia	12.2	13.0	(6.2)%	24.1	25.7	(6.2)%
Australia	16.2	15.7	3.2 %	31.3	30.7	2.0 %
Canada	38.6	37.8	2.1 %	71.7	70.4	1.8 %
Continental Europe	55.0	50.1	9.8 %	105.6	99.8	5.8 %
United Kingdom	48.2	42.0	14.8 %	91.9	80.9	13.6 %
Other	3.3	3.0	10.0 %	6.3	6.0	5.0 %
Total International	173.5	161.6	7.4 %	330.9	313.5	5.6 %
Consolidated revenue	<u>\$ 605.1</u>	<u>\$ 571.9</u>	5.8 %	<u>\$ 1,187.0</u>	<u>\$ 1,114.7</u>	6.5 %

International revenue comprised 29% of our consolidated revenue in the second quarter of 2025 and 28% in the first six months of 2025, as well as in both corresponding periods in 2024. Approximately 59% and 60% of international revenue was generated in Continental Europe and the United Kingdom during the second quarter and first six months of 2025, respectively, compared to 57% and 58% during the second quarter and first six months of 2024, respectively. Revenue from international operations increased 7.4% and 5.6% during the second quarter and first six months of 2025, respectively, driven by strong demand for Morningstar Credit, Morningstar Direct Platform, and PitchBook products.

### Consolidated Operating Expense

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Cost of revenue	\$ 230.6	\$ 222.7	3.5 %	\$ 462.0	\$ 440.8	4.8 %
% of consolidated revenue	38.1 %	38.9 %	(0.8) pp	38.9 %	39.5 %	(0.6) pp
Sales and marketing	119.7	111.3	7.5 %	232.3	215.9	7.6 %
% of consolidated revenue	19.7 %	19.5 %	0.2 pp	19.5 %	19.5 %	— pp
General and administrative	82.0	80.3	2.1 %	158.5	160.6	(1.3)%
% of consolidated revenue	13.5 %	14.0 %	(0.5) pp	13.3 %	14.4 %	(1.1) pp
Depreciation and amortization	48.5	49.1	(1.2)%	95.8	96.3	(0.5)%
% of consolidated revenue	8.0 %	8.6 %	(0.6) pp	8.1 %	8.6 %	(0.5) pp
Total operating expense	<u>\$ 480.8</u>	<u>\$ 463.4</u>	3.8 %	<u>\$ 948.6</u>	<u>\$ 913.6</u>	3.8 %
% of consolidated revenue	<u>79.3 %</u>	<u>81.0 %</u>	(1.7) pp	<u>79.8 %</u>	<u>82.0 %</u>	(2.2) pp

### Cost of Revenue

Cost of revenue increased \$7.9 million in the second quarter of 2025 and \$21.2 million in the first six months of 2025. Higher compensation expense of \$10.9 million and \$17.1 million in the second quarter and the first six months of 2025, respectively, was the largest contributor to the increase, primarily driven by an increase in salaries related in part to the Company's annual merit increase as well as higher severance costs related to a targeted reorganization in Morningstar Sustainalytics. Higher severance costs in the first six months of 2025 were also driven by the announced sunsetting of Morningstar Office during the first quarter of 2025.



### *Sales and Marketing*

Sales and marketing expense increased \$8.4 million in the second quarter of 2025 and \$16.4 million in the first six months of 2025. Compensation expense increased \$4.7 million during the second quarter of 2025 and \$8.6 million in the first six months of 2025 due to an increase in salaries and payroll taxes. In addition, approximately a third of the increase during the first six months of 2025 was due to higher sales commission expense. Advertising and marketing costs increased \$2.8 million during the second quarter of 2025 and \$5.8 million during the first six months of 2025 due to increased costs associated with marketing and brand campaigns, as well as paid advertising.

### *General and Administrative*

General and administrative expense increased \$1.7 million in the second quarter of 2025 and decreased \$2.1 million in the first six months of 2025. The increase in the second quarter of 2025 was driven primarily by higher facilities-related expense and stock-based compensation. The decline in general and administrative expense during the first six months of 2025 was due to lower professional fees.

### *Depreciation and Amortization*

Depreciation expense increased \$1.7 million in the second quarter of 2025 and \$5.3 million in the first six months of 2025 due primarily to higher capitalized software costs for product enhancements in prior periods.

Intangible amortization expense decreased \$2.2 million during the second quarter of 2025 and \$5.5 million in the first six months of 2025 as certain intangible assets from some of our earlier acquisitions became fully amortized.

### **Consolidated Operating Income and Operating Margin**

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Operating income	\$ 125.1	\$ 108.5	15.3 %	\$ 239.2	\$ 201.1	18.9 %
% of revenue	20.7 %	19.0 %	1.7 pp	20.2 %	18.0 %	2.2 pp

Consolidated operating income increased \$16.6 million in the second quarter of 2025, reflecting an increase in revenue of \$33.2 million, partially offset by an increase in operating expense of \$17.4 million. Operating margin was 20.7%, an increase of 1.7 percentage points compared with the second quarter of 2024.

Consolidated operating income increased \$38.1 million in the first six months of 2025, reflecting an increase in revenue of \$72.3 million offset by an increase in operating expense of \$35.0 million. Operating margin was 20.2% in the first six months of 2025, an increase of 2.2 percentage points compared with the first six months of 2024.

### Adjusted Operating Income and Adjusted Operating Margin

We reported adjusted operating income of \$143.4 million and \$278.8 million in the second quarter of 2025 and first six months of 2025, respectively. The table below shows a reconciliation of adjusted operating income to the most directly comparable GAAP financial measure.

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Operating income	\$ 125.1	\$ 108.5	15.3 %	\$ 239.2	\$ 201.1	18.9 %
Intangible amortization expense	15.3	17.5	(12.6)%	29.7	35.2	(15.6)%
M&A-related expenses	3.8	5.0	(24.0)%	10.7	5.5	94.5 %
Other non-recurring items	(0.8)	—	NMF	(0.8)	—	NMF
Adjusted operating income	<u>\$ 143.4</u>	<u>\$ 131.0</u>	<u>9.5 %</u>	<u>\$ 278.8</u>	<u>\$ 241.8</u>	<u>15.3 %</u>
Morningstar Direct Platform	\$ 96.3	\$ 87.3	10.3 %	\$ 183.4	\$ 178.5	2.7 %
PitchBook	52.8	47.3	11.6 %	105.1	87.3	20.4 %
Morningstar Credit	30.5	27.9	9.3 %	51.9	40.2	29.1 %
Morningstar Wealth	3.0	(2.2)	NMF	2.2	(7.8)	NMF
Morningstar Retirement	15.4	17.3	(11.0)%	30.0	31.5	(4.8)%
Less: Corporate and All Other <sup>(1)</sup>	(54.6)	(46.6)	NMF	(93.8)	(87.9)	NMF
Adjusted operating income	<u>\$ 143.4</u>	<u>\$ 131.0</u>	<u>9.5 %</u>	<u>\$ 278.8</u>	<u>\$ 241.8</u>	<u>15.3 %</u>

(1) Corporate and All Other includes unallocated corporate expenses as well as adjusted operating income (loss) from Morningstar Sustainalytics and Morningstar Indexes. For the second quarters of 2025 and 2024, unallocated corporate expenses were \$50.1 million and \$46.1 million, respectively. For the first six months of 2025 and 2024, unallocated corporate expenses were \$91.9 million and \$87.0 million, respectively. Unallocated corporate expenses include finance, human resources, legal, and other management-related costs that are not considered when segment performance is evaluated.

We reported adjusted operating margin of 23.7% in the second quarter of 2025 and 23.5% in the first six months of 2025. The table below shows a reconciliation of adjusted operating margin to the most directly comparable GAAP financial measure.

	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Operating margin	20.7 %	19.0 %	1.7 pp	20.2 %	18.0 %	2.2 pp
Intangible amortization expense	2.5 %	3.0 %	(0.5) pp	2.5 %	3.2 %	(0.7) pp
M&A-related expenses	0.6 %	0.9 %	(0.3) pp	0.9 %	0.5 %	0.4 pp
Other non-recurring items	(0.1)%	— %	(0.1) pp	(0.1)%	— %	(0.1) pp
Adjusted operating margin	<u>23.7 %</u>	<u>22.9 %</u>	<u>0.8 pp</u>	<u>23.5 %</u>	<u>21.7 %</u>	<u>1.8 pp</u>

## Segment Results

Segment adjusted operating income reflects the impact of direct segment expenses as well as certain allocated centralized costs, such as information technology, sales and marketing, and research and data.

### *Morningstar Direct Platform*

The following table presents the results for Morningstar Direct Platform:

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Total revenue	\$ 209.2	\$ 196.9	6.2 %	\$ 408.4	\$ 393.6	3.8 %
Adjusted operating income	\$ 96.3	\$ 87.3	10.3 %	\$ 183.4	\$ 178.5	2.7 %
Adjusted operating margin	46.0 %	44.3 %	1.7 pp	44.9 %	45.4 %	(0.5) pp

Morningstar Direct Platform total revenue increased \$12.3 million, or 6.2%, for the three months ended June 30, 2025. Revenue grew 6.3% on an organic basis, primarily driven by growth in Morningstar Data and Morningstar Direct. Organic revenue growth excludes revenue associated with the divested Commodity and Energy Data business from the prior-year period and foreign currency impact.

Starting in the first quarter of 2025, the Company changed the name of this reportable segment to Morningstar Direct Platform. It also changed the composition of the key product areas within the segment (Morningstar Data, Morningstar Direct, and Morningstar Advisor Workstation). There were no changes to the overall composition of the reportable segment.

Morningstar Data contributed \$11.9 million to revenue growth, with revenue increasing 12.6% or 10.1% on an organic basis. Increases in managed investment (fund) data helped drive Morningstar Data growth.

Morningstar Direct contributed \$4.2 million to revenue growth, with revenue increasing 6.0%, or 4.5%, on an organic basis, with growth across geographies. Morningstar Direct licenses increased 0.6%.

Morningstar Direct Platform adjusted operating income increased \$9.0 million, or 10.3%, and adjusted operating margin increased 1.7 percentage points for the three months ended June 30, 2025.

Morningstar Direct Platform total revenue increased \$14.8 million, or 3.8%, for the six months ended June 30, 2025. Revenue grew 5.3% on an organic basis, primarily driven by growth in Morningstar Data and Morningstar Direct.

Morningstar Direct Platform adjusted operating income increased \$4.9 million, or 2.7%, and adjusted operating margin decreased 0.5 percentage points for the six months ended June 30, 2025.

Morningstar Direct Platform depreciation expense was \$11.2 million and \$9.5 million for the three months ended June 30, 2025 and 2024, respectively, and \$22.0 million and \$17.7 million for the six months ended June 30, 2025 and 2024, respectively.

### *PitchBook*

The following table presents the results for PitchBook:

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Total revenue	\$ 166.5	\$ 151.7	9.8 %	\$ 330.2	\$ 299.3	10.3 %
Adjusted operating income	\$ 52.8	\$ 47.3	11.6 %	\$ 105.1	\$ 87.3	20.4 %
Adjusted operating margin	31.7 %	31.2 %	0.5 pp	31.8 %	29.2 %	2.6 pp

PitchBook total revenue increased \$14.8 million, or 9.8%, for the three months ended June 30, 2025. Revenue grew 9.6% on an organic basis.

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Growth was primarily driven by the PitchBook platform. PitchBook platform growth drivers were consistent with recent quarters and reflected strength in PitchBook's core investor and advisor client segments, including commercial banks, private equity, credit investors, and investment banks. This was partially offset by continued softness in the corporate client segment, especially with smaller firms with more limited use cases when deal activity is depressed. PitchBook licensed users grew 7.6%, driven primarily by growth among PitchBook clients and the addition of new clients. With the Leveraged Commentary & Data (LCD) user migration near completion, the total user counts reflect legacy LCD clients, most of whom transitioned to the PitchBook platform in 2024 and are now included in licensed user counts.

PitchBook adjusted operating income increased \$5.5 million, or 11.6%, and adjusted operating margin increased 0.5 percentage points for the three months ended June 30, 2025.

PitchBook total revenue increased \$30.9 million, or 10.3% on a reported and organic basis for the six months ended June 30, 2025. Revenue growth was primarily driven by the PitchBook platform.

PitchBook adjusted operating income increased \$17.8 million, or 20.4%, and adjusted operating margin increased 2.6 percentage points for the six months ended June 30, 2025.

PitchBook depreciation expense was \$8.1 million and \$8.3 million for the three months ended June 30, 2025 and 2024, respectively, and \$15.9 million and \$15.7 million for the six months ended June 30, 2025 and 2024, respectively.

*Morningstar Credit*

The following table presents the results for Morningstar Credit:

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Total revenue	\$ 85.0	\$ 77.6	9.5 %	\$ 158.0	\$ 137.9	14.6 %
Adjusted operating income	\$ 30.5	\$ 27.9	9.3 %	\$ 51.9	\$ 40.2	29.1 %
Adjusted operating margin	35.9 %	36.0 %	(0.1) pp	32.8 %	29.2 %	3.6 pp

Morningstar Credit total revenue increased \$7.4 million, or 9.5%, for the three months ended June 30, 2025. Revenue grew 8.4% on an organic basis. Higher asset-backed, residential mortgage-backed, and commercial mortgage-backed securities ratings revenue, together with an increase in licensed data revenue, were the primary drivers of growth. An increase in the US and Europe contributed to reported and organic revenue growth, partially offset by a modest revenue decline in Canada. Organic revenue growth excludes current-period revenue associated with Morningstar Credit Analytics (formerly Dealview Technologies Limited (DealX)), which was acquired in the first quarter, and foreign currency impact.

Morningstar Credit adjusted operating income increased \$2.6 million, or 9.3%, and adjusted operating margin decreased 0.1 percentage points for the three months ended June 30, 2025.

Morningstar Credit total revenue increased \$20.1 million, or 14.6%, for the six months ended June 30, 2025. Revenue grew 14.8% on an organic basis. Growth was driven by strength in commercial mortgage-backed, asset-backed, and residential mortgage-backed securities, particularly in Europe and the US.

Morningstar Credit adjusted operating income increased \$11.7 million, or 29.1%, and adjusted operating margin increased 3.6 percentage points for the six months ended June 30, 2025.

Morningstar Credit depreciation expense was \$2.0 million and \$1.7 million for the three months ended June 30, 2025 and 2024, respectively, and \$4.0 million and \$3.6 million for the six months ended June 30, 2025 and 2024, respectively.

### Morningstar Wealth

The following table presents the results for Morningstar Wealth:

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Total revenue	\$ 64.3	\$ 62.6	2.7 %	\$ 125.6	\$ 121.6	3.3 %
Adjusted operating loss	\$ 3.0	\$ (2.2)	NMF	\$ 2.2	\$ (7.8)	NMF
Adjusted operating margin	4.7 %	(3.5)%	8.2 pp	1.8 %	(6.4)%	8.2 pp

Morningstar Wealth total revenue increased \$1.7 million, or 2.7%, for the three months ended June 30, 2025. Revenue grew 7.2% on an organic basis, primarily driven by an increase in advertising sales and Investment Management, supported by higher revenue for Morningstar Model Portfolios offered on third-party platforms. Organic revenue growth excludes platform revenue associated with US TAMP assets sold to AssetMark from the prior-year period, interim service fees received from AssetMark in the current period, and foreign currency impact.

Asset-based revenue is based on quarter-end, prior quarter-end, or average asset levels during each quarter, which are often reported on a one-quarter lag for certain Investment Management products including Morningstar Managed Portfolios. The timing of client asset reporting and the structure of our contracts often results in a lag between market movements and the impact on revenue. The following table summarizes our approximate Morningstar Wealth AUMA:

(in billions)	As of June 30,		
	2025	2024	Change
Morningstar Model Portfolios	\$ 47.6	\$ 41.8	13.9 %
Institutional Asset Management	5.8	7.3	(20.5)%
Asset Allocation Services	13.4	10.0	34.0 %
Investment Management (total)	\$ 66.8	\$ 59.1	13.0 %

Investment Management total revenue decreased \$0.6 million, or 1.7% on a reported basis. Revenue increased 6.2% on an organic basis. Reported AUMA increased 13.0% to \$66.8 billion compared with the prior-year period, helped by market performance, which contributed to higher asset values, and positive net flows to Morningstar Model Portfolios offered on third-party platforms outside the US and to the International Wealth Platform.

Morningstar Wealth adjusted operating income increased \$5.2 million and adjusted operating margin increased 8.2 percentage points for the three months ended June 30, 2025.

Morningstar Wealth total revenue increased \$4.0 million, or 3.3%, for the six months ended June 30, 2025. Revenue grew 7.5% on an organic basis, primarily driven by growth in Investment Management and advertising sales.

Morningstar Wealth adjusted operating income increased \$10.0 million and adjusted operating margin increased 8.2 percentage points for the six months ended June 30, 2025.

Morningstar Wealth depreciation expense was \$4.4 million and \$5.0 million for the three months ended June 30, 2025 and 2024, respectively, and \$8.9 million and \$9.7 million for the six months ended June 30, 2025 and 2024, respectively.

### Morningstar Retirement

The following table presents the results for Morningstar Retirement:

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Total revenue	\$ 32.4	\$ 33.3	(2.7)%	\$ 65.3	\$ 61.7	5.8 %
Adjusted operating income	\$ 15.4	\$ 17.3	(11.0)%	\$ 30.0	\$ 31.5	(4.8)%
Adjusted operating margin	47.5 %	52.0 %	(4.5) pp	45.9 %	51.1 %	(5.2) pp

Morningstar Retirement total revenue decreased \$0.9 million, or 2.7% on a reported and organic basis for the three months ended June 30, 2025, primarily due to an isolated item in the prior-year period. AUMA, calculated using the most recently available average quarterly or monthly data, increased 11.0% to \$285.4 billion compared with the prior-year period, due to positive net flows and market gains, supported by strong growth in traditional and Advisor Managed Accounts and custom models.

Asset-based revenue is based on quarter-end, prior quarter-end, or average asset levels during each quarter, which are often reported on a one-quarter lag. The timing of client asset reporting and the structure of our contracts often results in a lag between market movements and the impact on revenue. The following table summarizes our approximate Morningstar Retirement AUMA:

(in billions)	As of June 30,		
	2025	2024	Change
Managed Accounts	\$ 171.7	\$ 149.9	14.5 %
Fiduciary Services	63.3	62.6	1.1 %
Custom Models/CIT	50.4	44.7	12.8 %
Morningstar Retirement (total)	\$ 285.4	\$ 257.2	11.0 %

Morningstar Retirement adjusted operating income decreased \$1.9 million, or 11.0%, and adjusted operating margin decreased 4.5 percentage points for the three months ended June 30, 2025. The decline in margin was primarily driven by the decline in revenue; increased marketing expenses, including costs related to campaign tracking and data management; and higher compensation costs, which included the impact of increased technology and operations headcount to support growth as well as increased commissions.

Morningstar Retirement total revenue increased \$3.6 million, or 5.8% on a reported and organic basis for the six months ended June 30, 2025. Growth was driven by positive net flows and market gains, supported by strong growth in traditional and Advisor Managed Accounts and custom models.

Morningstar Retirement adjusted operating income decreased \$1.5 million, or 4.8%, and adjusted operating margin decreased 5.2 percentage points for the six months ended June 30, 2025.

Morningstar Retirement depreciation expense was \$2.7 million and \$2.6 million for the three months ended June 30, 2025 and 2024, respectively, and \$5.3 million and \$5.4 million for the six months ended June 30, 2025 and 2024, respectively.

### Corporate and All Other

Corporate and All Other provides a reconciliation between revenue from our Total Reportable Segments and consolidated revenue amounts. Corporate and All Other includes Morningstar Sustainalytics and Morningstar Indexes as sources of revenues.

Corporate and All Other revenue decreased \$2.1 million, or 4.2% on a reported basis, and \$1.1 million, or 1.1% on a reported basis, for the three and six months ended June 30, 2025, respectively.

Morningstar Sustainalytics revenue decreased \$1.9 million or 6.5% for the three months ended June 30, 2025. Organic revenue decreased 9.8%, which was primarily driven by the ongoing streamlining of the licensed-ratings offering, as well as lower revenues for ESG Risk Ratings, due in part to vendor consolidation.

Morningstar Sustainalytics revenue decreased \$3.9 million or 6.5% for the six months ended June 30, 2025. Organic revenue decreased 7.3%, which was primarily driven by the ongoing streamlining of the licensed-ratings offering; lower revenues for ESG Risk Ratings, due in part to vendor consolidation; and softness in second-party opinions.

Morningstar Indexes revenue decreased \$0.2 million or 1.0% for the three months ended June 30, 2025. Organic revenue decreased 1.3%, reflecting lower investable product revenue driven by outflows and lower AUMA for certain higher margin products partially offset by higher licensed data revenue.

Morningstar Indexes revenue increased \$2.8 million or 6.9% for the six months ended June 30, 2025. Organic revenue increased 7.0%, primarily driven by higher licensed data revenue, including strong leveraged loan data sales, and some contribution from investable product revenue. Market performance and net inflows over the trailing 12 months increased asset value linked to Morningstar Indexes by 6.5% to \$221.0 billion.

## Non-operating expense, net, Equity in investments of unconsolidated entities, and Effective tax rate and income tax expense

### Non-Operating Expense, Net

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Interest income	\$ 2.9	\$ 2.8	\$ 6.4	\$ 5.3
Interest expense	(10.3)	(13.1)	(19.2)	(27.1)
Net realized gains on sale of investments, reclassified from other comprehensive income	1.9	0.2	2.2	2.8
Other expense, net	(3.1)	(8.9)	(3.6)	(5.6)
Non-operating expense, net	<u>\$ (8.6)</u>	<u>\$ (19.0)</u>	<u>\$ (14.2)</u>	<u>\$ (24.6)</u>

Interest income reflects interest from our investment portfolio. Interest expense mainly relates to the outstanding principal balance under our Amended 2022 Credit Agreement and the \$350.0 million aggregate principal amount of our 2030 Notes.

Other expense, net primarily consists of foreign currency exchange gains (losses) and unrealized gains (losses) on investments.

### Equity in Investments of Unconsolidated Entities

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Equity in investments of unconsolidated entities	\$ (1.2)	\$ (1.2)	\$ (3.8)	\$ (2.7)

Equity in investments of unconsolidated entities primarily reflects income and losses from our unconsolidated entities.

### Effective Tax Rate and Income Tax Expense

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Income before income taxes and equity in investments of unconsolidated entities	\$ 116.5	\$ 89.5	\$ 225.0	\$ 176.5
Equity in investments of unconsolidated entities	(1.2)	(1.2)	(3.8)	(2.7)
Income before income taxes	<u>\$ 115.3</u>	<u>\$ 88.3</u>	<u>\$ 221.2</u>	<u>\$ 173.8</u>
Income tax expense	\$ 26.3	\$ 19.2	\$ 53.7	\$ 40.5
Effective tax rate	22.8 %	21.7 %	24.3 %	23.3 %

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Our effective tax rate in the second quarter and first six months of 2025 was 22.8% and 24.3%, respectively, reflecting an increase of 1.1 and 1.0 percentage points, respectively, compared with the same periods in the prior year.

On July 4, 2025, the One Big Beautiful Bill Act (the OBBB) was enacted in the United States. The OBBB contains several changes impacting corporate taxpayers, including modifications to the capitalization of research and development expenses, changes to calculations for the limitation on deductions for interest expense, and the reestablishment of accelerated depreciation (full expensing) on fixed assets. The OBBB also includes adjustments to the calculation of certain international tax framework provisions, which were initially established by the Tax Cuts and Jobs Act of 2017. The OBBB has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing the potential implications of the OBBB; however, an estimate of the impact of the OBBB on our consolidated financial statements cannot be made at this time.

### **Liquidity and Capital Resources**

As of June 30, 2025, we had cash, cash equivalents, and investments totaling \$541.6 million, compared with \$551.0 million as of December 31, 2024, a decrease of \$9.4 million.

Cash provided by operating activities is our main source of cash. In the first six months of 2025, cash provided by operating activities decreased 22.9% to \$190.0 million and free cash flow decreased by 32.8% to \$121.2 million. The decline in cash provided by operating activities and free cash flow was primarily driven by higher bonus and income tax payments in the first six months of 2025 compared to the prior-year period.

We believe our available cash balances and investments, along with cash generated from operations and our credit facility, will be sufficient to meet our operating and cash needs for at least the next 12 months. We are focused on maintaining a strong balance sheet and liquidity position. We hold our cash reserves in cash equivalents and investments and maintain a conservative investment policy. We invest most of our investment balance in stocks, bonds, options, mutual funds, money market funds, or exchange-traded products that replicate the model portfolios and strategies created by Morningstar. These investment accounts may also include exchange-traded products where Morningstar is an index provider.

Approximately 83% of our cash, cash equivalents, and investments balance as of June 30, 2025 was held by our operations outside the United States, up from 76% as of December 31, 2024. We generally consider most of our US directly-owned foreign subsidiary earnings to be permanently reinvested. During the fourth quarter of 2024, we determined \$142.0 million in earnings of certain of our foreign subsidiaries to be no longer permanently reinvested. We anticipate a one-time repatriation of these earnings back to the US via distribution later in 2025.

We intend to use our cash, cash equivalents, and investments for general corporate purposes, including working capital and funding future growth.

### ***Credit Agreement***

On May 6, 2022, the company entered into a senior credit agreement (the 2022 Credit Agreement), providing the company with a five-year multi-currency credit facility with an initial borrowing capacity of up to \$1.1 billion, including a \$650.0 million term loan and a \$450.0 million revolving credit facility. The 2022 Credit Agreement also provided for the issuance of letters of credit and a swingline facility. The 2022 Credit Agreement was amended twice in September 2022 and again most recently in June 2024 (Amended 2022 Credit Agreement) to, among other items, eliminate the options for a second term loan draw and increase both the term loan and revolving credit facility to \$650.0 million each, raising the total borrowing capacity to \$1.3 billion (Amended 2022 Term Facility and Amended 2022 Revolving Credit Facility, respectively), and to update the reference rate for credit extensions in Canadian dollars. Aside from the increased borrowing capacity, the Amended 2022 Credit Agreement left the 2022 Credit Agreement terms largely unchanged. As of June 30, 2025, our total outstanding debt under the Amended 2022 Credit Agreement was \$489.8 million, net of debt issuance costs, with borrowing availability of \$510.0 million under the Amended 2022 Revolving Credit Facility.

The interest rate applicable to any loan under the Amended 2022 Credit Agreement is, at the company's option, either: (i) the applicable Secured Overnight Financing Rate plus an applicable margin for such loans, which ranges between 1.00% and 1.48%, based on the company's consolidated leverage ratio or (ii) the lender's base rate plus the applicable margin for such loans, which ranges between 0.00% and 0.38%, based on the company's consolidated leverage ratio.



The portions of deferred debt issuance costs related to the Amended 2022 Revolving Credit Facility are included in other current and non-current assets, and the portion of deferred debt issuance costs related to the Amended 2022 Term Facility is reported as a reduction to the carrying amount of the Amended 2022 Term Facility. Debt issuance costs related to the Amended 2022 Revolving Credit Facility are amortized on a straight-line basis to interest expense over the term of the Amended 2022 Credit Agreement. Debt issuance costs related to the Amended 2022 Term Facility are amortized to interest expense using the effective interest method over the term of the Amended 2022 Credit Agreement.

#### *Private Placement Debt Offering*

On October 26, 2020, we completed the issuance and sale of \$350.0 million aggregate principal amount of 2.32% senior notes due October 26, 2030 (the 2030 Notes), in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended. Proceeds were primarily used to repay a portion of the company's outstanding debt under the company's prior credit facility. Interest on the 2030 Notes is paid semi-annually on each October 30 and April 30 during the term of the 2030 Notes and at maturity, with the first interest payment date having occurred on April 30, 2021. As of June 30, 2025, our total outstanding debt, net of issuance costs, under the 2030 Notes was \$349.0 million.

#### *Compliance with Covenants*

Each of the Amended 2022 Credit Agreement and the 2030 Notes include customary representations, warranties, and covenants, including financial covenants, that require us to maintain specified ratios of consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) to consolidated interest charges and consolidated funded indebtedness to consolidated EBITDA, which are evaluated on a quarterly basis. We were in compliance with these financial covenants as of June 30, 2025, with consolidated funded indebtedness to consolidated EBITDA calculated at approximately 1.0x.

#### *Dividend*

In June 2025, our board of directors approved a regular quarterly dividend of \$0.455 per share, or \$19.2 million, payable on July 31, 2025 to shareholders of record as of July 11, 2025. We paid \$38.8 million in dividends during the six months ended June 30, 2025.

#### *Share Repurchase Program*

On December 6, 2022, the board of directors approved a share repurchase program that authorizes the company to repurchase up to \$500.0 million in shares of the company's outstanding common stock, effective January 1, 2023 (the Share Repurchase Program). This authorization replaced the then-existing share repurchase program and expires on December 31, 2025. Under this authorization, we may repurchase shares from time to time at prevailing market prices on the open market or in private transactions in amounts that we deem appropriate.

For the three months ended June 30, 2025, we repurchased a total of 398,442 shares for \$112.0 million. For the six months ended June 30, 2025, we repurchased a total of 766,641 shares for \$221.6 million. As of June 30, 2025, we have repurchased a total of 808,425 shares for \$234.6 million under the Share Repurchase Program, leaving \$265.4 million available for future repurchases.

#### *Other*

For the six months ended June 30, 2025, we paid \$39.1 million, net of cash acquired, related to the acquisitions of DealX and Lumonic Inc.

We expect to continue making capital expenditures for the remainder of 2025, primarily for computer hardware, software, and leasehold improvements for new and existing office locations.

## Consolidated Free Cash Flow

The table below shows a reconciliation of free cash flow to the most directly comparable GAAP financial measure.

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	Change	2025	2024	Change
Cash provided by operating activities	\$ 99.0	\$ 152.7	(35.2)%	\$ 190.0	\$ 246.3	(22.9)%
Capital expenditures	(36.6)	(31.9)	14.7 %	(68.8)	(66.0)	4.2 %
Free cash flow	<u>\$ 62.4</u>	<u>\$ 120.8</u>	<u>(48.3)%</u>	<u>\$ 121.2</u>	<u>\$ 180.3</u>	<u>(32.8)%</u>

We generated free cash flow of \$62.4 million in the second quarter of 2025 compared with \$120.8 million in the second quarter of 2024. The change reflects a \$53.7 million decrease in cash provided by operating activities and a \$4.7 million increase in capital expenditures compared to the prior-year period. The decline in cash provided by operating activities and free cash flow was primarily driven by an increase in income tax payments in the second quarter of 2025 compared to the prior-year period. We made income tax payments of \$79.5 million during the second quarter of 2025 compared with \$31.6 million in the second quarter of 2024. Second-quarter 2025 payments were primarily related to US federal and state income taxes, including 2025 estimated tax installments for the first half of 2025 and catch-up installments for 2024 tax liabilities. Capital expenditures increased primarily due to investment in our product development efforts across our key product areas.

We generated free cash flow of \$121.2 million in the first six months of 2025 compared with \$180.3 million in the first six months of 2024. The change reflects a \$56.3 million decrease in cash provided by operating activities and a \$2.8 million increase in capital expenditures compared to the prior-year period. The decline in cash provided by operating activities and free cash flow was primarily driven by higher bonus and income tax payments in the first six months of 2025 compared to the prior-year period. We made annual bonus payments of \$163.5 million during the first quarter of 2025 compared with \$123.9 million in the first quarter of 2024. We made income tax payments of \$93.7 million during the first six months of 2025 compared with \$44.1 million during the first six months of 2024. The increase in tax payments during the first six months of 2025 was due to the factors noted above. Capital expenditures increased primarily due to investment in our product development efforts across our key product areas.

## Application of Critical Accounting Policies and Estimates

We discuss our critical accounting policies and estimates in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, in our Annual Report. We also discuss our significant accounting policies in Note 2 of the Notes to our Audited Consolidated Financial Statements included in our Annual Report and in Note 2 of the Notes to our Unaudited Consolidated Financial Statements contained in Part 1, Item 1 of this Quarterly Report. There have not been any material changes during the three months ended June 30, 2025 to the methodologies applied by management for critical accounting policies previously disclosed in our Annual Report.

### Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our investment portfolio is actively managed and may suffer losses from fluctuating interest rates, market prices, or adverse security selection. These accounts may consist of stocks, bonds, options, mutual funds, money market funds, or exchange-traded products that replicate the model portfolios and strategies created by Morningstar. These investment accounts may also include exchange-traded products where Morningstar is an index provider. As of June 30, 2025, our cash, cash equivalents, and investments balance was \$541.6 million. Based on our estimates, a 100 basis-point change in interest rates would not have a material effect on the fair value of our investment portfolio.

We are subject to risk from fluctuations in the interest rates related to a portion of our long-term debt. The interest rates are based upon the applicable Secured Overnight Financing Rate (SOFR) plus an applicable margin for such loans or the lender's base rate plus an applicable margin for such loans. On an annualized basis, we estimate a 100 basis-point change in the SOFR would have a \$4.9 million impact on our interest expense based on our outstanding principal balance and SOFR at June 30, 2025.

We are subject to risk from fluctuations in foreign currencies from our operations outside of the US. We do not currently have any positions in derivative instruments to hedge our foreign currency risk.

The table below shows our exposure to foreign currency denominated revenue and operating income for the six months ended June 30, 2025:

(in millions, except foreign currency rates)	Six months ended June 30, 2025				
	Australian Dollar	British Pound	Canadian Dollar	Euro	Other Foreign Currencies
Currency rate in US dollars as of June 30, 2025	0.6552	1.3715	0.7325	1.1744	n/a
Percentage of revenue	2.6 %	7.7 %	6.0 %	6.3 %	5.2 %
Percentage of operating income (loss)	4.6 %	(3.6)%	5.8 %	7.4 %	(11.7)%
Estimated effect of a 10% adverse currency fluctuation on revenue	\$ (3.1)	\$ (9.7)	\$ (7.4)	\$ (8.1)	\$ (6.5)
Estimated effect of a 10% adverse currency fluctuation on operating income (loss)	\$ (1.1)	\$ 0.9	\$ (1.4)	\$ (1.9)	\$ 2.7

The table below shows our net investment exposure to foreign currencies as of June 30, 2025:

(in millions)	As of June 30, 2025				
	Australian Dollar	British Pound	Canadian Dollar	Euro	Other Foreign Currencies
Assets, net of unconsolidated entities	\$ 69.2	\$ 348.0	\$ 237.1	\$ 290.4	\$ 248.6
Less: liabilities	(32.9)	(94.0)	(88.9)	(108.5)	(65.9)
Net currency position	<u>\$ 36.3</u>	<u>\$ 254.0</u>	<u>\$ 148.2</u>	<u>\$ 181.9</u>	<u>\$ 182.7</u>
Estimated effect of a 10% adverse currency fluctuation on equity	\$ (3.6)	\$ (25.4)	\$ (14.8)	\$ (18.2)	\$ (18.3)

## **Item 4. Controls and Procedures**

### **(a) Evaluation and Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to reasonably assure that information required to be disclosed in the reports filed or submitted under the Securities Exchange Act of 1934, as amended (the Exchange Act) is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to reasonably assure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of June 30, 2025. Based on that evaluation, our chief executive officer and chief financial officer concluded that as of June 30, 2025, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

### **(b) Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting that occurred during the three months ended June 30, 2025, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

### **(c) Inherent Limitations on Effectiveness of Controls and Procedures**

Our management, including our chief executive officer and chief financial officer, believe that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been or would be detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

## PART 2. OTHER INFORMATION

### Item 1. Legal Proceedings

We incorporate by reference the information regarding legal proceedings set forth in Note 13 of the Notes to our Unaudited Consolidated Financial Statements contained in Part 1, Item 1 of this Quarterly Report.

### Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report, you should carefully consider the risk factors in Part I, "Item 1A. Risk Factors" in our Annual Report and in Part II, "Item 1A, Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 as well as other risks described in this Report, when deciding whether to invest in our common stock or otherwise evaluating our business. If any of those risks or uncertainties materialize, our business, financial condition, and/or operating results could suffer. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment. Our operations could also be affected by other risks and uncertainties that are not presently known to us or that we currently consider immaterial to our operations.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

#### Issuer Purchases of Equity Securities

The table below presents month-to-month information related to repurchases of common stock we made during the three months ended June 30, 2025. Refer to Note 14 of the Notes to our Unaudited Consolidated Financial Statements for more information regarding our share repurchase program:

Period:	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced programs (a)	Approximate dollar value of shares that may yet be purchased under the programs (a)
April 1, 2025 - April 30, 2025	309,232	\$ 276.87	309,232	\$ 291,754,626
May 1, 2025 - May 31, 2025	89,210	295.83	89,210	\$ 265,363,898
June 1, 2025 - June 30, 2025	—	—	—	\$ 265,363,898
Total	398,442	\$ 281.11	398,442	

(a) Repurchases will only be effected pursuant to the \$500.0 million share repurchase program authorized by our board of directors and announced publicly on December 6, 2022, which commenced on January 1, 2023 and which will expire on December 31, 2025.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

### Item 5. Other Information

#### Insider Trading Arrangements

During the three months ended June 30, 2025, none of the company's officers (as defined in Section 16 of the Exchange Act) and directors adopted or terminated contracts, instructions, or written plans for the purchase or sale of the company's securities.

**Item 6. Exhibits**

<b>Exhibit No</b>	<b>Description of Exhibit</b>
<a href="#">3.1</a>	Amended and Restated Articles of Incorporation of Morningstar are incorporated by reference to Exhibit 3.1 to our Registration Statement on Form S-1, as amended, Registration No. 333-115209.
<a href="#">3.2</a>	By-laws of Morningstar, as in effect on February 27, 2018, are incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K that we filed with the SEC on February 28, 2018.
<a href="#">10.1</a> †*	Form of Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan Market Stock Unit Award Agreement, for awards made on or after May 15, 2025.
<a href="#">10.2</a> †*	Form of Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan Stretch Performance Stock Unit Award Agreement, for awards made on or after May 15, 2025.
<a href="#">10.3</a> †*	Form of Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan Restricted Stock Unit Award Agreement, for awards made on or after May 15, 2025.
<a href="#">10.4</a> †*	Form of Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan Director Restricted Stock Unit Award Agreement, for awards made on or after May 15, 2025.
<a href="#">10.5</a> †*	Morningstar, Inc. Executive Severance Policy effective May 9, 2025.
<a href="#">31.1</a> †	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended
<a href="#">31.2</a> †	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended
<a href="#">32.1</a> †**	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
<a href="#">32.2</a> †**	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101†	The following financial information from Morningstar, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, filed with the SEC on July 31, 2025 formatted in Inline XBRL: (i) Cover Page, (ii) Unaudited Consolidated Statements of Income, (iii) Unaudited Consolidated Statements of Comprehensive Income (iv) Unaudited Consolidated Balance Sheets, (v) Unaudited Consolidated Statement of Equity, (vi) Unaudited Consolidated Statements of Cash Flows and (vii) the Notes to Unaudited Consolidated Financial Statements
104†	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)

† Filed herewith.

\* Management contract with a director or executive officer or a compensatory plan or arrangement in which directors or executive officers are eligible to participate.

\*\*The certificates furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 31, 2025

MORNINGSTAR, INC.

By: /s/ Michael Holt  
Michael Holt  
Chief Financial Officer (principal financial officer)

**MORNINGSTAR, INC.**  
**AMENDED AND RESTATED 2011 STOCK INCENTIVE PLAN**  
**MARKET STOCK UNIT AWARD AGREEMENT**

**THIS MARKET STOCK UNIT AWARD AGREEMENT**, which includes the Online Grant Acceptance form (the “Grant Notice”) provided to the Participant named therein and any special terms and conditions for the Participant’s country set forth in the Addendum attached hereto (together, the “Award Agreement”), is made under the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan, as amended from time to time (the “Plan”), as of the Grant Date specified in the Grant Notice. Any term capitalized but not defined in this Award Agreement will have the meaning set forth in the Plan. For purposes of this Award Agreement, “Employer” means the entity (the Company or Affiliate) that employs the Participant.

**BETWEEN:**

- (1) MORNINGSTAR, INC.**, an Illinois corporation (the “Company”); and
- (2)** The Participant identified in the Grant Notice.

**1 1 GRANT OF MARKET STOCK UNITS**

- 1.1 In accordance with the terms of the Plan and subject to the terms and conditions of this Award Agreement, the Company hereby grants to the Participant a Market Stock Unit Award with respect to the target number of Market Stock Units (“MSUs”) set forth in the Grant Notice (the “Target MSUs”). The number of MSUs that are earned shall be equal to a percentage of the Target MSUs, which shall be determined in accordance with the performance conditions specified in Section 2 (the “Performance Conditions”). The MSUs shall constitute performance-based Restricted Stock Units granted pursuant to Section 3.3 of the Plan.
  - 1.2 Each MSU is a notional amount that represents one unvested share of common stock, no par value, of the Company (a “Share”). Each MSU constitutes the right, subject to the terms and conditions of the Plan and this Award Agreement, to distribution of a Share if and to the extent the Performance Conditions are satisfied and the MSUs otherwise become vested.
-



- 1.3 Notwithstanding the foregoing, if the Participant is resident or employed outside of the United States, the Company, in its sole discretion, may settle the MSUs in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Participant, the Company and/or its Affiliates to obtain the approval of any governmental and/or regulatory body in the Participant's country; (iii) would result in adverse tax consequences for the Participant, the Company or any Affiliate; or (iv) is administratively burdensome. Alternatively, the Company, in its sole discretion, may settle the MSUs in the form of Shares but require the Participant to sell such Shares immediately or within a specified period following the Participant's termination of Service (in which case, this Award Agreement shall give the Company the authority to issue sales instructions on the Participant's behalf).
- 1.4 This Award Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. The Participant hereby agrees to be bound by the terms of this Award Agreement and the Plan.
- 1.5 Further details of the MSUs granted to the Participant under the terms of this Award Agreement are set forth in the Grant Notice.

## 2 **PERFORMANCE CONDITIONS**

- 2.1 Subject to the terms of the Award Agreement and the Plan, the number of MSUs that are eligible to be earned shall be based on the Company's Cumulative Total Shareholder Return for the Performance Period set forth in the Grant Notice (the "Company Cumulative TSR"), as follows:

	Company Cumulative TSR	MSUs Earned as a Percentage of Target MSUs
Threshold TSR	[ ]%	[ ]%
Target TSR	[ ]%	[ ]%
Maximum TSR	[ ]%	[ ]%

2.2

- 2.3 If the Company Cumulative TSR exceeds the Threshold TSR and is less than the Target TSR, the percentage of the Target MSUs earned shall be [ ]%, reduced by [ ]% for each [ ]% decrease in Company Cumulative TSR below [ ]%. For example, if the Company Cumulative TSR is [ ]%, then [ ]% of Target MSUs would be earned. If the Company Cumulative TSR exceeds the Target TSR and is less than the Maximum TSR, the percentage of the Target MSUs earned shall be [ ]%, increased by [ ]% for each [ ]% increase in Company Cumulative TSR above [ ]%. For example, if the Company Cumulative TSR is [ ]%, then [ ]% of the Target MSUs shall be earned. The number of MSUs that are earned shall be rounded down to the nearest whole Share.
- 2.4 No MSUs shall be earned pursuant to this Award Agreement if the Company Cumulative TSR is less than [ ]%, and the maximum number of MSUs earned pursuant to this Award Agreement shall be [ ]% of the Target MSUs.
- 2.5 For purposes of this Award Agreement, the Company Cumulative TSR for the Performance Period shall be measured by dividing (A) the sum of (i) the increase or decrease in the Stock Price, as defined below, from the beginning of the Performance Period to the end of the Performance Period, and (ii) the cumulative value of dividends paid during the Performance Period, assuming such dividends are reinvested in Shares, by (B) the Stock Price determined at the beginning of the Performance Period.
- 2.6 For purposes of computing Company Cumulative TSR, the “Stock Price” at the beginning of the Performance Period shall be the average closing price of a Share over the 30 consecutive calendar days immediately prior to the first day of the Performance Period, and the “Stock Price” at the end of the Performance Period shall be the average closing price of a Share over the 30 consecutive calendar days ending on and including the last day of the Performance Period, adjusted for changes in capitalization in accordance with Section 5.7 of the Plan.
- 2.7 The Committee may, in its sole discretion, reduce, but not increase, the percentage of MSUs that are earned at any level of performance.
- 2.8 Subject to, and except as otherwise provided by, the Award Agreement, including Section 4 hereof, the MSUs that are earned pursuant to the attainment of the Performance Conditions set forth in Section 2 shall vest only if the Participant has remained in continuous Service until the last day of the Performance Period.

### **3 RIGHTS AS A SHAREHOLDER**

- 3.1 Unless and until an MSU has been earned and vested and the Share underlying it has been distributed to the Participant, the Participant will not be entitled to vote that Share or have any right to dividends, dividend equivalents or other distributions with respect to that Share; provided that the number and class of securities subject to this Award Agreement shall be subject to adjustment in accordance with Section 5.7 of the Plan.

### **4 TERMINATION OF SERVICE AND OTHER CHANGES IN SERVICE STATUS**

- 4.1 If the Participant's Service (as defined in Section 4.7) terminates for any reason other than Disability (as defined in Section 4.6), death or a termination by the Company without Cause (as defined in Section 4.5), in each case, on or prior to the last day of the Performance Period, the Participant will forfeit the right to receive Shares underlying any MSUs.
- 4.2 If the Participant's Service terminates on account of the Disability or death of the Participant, the Participant shall become vested as of the date of the termination in a prorated number of Target MSUs equal to the number of Target MSUs, multiplied by a fraction the numerator of which shall be the number of whole months the Participant was in Service between the first date of the Performance Period and the date of the termination of the Participant's Service and the denominator of which shall be the total number of months contained in the Performance Period.
- 4.3 If the Participant's Service is terminated by the Company without Cause and, as of such termination of Service, the Participant has been in continuous Service for at least six (6) months following the Grant Date, the Participant at the end of the Performance Period shall continue to be eligible to vest in a number of MSUs that would have been earned had the Participant's employment continued through the last day of the Performance Period equal to the number of MSUs that would have vested based on the actual attainment of the Performance Conditions for the entire Performance Period.
- 4.4 For purposes of this Award Agreement, "Affiliate" means an entity that is (directly or indirectly) controlled by, or controls, the Company.
- 4.5 For purposes of this Award Agreement, "Cause" shall mean the Participant's: (i) willful neglect of or continued failure to substantially perform his or her duties with or obligations for the Company or an Affiliate in any material respect (other than any such failure resulting from his or her incapacity due to physical or mental illness); (ii)

commission of a willful or grossly negligent act or the willful or grossly negligent omission to act that causes or is reasonably likely to cause material harm to the Company or an Affiliate; (iii) commission or conviction of, or plea of nolo contendere to, any felony or any crime significantly injurious to the Company or an Affiliate; (iv) theft, conversion, embezzlement or misappropriation of funds or other assets of the Company or any of its Affiliates or any other act of fraud or dishonesty with respect to the Company or any of its Affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (v) violation of any material written policy of the Company or an Affiliate which is applicable to the Participant, including, without limitation, the Company's Code of Ethics; (vi) violation of any restrictive covenant agreement with the Company or any of its Affiliates; or (vii) material breach of any material agreement with the Company or any of its Affiliates. An act or omission is "willful" for this purpose if it was knowingly done, or knowingly omitted, by the Participant in bad faith and without reasonable belief that the act or omission was in the best interest of the Company or an Affiliate. Determination of Cause shall be made by the Committee in its sole discretion.

- 4.6 Notwithstanding anything in the Plan to the contrary, for purposes of this Award Agreement, "Disability," shall mean the condition of being "disabled" as provided in Code Section 409A(a)(2)(C).
- 4.7 For purposes of this Award Agreement "Service" means the provision of services to the Company or its Affiliates in the capacity of an employee or a member of the Board but not as a consultant to the Company or an Affiliate. For purposes of this Award Agreement, the transfer of an employee from the Company to an Affiliate, from an Affiliate to the Company or from an Affiliate to another Affiliate shall not be a termination of Service. However, if the Affiliate for which an employee is providing services ceases to be an Affiliate of the Company due to a sale, transfer or other reason, and the employee ceases to perform services for the Company or any Affiliate, the employee shall incur a termination of Service.
- 4.8 For purposes of this Award Agreement, the Participant's Service will be considered terminated as of the date the Participant is no longer actively providing services to the Company or any Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Company, the Participant's right to vest in

MSUs under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., the Participant's period of Service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or service agreement, if any). The Committee shall have the exclusive discretion to determine when the Participant is no longer actively providing services for purposes of his or her MSU award (including whether the Participant may still be considered to be providing services while on a leave of absence).

## **5 TIMING AND FORM OF PAYMENT**

- 5.1 Once an MSU is earned and vested and the Committee has certified in writing the achievement of the Performance Conditions or the MSU otherwise vests pursuant to Section 4.2 hereof, the Participant will be entitled to receive a Share in its place. Delivery of the Share will be made as soon as administratively feasible after its associated MSU vests, but no later than 2½ months from the end of the calendar year (a) that contains the last day of the Performance Period, or (b) in the case of a vesting event pursuant to Section 4.2 hereof, that contains the date in which the Participant's Service terminated. Shares delivered under this Award Agreement shall be subject to the Company's share retention policy, as in effect from time to time.

## **6 RESPONSIBILITY FOR TAXES AND TAX WITHHOLDING OBLIGATIONS**

- 6.1 The Participant acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Further, notwithstanding any contrary provision of this Award Agreement, no Shares will be issued to the Participant, unless and until satisfactory arrangements (as determined by the Committee) have been made by the Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to the MSUs. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the MSUs, including, but not limited to, the grant, vesting or settlement of the MSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the

terms of the grant or any aspect of the MSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. In addition, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

- 6.2 The Participant shall, in connection with any relevant taxable or tax withholding event, as applicable, pay to the Company or the Employer or make arrangements satisfactory to the Company for payment of any Tax-Related Items required by law to be withheld on account of such taxable event. Without limiting the Company's power or rights pursuant to Section 5.5 of the Plan, amounts required by law or regulation to be withheld by the Company with respect to any taxable event arising under this Award Agreement will be satisfied by having Shares withheld in accordance with Section 5.5 of the Plan. In addition, the Participant may elect to deliver to the Company the necessary funds to satisfy the withholding obligation, in which case there will be no reduction in the Shares otherwise distributable to the Participant.
- 6.3 Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to maximum applicable rates, in which case the Participant may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested MSUs, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.
- 6.4 The Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or proceeds from the sale of Shares until arrangements satisfactory to the Company have been made in connection with the Tax-Related Items.

## **7     NOTICES**

- 7.1 Any notice or other communication required or permitted under this Award Agreement must be in writing and must be delivered personally, sent by certified, registered or express mail, or sent by overnight courier, at the sender's expense. Notice will be deemed given when delivered personally or, if mailed, three days after the date of deposit or, if sent by overnight courier, on the regular business day following the date sent. Notice to the Company should be sent to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel. Notice to the Participant should be sent to the address of the Participant contained in the Company's records. Either party may change the person and/or address to whom the other party must give notice by giving such other party written notice of such change, in accordance with the procedures described above.

## **8     NATURE OF GRANT**

- 8.1 In accepting the MSU award grant, the Participant acknowledges, understands and agrees that:
- a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
  - b) the Plan is operated and the MSUs are granted solely by the Company and only the Company is a party to this Award Agreement; accordingly, any rights the Participant may have under this Award Agreement may be raised only against the Company but not any Affiliate of the Company (including, but not limited to, the Employer);
  - c) no Affiliate of the Company (including, but not limited to, the Employer) has any obligation to make any payment of any kind to the Participant under this Award Agreement;
  - d) the grant of MSUs is extraordinary, voluntary and occasional and does not create any contractual or other right to receive future grants of MSUs, or benefits in lieu of MSUs, even if MSUs have been granted in the past;
  - e) all decisions with respect to future MSU or other award grants, if any, will be at the sole discretion of the Committee;

- f) the Participant is voluntarily participating in the Plan;
- g) the Participant's participation in the Plan shall not create a right to further Service with the Employer and shall not interfere with the ability of the Employer to terminate Participant's Service at any time with or without Cause;
- h) an MSU grant will not be interpreted to form an employment or service contract or relationship with the Company or an Affiliate;
- i) the grant of MSUs, the Shares subject to the MSUs, and the income and value of the same, are not intended to replace any pension rights or compensation;
- j) the grant of MSUs, the Shares subject to the MSUs, and the income and value of the same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Affiliate;
- k) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;
- l) unless otherwise provided in the Plan or by the Company in its discretion, the MSUs and the benefits evidenced by this Award Agreement do not create any entitlement to have the MSUs or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;
- m) unless otherwise agreed with the Company, the MSUs and the Shares subject to the MSUs, and the income and value of the same, are not granted as consideration for, or in connection with, the Service the Participant may provide as a director of an Affiliate;
- n) no claim or entitlement to compensation or damages shall arise from forfeiture of the MSUs or recoupment of any Shares acquired under the Plan resulting from (i) the termination of the Participant's Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or



service agreement, if any), and/or (ii) the application of any recoupment policy as described in Section 20 of the Award Agreement or any recovery or clawback policy otherwise required by law, and in consideration of the grant of MSUs, the Participant agrees not to institute any claim against the Company or any Affiliate; and

- o) neither the Company, the Employer nor any Affiliate shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the MSUs or of any amounts due to the Participant pursuant to the vesting of MSUs or the sale of Shares.

## **9      DATA PRIVACY**

9.1      *The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in any MSU award grant materials by and among, as applicable, the Employer, the Company, and any other Affiliate for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.*

9.2      *The Participant understands that the Company and the Employer may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any Shares or directorships held in the Company, details of all MSU awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding in the Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.*

9.3      *The Participant understands that Data will be transferred to the Company's designated broker and/or stock plan service provider that is assisting the Company (presently or in the future) with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative.*

9.4 *The Participant authorizes the Company, the Employer and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative.*

9.5 *Further, the Participant understands that he or she is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or later seeks to revoke the Participant's consent, the Participant's employment or Service status with the Employer will not be affected. The only consequence of refusing or withdrawing consent is that the Company would not be able to grant MSUs or other equity awards to the Participant or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.*

## **10 ELECTRONIC DELIVERY AND ACCEPTANCE**

- 10.1 The Company may, in its sole discretion, decide to deliver any documents related to MSUs awarded under the Plan or future MSUs that may be awarded under the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

## **11 SEVERABILITY**

- 11.1 The provisions of the Award Agreement (including the Country-Specific Terms and Conditions attached hereto as an Addendum), are severable and if any one or more

provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

**12 NO ADVICE REGARDING GRANT**

- 12.1 The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant should consult with his or her own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

**13 IMPOSITION OF OTHER REQUIREMENTS**

- 13.1 The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on MSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

**14 LANGUAGE**

- 14.1 The Participant acknowledges that he or she is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms and conditions of this Award Agreement, the Plan or any other documents related to the grant of a MSU. If the Participant received any document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

**15 INSIDER TRADING/MARKET ABUSE LAWS**

- 15.1 By participating in the Plan, the Participant agrees to comply with any Company insider trading policy. The Participant further acknowledges that, depending on the Participant's or his or her broker's country of residence or where the Shares are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., MSUs) or rights linked to the value of Shares, during such times the Participant is considered to have "inside information" regarding the Company as defined by the laws or regulations in the Participant's country. Local insider trading laws and

regulations may prohibit the cancellation or amendment of orders the Participant places before he or she possessed inside information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party (other than on a “need to know” basis) and (ii) “tipping” third parties or causing them otherwise to buy or sell securities. The Participant understands that third parties may include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant’s responsibility to comply with applicable restrictions and, therefore, the Participant should consult with his or her personal legal advisor on this matter.

## **16 FOREIGN ASSET/ACCOUNT REPORTING REQUIREMENTS AND EXCHANGE CONTROLS**

- 16.1 The Participant acknowledges that the Participant’s country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect the Participant’s ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares or sales proceeds from the sale of Shares acquired under the Plan) in a brokerage or bank account outside the Participant’s country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant’s country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of the Participant’s participation in the Plan to the Participant’s country through a designated bank or broker within a certain time after receipt. The Participant acknowledges that it is the Participant’s responsibility to be compliant with such regulations, and the Participant should consult his or her personal legal advisor for any details.

## **17 ADDENDUM**

- 17.1 Notwithstanding any provisions in the Award Agreement, MSUs shall also be subject to the Country-Specific Terms and Conditions for the Participant’s country, if any, set forth in the Addendum attached hereto. Moreover, if the Participant relocates to or otherwise becomes subject to the local laws, rules and/or regulations in one of the countries included in the Addendum, the terms and conditions for such country will apply to the Participant, to the extent that the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons.

## **18     CONSTRUCTION**

- 18.1   The MSUs granted hereunder are subject to any rules and regulations promulgated by the Committee pursuant to the Plan, now or hereafter in effect.
- 18.2   The Company and the Participant may amend this Award Agreement only by a written instrument signed by both parties, provided, that the Company may amend this Award Agreement without further action by the Participant if (i) such amendment is deemed by the Company to be advisable or necessary to comply with applicable law, rule, or, regulation, including Section 409A of the Code, or (ii) if such amendment is not to the detriment of the Participant.
- 18.3   The Participant shall agree to the terms of this Award Agreement by accepting the Grant Notice at the time and in the manner specified by the Company.
- 18.4   The Plan, the MSUs and this Award Agreement, and all determinations made and actions taken pursuant thereto, to the extent not otherwise governed by the Code or the laws of the United States, shall be governed by the laws of the State of Illinois and construed in accordance therewith without giving effect to principles of conflicts of laws.

## **19     SECTION 409A**

- 19.1   To the extent the Participant is a citizen of the United States or a United States resident under the Code, the Company intends that the MSUs shall not constitute “nonqualified deferred compensation” subject to Section 409A of the Code, and the MSUs are intended to be exempt from Section 409A of the Code under the “short-term deferral” exception to the maximum extent permitted under Section 409A of the Code, and the Award Agreement shall be interpreted, administered and construed consistent with such intent. Notwithstanding the foregoing, the Company may unilaterally amend the terms of this Award Agreement (or the Plan) to avoid the application of, or to comply with, Section 409A of the Code, in a particular circumstance or as necessary or desirable to satisfy any of the requirements under Section 409A of the Code or to mitigate any additional tax, interest and/or penalties that may apply under Section 409A of the Code if exemption or compliance is not practicable, but the Company or the Employer shall not be under any obligation to make any such amendment. Nothing in this Award Agreement (or the Plan) shall provide a basis for any person to take action against the Company or any Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid under the Award Agreement, and neither the Company nor any of its

Affiliates shall under any circumstances have any liability to the Participant or his or her estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Award Agreement, including taxes, penalties or interest imposed under Section 409A of the Code.

## **20     RECOUPMENT**

- 20.1     Recoupment. All awards of MSUs, whether unvested or vested, and any Shares issued upon settlement of the MSUs, shall be subject to any incentive compensation clawback or recoupment policy of the Company (i) currently in effect, (ii) as may be adopted by the Company to comply with applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including but not limited to the Morningstar, Inc. Dodd-Frank Policy on Recoupment of Incentive Compensation, or (iii) as may be adopted by the Company to facilitate the Company's objectives related to eliminating or reducing fraud, misconduct, wrongdoing, or violations of law by an employee or other service provider or related to improving the Company's governance practices or similar considerations and, in each case, as may be amended from time to time (collectively, the "Recoupment Policy"), such that any award of MSUs that was made to a Participant who is subject to the Recoupment Policy, and any Shares acquired pursuant to such award of MSUs, shall be subject to deduction, clawback or forfeiture, as provided under the Recoupment Policy. Further, the MSUs, whether unvested or vested, and any Shares issued upon settlement of the MSUs, shall be subject to deduction, clawback or forfeiture to the extent required to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards. No recovery of compensation as described in this Section 20.1 will constitute an event giving rise to the Participant's right to resign for "good reason" or "constructive termination" (or similar term) under any plan of, or agreement with, the Company, an Affiliate and/or the Participant.
- 20.2     Recoupment Authorization. To satisfy any recoupment obligation arising under the Recoupment Policy or otherwise under applicable laws, rules, regulations or stock exchange listing standards, among other things, the Participant expressly and explicitly authorizes the Company to issue instructions, on the Participant's behalf, to any brokerage firm or stock plan service provider engaged by the Company to hold any Shares or other amounts acquired pursuant to the MSUs to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy or recoupment obligation. To the

extent that this Award Agreement and the Recoupment Policy conflict, the terms of the Recoupment Policy shall prevail.

## **21     PROTECTED RIGHTS.**

21.1 Nothing contained in this Award Agreement or otherwise limits the Participant's ability to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission ("Government Agencies"). This Award Agreement does not limit Participant's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Nothing in this Award Agreement shall limit Participant's ability under applicable U.S. Federal law to (a) disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or (b) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

**ADDENDUM**  
**COUNTRY-SPECIFIC TERMS AND CONDITIONS**

Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or in the Award Agreement.

***Terms and Conditions***

This document includes additional (or different, if so specified) terms and conditions that govern MSUs granted under the Plan if the Participant works, resides and/or is otherwise subject to the local laws, rules and/or regulations in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant currently is residing and/or working, transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to the Participant.

***Notifications***

This document also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of April 2025. Such laws are often complex and change frequently. As a result, the Participant should not rely on the information noted in this document as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date by the time the Participant vests in MSUs or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to his or her situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant currently is residing and/or working, transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the notifications contained herein may not apply to the Participant.



**BRAZIL, EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”) COUNTRIES, SWITZERLAND AND THE UNITED KINGDOM**

Data Privacy: If the Participant resides and/or works in a country within Brazil, the EU/EEA, Switzerland or the United Kingdom, Section 9 of the Award Agreement shall be replaced with the following:

The Participant is hereby notified of the collection, use and transfer outside of the European Economic Area, as described in this Award Agreement, in electronic or other form, of the Participant’s Personal Data (defined below) by and among, as applicable, the Company and certain of its Affiliates for the exclusive and legitimate purpose of implementing, administering and managing the Participant’s participation in the Plan.

The Participant understands that the Company and the Employer hold certain personal information about the Participant, including, but not limited to, the Participant’s name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all entitlement to Shares awarded, canceled, vested, unvested or outstanding in the Participant’s favor (“Personal Data”), for the purpose of implementing, administering and managing the Plan.

The Participant understands that providing the Company with his or her Personal Data is necessary for the performance of this Award Agreement and that the Participant’s refusal to provide the Personal Data would make it impossible for the Company to perform its contractual obligations and may affect the Participant’s ability to participate in the Plan. The Participant’s Personal Data shall be accessible within the Company only by the persons specifically charged with Personal Data processing operations and by the persons who need to access the Personal Data because of their duties and position in relation to the performance of this Award Agreement.

The Company will use the Participant’s Personal Data only as long as is necessary to implement, administer and manage the Participant’s participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and securities laws. When the Company no longer needs the Participant’s Personal Data, it will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be relevant laws or regulations.

The Participant understands that the Company will transfer Personal Data to Charles Schwab & Co., Inc. (the “Broker”), and/or such other third parties as may be selected by the Company, which is assisting the Company with the implementation, administration and management of the Plan. The Company may select a different service provider or additional service providers and share Personal Data with such other provider(s) serving in a similar manner. The Participant may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition of the Participant’s ability to participate in the Plan.

The Broker is based in the United States. The Participant’s country or jurisdiction may have different data privacy laws and protections than the United States. If the Participant is outside of the United States, the Participant should note that the Participant’s country has enacted data privacy laws that are different from the United States. By participating in the Plan, the Participant agrees to the transfer of the Participant’s Personal Data to the Broker for the exclusive purpose of administering the Participant’s participation in the Plan. The Company’s legal basis, where required, for the transfer of Personal Data to the Broker is that such transfer is necessary for the performance of this Award Agreement.

The Participant has a number of rights under data privacy laws in the Participant’s country. Depending on where the Participant is based, the Participant’s rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) rectification of incorrect Personal Data, (iii) deletion of Personal Data, (iv) restrictions on processing, (v) portability of Personal Data, (vi) lodge complaints with competent authorities in the Participant’s country, and/or (vii) a list with the names and addresses of any potential recipients of the Participant’s Personal Data. To receive clarification regarding the Participant’s rights or to exercise the Participant’s rights, the Participant should contact the local human resources representative or the Data Protection Officer at: [privacyenquires@morningstar.com](mailto:privacyenquires@morningstar.com).

Finally, the Participant may choose to opt out of allowing the Company to share the Participant’s Personal Data with Broker and others as described above, although execution of such choice may mean the Company cannot grant awards under the Plan to the Participant. For questions regarding opting-out of the Plan, the Participant should contact his or her local human resources representative or the Data Protection Officer at: [privacyenquires@morningstar.com](mailto:privacyenquires@morningstar.com).

## **AUSTRALIA**

### ***Terms and Conditions***

Compliance with Law. Notwithstanding anything to the contrary in the Award Agreement or the Plan, the Participant shall not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Australian Corporations Act 2001 (Cth), any other provision of the Corporations Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Company's Affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

### ***Notifications***

Securities Law Notification. The grant of the MSUs is being made pursuant to Division 1A, Part 7.12 of the Corporations Act 2001 (Cth).

Tax Notification. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

## **BELGIUM**

There are no country-specific provisions.

## **BRAZIL**

### ***Terms and Conditions***

Labor Law Policy and Acknowledgement. This provision supplements Section 8 of the Award Agreement:

By accepting the MSUs, the Participant agrees that he or she is (i) making an investment decision, (ii) Shares will be issued to the Participant only if the vesting conditions are met and (iii) the value of the underlying Shares is not fixed and may increase or decrease without compensation to the Participant.

Compliance with Law. By accepting the MSUs, the Participant acknowledges his or her agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the MSUs, and the sale of Shares acquired under the Plan and the receipt of any dividends or dividend equivalents.

## **CANADA**

### ***Terms and Conditions***

**Form of Settlement.** Notwithstanding any terms and conditions in the Plan, Award Agreement or any other grant materials, the MSUs will be settled in Shares only, not cash.

**Termination of Service.** This provision replaces the second paragraph of Section 4.7 of the Award Agreement:

For purposes of the MSUs, the Participant's Service is considered terminated as of the date the Participant is no longer actually employed or otherwise rendering Service to the Company or any Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment or other laws or the terms of the Participant's employment or service contract, if any). Unless otherwise extended by the Company or expressly provided in the Award Agreement, the Participant's right to vest in the MSUs, if any, will terminate effective as of such date (the "Termination Date"). The Termination Date will not be extended by any common law notice period. Notwithstanding the foregoing, however, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the MSUs under the Award Agreement, if any, will be allowed to continue for that minimum notice period but then immediately terminate effective as of the last day of the Participant's minimum statutory notice period (except as set forth in Section 4.3 of the Award Agreement).

In the event the date the Participant is no longer providing actual service cannot be reasonably determined under the terms of this Award Agreement and/or the Plan, the Company shall have the exclusive discretion to determine when the Participant is no longer actively providing services for purposes of the MSUs (including whether the Participant may still be considered to be providing services while on a leave of absence). Any portion of the MSUs that is not vested on the Termination Date shall terminate immediately and be null and void, except as set forth in Section 4.3 of the Award Agreement. Subject to the foregoing, unless the applicable employment standards legislation specifically requires, in the Participant's case, the Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's service relationship is terminated (as determined under this provision), nor will the Participant be entitled to any compensation for lost vesting.

*The following provisions apply to residents of Quebec:*

**French Language Documents.** A French translation of the Plan and the Award Agreement will be made available to the Participant upon request. The Participant understands that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Award Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and the Award Agreement will govern the MSUs and the Participant's participation in the Plan.

***Documents en français.*** Une traduction en français du Plan et du Contrat d'Attribution sera mise à la disposition du Participant à sa demande. Le Participant comprend que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Nonobstant toute disposition contraire dans le Contrat d'Attribution, et à sauf indication contraire de la part du Participant, la traduction française du Plan et du Contrat d'Attribution régira l'attribution de « Market Stock Units » (« MSUs ») et la participation au Plan du Participant.

**Data Privacy.** The following provision supplements Section 9 of the Award Agreement:

***The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information regarding the MSUs and the Participant's participation in the Plan from all personnel, professional or non-professional, involved with the administration of the Plan. The Participant further authorizes the Company, its Affiliates, the administrator of the Plan and any third party brokers/administrators that are assisting the Company with the operation and administration of the Plan to disclose and discuss the Plan and the Participant's participation in the Plan with their advisors. The Participant further authorizes the Company and its Affiliates to record information regarding the MSUs and the Participant's participation in the Plan and to keep such information in Participant's file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S.A. If applicable, the Participant also acknowledges and authorizes the Company and its Affiliates, the administrator of the Plan and any third party brokers/administrators that are assisting the Company with the operation and administration of the Plan to use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.***

## ***Notifications***

**Securities Law Notification.** The Participant is permitted to sell Shares acquired under the Plan through the designated broker, if any, provided the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (i.e., Nasdaq Stock Market).

## **CHILE**

### ***Terms and Conditions***

**Securities Law Notification.** The grant of the MSUs is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Grant Notice), and this offer conforms to General Ruling No. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the Registry of Securities or in the Registry of Foreign Securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.

## **CHINA**

The following provisions apply only if the Participant is subject to exchange control restrictions or regulations in China, as determined by the Company in its sole discretion.

### ***Terms and Conditions***

**Settlement of MSUs and Sale of Shares.** To facilitate compliance with exchange control regulations in China, the MSUs may be settled in the form of a cash payment. Alternatively, the MSUs may be settled in Shares, in which case, the Participant agrees that the Company is authorized to sell the Shares immediately upon settlement or after termination of Participant's Service, as described below, and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares (on the Participant's behalf pursuant to this authorization without further consent). The Participant agrees to sign any agreements, forms

and/or consents that may be reasonably requested by the Company (or the designated broker) to effectuate the sale of the Shares and shall otherwise cooperate with the Company with respect to such matters, provided that Participant shall not be permitted to exercise any influence over how, when or whether the sales occur. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price.

Upon the sale of the Shares, the Company agrees to pay the cash proceeds from the sale of Shares (less any applicable Tax-Related Items, brokerage fees or commissions) to the Participant in accordance with applicable exchange control laws and regulations including, but not limited to, the restrictions set forth below under "Exchange Control Requirements."

Treatment of MSUs Upon Termination of Service. Due to exchange control regulations in China, the Participant understands and agrees that the Company may require the sale of Shares held by the Participant within six (6) months following the Participant's termination of Service, or within such other period as determined by the Company or required by the China State Administration of Foreign Exchange ("SAFE") (the "Mandatory Sale Date"). This includes any portion of Shares that vest upon the Participant's termination of Service. The Participant understands that should the Company impose this requirement, any Shares held by the Participant under the Plan that have not been sold by the Mandatory Sale Date will automatically be sold by the Company's designated broker at the Company's direction (on the Participant's behalf pursuant to this authorization without further consent).

Exchange Control Requirements. The Participant understands and agrees that, to facilitate compliance with exchange control requirements, the Participant is required to immediately repatriate to China the cash proceeds from the sale of the Shares and any dividends paid on such Shares. The Participant further understands that such repatriation of the cash proceeds will be effectuated through a special exchange control account established by the Company or its Affiliates, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant. The Company may deliver the proceeds to the Participant in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, there may be delays in delivering the proceeds to the Participant and due to fluctuations in the Share trading price and/or the U.S. dollar/PRC exchange rate between the sale/payment date and (if later) when the proceeds can be converted into local currency, the proceeds that the Participant receives may be more or less than the market value of the Shares on the sale/payment date (which is the amount relevant to

determining the Participant's tax liability). The Participant agrees to bear the risk of any currency fluctuation between the sale/payment date and the date of conversion of the proceeds into local currency.

The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future to facilitate compliance with exchange control requirements in China.

## **COLOMBIA**

### ***Terms and Conditions***

Labor Law Acknowledgement. This provision supplements Section 8 of the Award Agreement:

Pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of the Participant's "salary" for any legal purpose. Therefore, the MSUs and related benefits will not be included and/or considered for purposes of calculating any labor benefits, including legal/fringe benefits, vacations, indemnities and/or any other labor-related amount which may be payable.

Mandate Letter. By accepting the MSUs, the Participant agrees that, if requested by the Company or the Employer, the Participant will execute a Mandate Letter or such other document (whether electronically or by such other method as requested by the Company or the Employer) that the Company determines is necessary or advisable in order that (i) a sufficient number of Shares to be allocated to the Participant upon vesting can be withheld or sold on the Participant's behalf to cover Tax-Related Items required to be withheld by the Employer and (ii) the proceeds from such withholding or sale can be transferred directly from the Company to the Employer in Colombia for remittance to the tax authorities.

### ***Notifications***

Securities Law Notification. The Shares are not and will not be registered with the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the Shares may not be offered to the public in Colombia. Nothing in the Award Agreement should be construed as making a public offer of securities or promoting financial products in Colombia.

## **DENMARK**

### ***Terms and Conditions***

Labor Law Acknowledgement. This provision supplements Section 8 of the Award Agreement:



In accepting the MSUs, the Participant acknowledges, understands and agrees that they relate to future services to be performed and are not a bonus or compensation for past services.

Danish Stock Option Act. Notwithstanding any provisions in this Award Agreement to the contrary, the treatment of MSUs upon the Participant's termination of Service shall be governed by the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act") as in effect at the time of the Participant's termination of Service (as determined by the Company, in its discretion, in consultation with legal counsel). By accepting the MSUs, the Participant acknowledges having received an "Employer Statement" in Danish which is being provided to comply with the Danish Stock Option Act.

## **FINLAND**

There are no country-specific provisions.

## **FRANCE**

### ***Terms and Conditions***

Type of Grant. The MSUs are not granted as "French-qualified" awards and are not intended to qualify for the special tax and social security treatment applicable to shares granted for no consideration under Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Language Acknowledgement. By accepting the MSUs, the Participant confirms having read and understood the documents relating to the MSUs which were provided to Participant in English.

*Consentement relatif à la langue. En acceptant l'attribution de « Market Stock Units » (« MSUs »), le Participant confirme avoir lu et compris les documents relatifs aux MSUs qui ont été communiqués au Participant en langue anglaise.*

## **GERMANY**

There are no country-specific provisions.

## **HONG KONG**

### ***Terms and Conditions***

Restrictions on Sale and Transferability. In the event that Shares are vested pursuant to MSUs within six months after the Grant Date, the Participant (and the Participant's heirs) hereby agrees

that such Shares may not be offered for sale to the public or otherwise disposed of prior to the six-month anniversary of the Grant Date. Any Shares acquired under the Plan are accepted as a personal investment.

**Form of Settlement.** Notwithstanding any terms and conditions in the Plan, Award Agreement or any other grant materials, the MSUs will be settled in Shares only, not cash.

### ***Notifications***

**Securities Warning.** MSUs and any Shares issued thereunder do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company or its Affiliates. The Plan, the Plan prospectus and any other incidental communication materials (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under applicable securities legislation in Hong Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the Participant’s personal use and may not be distributed to any other person. If the Participant is in any doubt about any of the contents of the Plan or the Plan prospectus, the Participant should obtain independent professional advice.

**Occupational Retirement Schemes Ordinance Information.** The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”). To the extent that any court, tribunal or legal/regulatory body in Hong Kong determines that the Plan constitutes an occupational retirement scheme for the purposes of ORSO, the grant of MSUs shall be null and void.

### **INDIA**

There are no country-specific provisions.

### **ITALY**

#### ***Terms and Conditions***

**Plan Document Acknowledgment.** The Participant acknowledges that the Participant has read and specifically and expressly approves the following Sections of the Award Agreement: Section 6 (Responsibility for Taxes and Tax Withholding Obligations); Section 8 (Nature of Grant); Section 10 (Electronic Delivery and Acceptance); Section 13 (Imposition of Other Requirements); Section 14 (Language); Section 17 (Addendum) and the Data Privacy provision above in the Addendum for Brazil, EU/EEA countries, Switzerland and the United Kingdom.

## **JAPAN**

There are no country-specific provisions.

## **JERSEY**

There are no country-specific provisions.

## **KOREA**

There are no country-specific provisions.

## **LUXEMBOURG**

There are no country-specific provisions.

## **MEXICO**

### ***Terms and Conditions***

**Labor Law Acknowledgement.** The following provision supplements Section 8 of the Award Agreement:

By accepting the MSUs, the Participant acknowledges that he or she understands and agrees that: (i) the MSUs are not related to the salary and other contractual benefits granted to the Participant by the Employer; and (ii) any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of employment.

**Policy Statement.** The grant of the MSUs the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 22 West Washington Street, Chicago, Illinois, 60602, USA, is solely responsible for the administration of the Plan. Participation in the Plan and the acquisition of Shares under the Plan does not, in any way establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis and the sole employer is the Affiliate employing the Participant, as applicable, nor does it establish any rights between the Participant and the Employer.

**Plan Document Acknowledgement.** By participating in the Plan, the Participant acknowledges that he or she has received copies of the Plan and the Award Agreement, has reviewed the Plan and the Award Agreement in their entirety and fully understands and accept all provisions of the Plan and the Award Agreement.

In addition, by participating in the Plan, the Participant further acknowledges that he or she has read and specifically and expressly approves the terms and conditions in Section 8 of the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and its Affiliates are not responsible for any decrease in the value of the Shares underlying the MSUs.

Finally, the Participant hereby declares that he or she does not reserve any action or right to bring any claim against the Employer, the Company and/or its Affiliates for any compensation or damages as a result of participation in the Plan and therefore grants a full and broad release to the Employer and the Company and its Affiliates with respect to any claim that may arise under the Plan.

### **Spanish Translation**

*Reconocimiento de la Ley Laboral. Esta disposición complementa la Sección 8 del Acuerdo:*

*Al aceptar el MSU, el Participante reconoce entiende y acuerda que: (i) la MSU no se encuentra relacionada con el salario ni con otras prestaciones contractuales concedidas al Participante por del patrón; y (ii) cualquier modificación del Plan o su terminación no constituye un cambio o detrimento en los términos y condiciones de empleo.*

*Declaración de Política. La concesión del MSU que la Compañía está haciendo bajo el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin ninguna responsabilidad.*

*La Compañía, con oficinas registradas ubicadas en 22 West Washington Street, Chicago, Illinois, 60602, Estados Unidos de Norteamérica, es la única responsable por la administración del Plan. La participación en el Plan y la adquisición de Acciones no establece de forma alguna, una relación de trabajo entre el Participante y la Compañía, ya que la participación en el Plan por parte del Participante es completamente comercial y el único patrón es la Subsidiaria que ha contratado al Participante, en caso de ser aplicable, así como tampoco establece ningún derecho entre el Participante y su patrón.*

*Reconocimiento del Plan de Documentos. Al participar en el Plan, el Participante reconoce que ha recibido copias del Plan y del Acuerdo, mismos que ha revisado en su totalidad y los entiende completamente y, que ha entendido y aceptado las disposiciones contenidas en el Plan y en el Acuerdo.*

*Adicionalmente, al participar en el Plan, el Participante reconoce que ha leído, y que aprueba específica y expresamente los términos y condiciones contenidos en la Sección 8 del Acuerdo, en*

*la cual se encuentra claramente descrito y establecido lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el mismo es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía, así como sus Subsidiarias no son responsables por cualquier detrimento en el valor de las Acciones en relación con la MSU.*

*Finalmente, el Participante declara que no se reserva ninguna acción o derecho para interponer una demanda en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de la participación en el Plan y en consecuencia, otorga el más amplio finiquito a su patrón, así como a la Compañía, a sus Subsidiarias con respecto a cualquier demanda que pudiera originarse en virtud del Plan.*

### **Notifications**

**Securities Law Notification.** The MSUs and the Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and this Award Agreement, and any other document relating to the MSUs may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and the Employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Company's Mexican Affiliate made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

### **NETHERLANDS**

#### ***Terms and Conditions***

**Exclusion of Claim.** By accepting the MSUs, the Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the MSUs, whether or not as a result of the Participant's termination of Service (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the MSUs. Upon acceptance of the MSUs, the Participant shall be deemed irrevocably to have waived any such entitlement.

### **NEW ZEALAND**

## *Notifications*

### Securities Law Notification.

#### **Warning**

This is an offer of MSUs which, upon vesting and settlement in accordance with the terms of the Plan and this Award Agreement, will be converted into Shares. Shares give you a stake in the ownership of Morningstar, Inc. You may receive a return if dividends are paid.

If Morningstar, Inc. runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment, if any.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

The Shares are quoted on the Nasdaq Stock Market. This means that if you acquire Shares under the Plan, you may be able to sell them on the Nasdaq Stock Market if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review in connection with the offer of MSUs under the Plan:

1. Morningstar Inc.'s most recent Annual Report (i.e., Form 10-K) is available at:  
<https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.
2. Morningstar Inc.'s most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements are available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.
3. The Plan is available on the website of the Company's stock plan service provider.

4. The Plan Prospectus is available on the website of the Company's stock plan service provider.

A copy of the above documents will be sent to you free of charge on written request being mailed to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel.

#### **NORWAY**

There are no country-specific provisions.

#### **ROMANIA**

##### ***Terms and Conditions***

Language Consent. By accepting the grant of MSUs, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Plan and the Award Agreement), which were provided in the English language. The Participant accepts the terms of those documents accordingly.

Consimțământ cu Privire la Limba. *Acceptând acordarea unităților de Market Stock Unit-uri, participantul recunoașteți că are cunoștințe competenți în citirea și înțelegerea limbii engleze și înțelegeți pe deplin termenii documentelor legate de subvenție (Planul și Acordul de acordare), care au fost furnizate în limba engleză. Acceptați termenii acestor documente în consecință.*

#### **SINGAPORE**

There are no country-specific provisions.

## **SOUTH AFRICA**

### ***Notifications***

**Securities Law Notification.** In compliance with South African securities laws, the documents listed below are available on the following websites:

- i. a copy of the Company's most recent annual report (i.e., Form 10-K) is available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>;
- ii. a copy of the Plan is available on the website of the Company's stock plan service provider; and
- iii. a copy of the Plan Prospectus is available on the website of the Company's stock plan service provider.

A copy of the above documents will be sent to the Participant free of charge on written request to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel.

The Participant is advised to carefully read the materials provided before making a decision whether to participate in the Plan. In addition, the Participant should contact his or her tax advisor for specific information concerning the Participant's personal tax situation with regard to Plan participation.

## **SPAIN**

### ***Terms and Conditions***

**Nature of Grant.** This provision supplements Section 8 of the Award Agreement:

In accepting the grant of the MSUs, the Participant acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan.

Further, the Participant understands that the Company, in its sole discretion, has unilaterally and gratuitously decided to grant MSUs under the Plan to individuals who may be employees of the Company or an Affiliate throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Company or any Affiliate to the extent set forth in the Award Agreement. Consequently, the Participant understands that the MSUs are granted on the assumption and condition that such MSUs and any Shares acquired upon vesting of the MSUs shall not become a part of any employment



contract (either with the Company or any Affiliate) and shall not be considered a mandatory benefit, or salary for any purposes (including severance compensation) or any other right whatsoever.

Further, as a condition of the grant of the MSUs, unless otherwise expressly provided for by the Company or set forth in the Award Agreement, the MSUs will be cancelled without entitlement to any Shares if the Participant's Service terminates for any reason, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (i.e., subject to a "despido improcedente"), material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, or under Article 10.3 of Royal Decree 1382/1985. The Committee, in its sole discretion, shall determine the date when the Participant's Service has terminated for purposes of the MSUs.

The Participant understands that the grant of the MSUs would not be granted but for the assumptions and conditions referred to above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of, or right to, the MSUs shall be null and void.

## **SWEDEN**

### ***Terms and Conditions***

Responsibility for Taxes and Tax Withholding Obligations. This provision supplements Section 6 of the Award Agreement:

Without limiting the Company's and the Employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 6 of the Award Agreement, in accepting the MSU award, the Participant authorizes the Company and/or the Employer to withhold Shares otherwise deliverable to the Participant upon vesting/settlement to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

## **SWITZERLAND**

### ***Notifications***

Securities Law Notification. Neither this document nor any other materials relating to the MSUs (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“FinSA”), (b) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than a participant or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

## **TAIWAN**

### ***Notifications***

Securities Law Notification. The offer of participation in the Plan is made only to employees of the Company and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

## **THAILAND**

There are no country-specific provisions.

## **22 UNITED ARAB EMIRATES**

### ***Notifications***

Securities Law Notification. Participation in the Plan is being offered only to selected Participants and is in the nature of providing equity incentives to Participants in the United Arab Emirates. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection this statement, including the Plan, this Award Agreement or any other incidental communication materials distributed in connection with the MSUs. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development have approved this statement or taken steps to verify the information set out in it, and have no responsibility for it. If the Participant has any questions regarding the context of this Award Agreement, including this Addendum or the Plan, the Participant should obtain independent professional advice.

## **UNITED KINGDOM**

### ***Terms and Conditions***

Responsibility for Taxes and Tax Withholding Obligations. This provision supplements Section 6 of the Award Agreement:

Without limitation to Section 6 of the Award Agreement, the Participant agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold on the Participant’s behalf or have paid or will pay to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Participant is a director or executive officer (as within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Participant is a director or executive officer and income tax due is not collected from or paid by the Participant within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Participant on which additional income tax and national insurance contributions may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Employer may recover from the Participant at any time thereafter by any of the means referred to in Section 6 of the Award Agreement.

Exclusion of Claim. By accepting the MSUs, the Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the MSUs, whether or not as a result of the Participant’s termination of Service (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the MSUs. Upon acceptance of the MSUs, the Participant shall be deemed irrevocably to have waived any such entitlement.

**MORNINGSTAR, INC.**

**AMENDED AND RESTATED 2011 STOCK INCENTIVE PLAN**

**STRETCH PERFORMANCE STOCK UNIT AWARD AGREEMENT**

**THIS STRETCH PERFORMANCE STOCK UNIT AWARD AGREEMENT**, which includes the Online Grant Acceptance form (the “Grant Notice”) provided to the Participant named therein and any special terms and conditions for the Participant’s country set forth in the Addendum attached hereto (together, the “Award Agreement”), is made under the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan, as amended from time to time (the “Plan”), as of the Grant Date specified in the Grant Notice. Any term capitalized but not defined in this Award Agreement will have the meaning set forth in the Plan. For purposes of this Award Agreement, “Employer” means the entity (the Company or Affiliate) that employs the Participant.

**BETWEEN:**

- (1)** **MORNINGSTAR, INC.**, an Illinois corporation (the “Company”); and
- (2)** The Participant identified in the Grant Notice.

**1 GRANT OF PERFORMANCE STOCK UNITS**

- 1.1 In accordance with the terms of the Plan and subject to the terms and conditions of this Award Agreement, the Company hereby grants to the Participant a Performance Stock Unit Award with respect to the number of Stretch Performance Stock Units (“PSUs” or “Stretch PSU Opportunity”) set forth in the Grant Notice. The number of PSUs earned shall be determined in accordance with the performance conditions specified in Section 2 (the “Performance Conditions”), provided that no PSUs shall be earned unless performance exceeds the Stretch PSU Opportunity (target) performance level. The PSUs shall constitute performance-based Restricted Stock Units granted pursuant to Section 3.3 of the Plan.
  - 1.2 Each PSU is a notional amount that represents one unvested share of common stock, no par value, of the Company (a “Share”). Each PSU constitutes the right, subject to the terms and conditions of the Plan and this Award Agreement, to distribution of a Share if and to the extent the Performance Conditions are satisfied and the PSUs otherwise become vested.
  - 1.3 Notwithstanding the foregoing, if the Participant is resident or employed outside of the United States, the Company, in its sole discretion, may settle the PSUs in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Participant, the Company and/or its Affiliates to obtain the
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approval of any governmental and/or regulatory body in the Participant's country; (iii) would result in adverse tax consequences for the Participant, the Company or any Affiliate; or (iv) is administratively burdensome. Alternatively, the Company, in its sole discretion, may settle the PSUs in the form of Shares but require the Participant to sell such Shares immediately or within a specified period following the Participant's termination of Service (in which case, this Award Agreement shall give the Company the authority to issue sales instructions on the Participant's behalf).

- 1.4 This Award Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. The Participant hereby agrees to be bound by the terms of this Award Agreement and the Plan.
- 1.5 Further details of the PSUs granted to the Participant under the terms of this Award Agreement are set forth in the Grant Notice.

## **1 PERFORMANCE CONDITIONS**

- 2.1 Subject to the terms of the Award Agreement and the Plan, the number of PSUs that shall be eligible to be earned shall be based on Adjusted Operating Income ("AOI") as of the end of the Performance Period (which is set forth in the Grant Notice), as reported by the Company in its Annual Report on Form 10-K for 2026 (the "2026 AOI") for the Company and/or for the business unit or product area ("Segment") of the Company with which the Participant's responsibilities are aligned. References to "Stretch PSU Opportunity AOI" and "Maximum Opportunity AOI" herein shall mean the baseline and maximum 2026 AOI goals determined by the Committee for the Company and/or for the Segment. The number of PSUs that shall be eligible to vest at the end of the Performance Period shall be equal to the product of (A), multiplied by (B), where:
    - (A) = Stretch PSU Opportunity, which is the number of PSUs set forth in the Grant Notice, and
    - (B) = Percentage of Stretch PSU Opportunity achieved, as calculated in the table below and in accordance with this Award Agreement:
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	AOI Attainment Performance	
	2026 AOI Performance as a Percentage of Stretch PSU Opportunity AOI	Percentage of Stretch PSU Opportunity Achieved (B)
Stretch PSU Opportunity AOI	[ ]%	[ ]%
Maximum Opportunity AOI	[ ]%	[ ]%

- 2.2 If the 2026 AOI performance that is achieved equals the Stretch PSU Opportunity AOI performance, there is no payout. If the 2026 AOI performance that is achieved exceeds the Stretch PSU Opportunity AOI performance but is less than the Maximum Opportunity AOI for the Company or applicable Segment with which the Participant's responsibilities are aligned, the percentage of the Stretch PSU Opportunity earned shall be interpolated between Stretch PSU Opportunity AOI and Maximum Opportunity AOI. For example, if the 2026 AOI performance is [ ]% of the Stretch PSU Opportunity AOI, then the percentage of the Stretch PSU Opportunity achieved will be [ ]%.
- 2.3 For avoidance of doubt, no PSUs shall be earned pursuant to this Award Agreement if the 2026 AOI does not exceed the Stretch PSU Opportunity AOI, and the maximum number of PSUs that may be earned pursuant to this Award Agreement shall be [ ]% of the Stretch PSU Opportunity.
- 2.4 The Stretch PSU Opportunity AOI metrics for the Company and the Segment (if any) applicable to the Participant will be communicated under separate cover.
- 2.5 If at the time the Performance Conditions are established by the Committee the Participant's responsibilities are aligned with more than one Segment and therefore, multiple Segment AOI Performance Conditions are designated to apply to the Participant's PSUs, the Participant's earned PSUs will be determined based on an average of the 2026 AOI attainment performance for the applicable Segments, weighted to the extent the Committee in its discretion determines is necessary to reflect the proportion of the Participant's service to each such Segment.
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- 2.6 If, during the course of the Performance Period, the Participant's responsibilities change in a way that they are no longer aligned with the Segment and the corresponding Segment AOI Performance Condition that was designated to apply to the Participant at the time the applicable Performance Condition was established by the Committee, then unless otherwise determined by the Committee in its discretion, the 2026 AOI attainment level will be determined based on the attainment level of the Performance Condition applicable to the Participant's initially designated Segment over the full Performance Period, as determined by the Committee, and then will be prorated based on the number of whole months in the Performance Period that the Participant's responsibilities were aligned with such Segment and divided by 36 (i.e., the total number of months in the entire Performance Period). Further, if the Participant's new responsibilities are aligned with a different Segment, then unless otherwise determined by the Committee in its discretion, the 2026 AOI attainment level will be determined based on the attainment level of the Performance Condition applicable to the subsequently designated Segment over the full Performance Period, as determined by the Committee, and then will be pro-rated based on the number of whole months in the Performance Period that the Participant is aligned to the subsequently designated Segment and divided by 36 (i.e., the total number of months in the entire Performance Period).
- 2.7 To consider acquisitions and divestitures, the Committee will have the discretion to adjust the Performance Conditions to the extent affected thereby, and to adjust the allocation methodology that would impact Segment AOI, in each case as it deems appropriate.
- 2.8 The Committee will have the discretion to adjust the Performance Conditions during the Performance Period or the method of calculating the attainment level of the Performance Conditions for unusual, one-time, or unanticipated and extraordinary events that have an impact on the Company's financial results, and to adjust the allocation methodology that would impact Segment AOI, in each case as it deems appropriate.
- 2.9 The Committee will have the discretion to adjust the Performance Conditions during the Performance Period or the method of calculating the attainment level of the Performance Conditions to exclude or neutralize the impact of fluctuation in foreign currency exchange rates, and to adjust the allocation methodology that would impact Segment AOI.
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- 2.10 Except as otherwise provided in this Award Agreement, the Committee may, in its sole discretion, reduce, but not increase, the percentage of PSUs that is earned at any level of performance.
- 2.11 Subject to, and except as otherwise provided by, this Award Agreement, including Section 4 hereof, the PSUs that are earned pursuant to the attainment of the Performance Conditions set forth in Section 2 shall vest only if the Participant has remained in continuous Service until the last day of the Performance Period.

## **2 RIGHTS AS A SHAREHOLDER**

- 3.1 Unless and until a PSU has been earned and has vested and the Share underlying it has been distributed to the Participant, the Participant will not be entitled to vote that Share or have any right to dividends, dividend equivalents or other distributions with respect to that Share; provided that the number and class of securities subject to this Award Agreement shall be subject to adjustment in accordance with Section 5.7 of the Plan.

## **3 TERMINATION OF SERVICE AND OTHER CHANGES IN SERVICE STATUS**

- 4.1 If the Participant's Service (as defined in Section 4.5) terminates for any reason other than a termination by the Company without Cause (as defined in Section 4.4), in each case, on or prior to the last day of the Performance Period, the Participant will forfeit the right to receive Shares underlying any PSUs.
  - 4.2 If the Participant's Service is terminated by the Company without Cause and, as of such termination of Service, the Participant has been in continuous Service for at least six (6) months following the Grant Date, the Participant at the end of the Performance Period shall continue to be eligible to vest in a number of PSUs that would have been earned had the Participant's employment continued through the last day of the Performance Period equal to the number of PSUs that would have vested based on the actual attainment of the Performance Conditions for the entire Performance Period.
  - 4.3 For purposes of this Award Agreement, "Affiliate" means an entity that is (directly or indirectly) controlled by, or controls, the Company.
  - 4.4 For purposes of this Award Agreement, "Cause" shall mean the Participant's: (i) willful neglect of or continued failure to substantially perform his or her duties with or obligations for the Company or an Affiliate in any material respect (other than any such failure resulting from his or her incapacity due to physical or mental illness); (ii) commission of a willful or grossly negligent act or the willful or grossly negligent omission to act that causes or is reasonably likely to cause material harm to the
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Company or an Affiliate; (iii) commission or conviction of, or plea of nolo contendere to, any felony or any crime significantly injurious to the Company or an Affiliate; (iv) theft, conversion, embezzlement or misappropriation of funds or other assets of the Company or any of its Affiliates or any other act of fraud or dishonesty with respect to the Company or any of its Affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (v) violation of any material written policy of the Company or an Affiliate which is applicable to the Participant, including, without limitation, the Company's Code of Ethics; (vi) violation of any restrictive covenant agreement with the Company or any of its Affiliates; or (vii) material breach of any material agreement with the Company or any of its Affiliates. An act or omission is "willful" for this purpose if it was knowingly done, or knowingly omitted, by the Participant in bad faith and without reasonable belief that the act or omission was in the best interest of the Company or an Affiliate. Determination of Cause shall be made by the Committee in its sole discretion.

4.5 For purposes of this Award Agreement "Service" means the provision of services to the Company or its Affiliates in the capacity of an employee or a member of the Board but not as a consultant to the Company or an Affiliate. For purposes of this Award Agreement, the transfer of an employee from the Company to an Affiliate, from an Affiliate to the Company or from an Affiliate to another Affiliate shall not be a termination of Service. However, if the Affiliate for which an employee is providing services ceases to be an Affiliate of the Company due to a sale, transfer or other reason, and the employee ceases to perform services for the Company or any Affiliate, the employee shall incur a termination of Service.

4.6 For purposes of this Award Agreement, the Participant's Service will be considered terminated as of the date the Participant is no longer actively providing services to the Company or any Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Company, the Participant's right to vest in PSUs under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., the Participant's period of Service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or service agreement, if any). The Committee shall have the exclusive discretion to determine when the Participant is no longer

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actively providing services for purposes of his or her PSU award (including whether the Participant may still be considered to be providing services while on a leave of absence).

#### **4 TIMING AND FORM OF PAYMENT**

- 5.1 Once a PSU is earned and vested and the Committee has certified in writing the achievement of the Performance Conditions, the Participant will be entitled to receive a Share in its place. Delivery of the Share will be made as soon as administratively feasible after its associated PSU vests, but no later than 2½ months from the end of the calendar year that contains the last day of the Performance Period. Shares delivered under this Award Agreement shall be subject to the Company's share retention policy, as in effect from time to time.

#### **5 RESPONSIBILITY FOR TAXES AND TAX WITHHOLDING OBLIGATIONS**

- 6.1 The Participant acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Further, notwithstanding any contrary provision of this Award Agreement, no Shares will be issued to the Participant, unless and until satisfactory arrangements (as determined by the Committee) have been made by the Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to the PSUs. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSUs, including, but not limited to, the grant, vesting or settlement of the PSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the PSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. In addition, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- 6.2 The Participant shall, in connection with any relevant taxable or any tax withholding event, as applicable, pay to the Company or the Employer or make arrangements
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satisfactory to the Company for payment of any Tax-Related Items required by law to be withheld on account of such taxable event. Without limiting the Company's power or rights pursuant to Section 5.5 of the Plan, amounts required by law or regulation to be withheld by the Company with respect to any taxable event arising under this Award Agreement will be satisfied by having Shares withheld in accordance with Section 5.5 of the Plan. In addition, the Participant may elect to deliver to the Company the necessary funds to satisfy the withholding obligation, in which case there will be no reduction in the Shares otherwise distributable to the Participant.

- 6.3 Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to maximum applicable rates, in which case the Participant may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested PSUs, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.
- 6.4 The Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or proceeds from the sale of Shares until arrangements satisfactory to the Company have been made in connection with the Tax-Related Items.

## **6 NOTICES**

- 7.1 Any notice or other communication required or permitted under this Award Agreement must be in writing and must be delivered personally, sent by certified, registered or express mail, or sent by overnight courier, at the sender's expense. Notice will be deemed given when delivered personally or, if mailed, three days after the date of deposit or, if sent by overnight courier, on the regular business day following the date sent. Notice to the Company should be sent to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel. Notice to the Participant should be sent to the address of the Participant contained in the Company's records. Either party may change the person and/or address to whom the other party
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must give notice by giving such other party written notice of such change, in accordance with the procedures described above.

## **7 NATURE OF GRANT**

In accepting the PSU award grant, the Participant acknowledges, understands and agrees that:

- a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
  - b) the Plan is operated and the PSUs are granted solely by the Company and only the Company is a party to this Award Agreement; accordingly, any rights the Participant may have under this Award Agreement may be raised only against the Company but not any Affiliate of the Company (including, but not limited to, the Employer);
  - c) no Affiliate of the Company (including, but not limited to, the Employer) has any obligation to make any payment of any kind to the Participant under this Award Agreement;
  - d) the grant of PSUs is extraordinary, voluntary and occasional and does not create any contractual or other right to receive future grants of PSUs, or benefits in lieu of PSUs, even if PSUs have been granted in the past;
  - e) all decisions with respect to future PSU or other award grants, if any, will be at the sole discretion of the Committee;
  - f) the Participant is voluntarily participating in the Plan;
  - g) the Participant's participation in the Plan shall not create a right to further Service with the Employer and shall not interfere with the ability of the Employer to terminate Participant's Service at any time with or without Cause;
  - h) a PSU grant will not be interpreted to form an employment or service contract or relationship with the Company or an Affiliate;
  - i) the grant of PSUs, the Shares subject to the PSUs, and the income and value of the same, are not intended to replace any pension rights or compensation;
  - j) the grant of PSUs, the Shares subject to the PSUs, and the income and value of the same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-
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of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Affiliate;

- k) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;
- l) unless otherwise provided in the Plan or by the Company in its discretion, the PSUs and the benefits evidenced by this Award Agreement do not create any entitlement to have the PSUs or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;
- m) unless otherwise agreed with the Company, the PSUs and the Shares subject to the PSUs, and the income and value of the same, are not granted as consideration for, or in connection with, the Service the Participant may provide as a director of an Affiliate;
- n) no claim or entitlement to compensation or damages shall arise from forfeiture of the PSUs or recoupment of any Shares acquired under the Plan resulting from (i) the termination of the Participant's Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or service agreement, if any), and/or (ii) the application of any recoupment policy as described in Section 20 of the Award Agreement or any recovery or clawback policy otherwise required by law, and in consideration of the grant of PSUs, the Participant agrees not to institute any claim against the Company or any Affiliate; and
- o) notwithstanding Section 2.9, neither the Company, the Employer nor any Affiliate shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the PSUs or of any amounts due to the Participant pursuant to the vesting of PSUs or the sale of Shares.

## **8 DATA PRIVACY**

***The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as***

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*described in any PSU award grant materials by and among, as applicable, the Employer, the Company, and any other Affiliate for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.*

*The Participant understands that the Company and the Employer may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any Shares or directorships held in the Company, details of all PSU awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding in the Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.*

*The Participant understands that Data will be transferred to the Company's designated broker and/or stock plan service provider that is assisting the Company (presently or in the future) with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative.*

*The Participant authorizes the Company, the Employer and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative.*

*Further, the Participant understands that he or she is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or later seeks to revoke the Participant's consent, the Participant's employment or Service status with the*

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*Employer will not be affected. The only consequence of refusing or withdrawing consent is that the Company would not be able to grant PSUs or other equity awards to the Participant or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.*

**9      ELECTRONIC DELIVERY AND ACCEPTANCE**

- 10.1 The Company may, in its sole discretion, decide to deliver any documents related to PSUs awarded under the Plan or future PSUs that may be awarded under the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

**10     SEVERABILITY**

- 11.1 The provisions of the Award Agreement (including the Country-Specific Terms and Conditions attached hereto as an Addendum), are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

**11     NO ADVICE REGARDING GRANT**

- 12.1 The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant should consult with his or her own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

**12     IMPOSITION OF OTHER REQUIREMENTS**

- 13.1 The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on PSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
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### **13     LANGUAGE**

- 14.1 The Participant acknowledges that he or she is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms and conditions of this Award Agreement (including the country-specific terms and conditions attached hereto as an Addendum), the Plan or any other documents related to the grant of a PSU. If the Participant received any document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

### **14     INSIDER TRADING/MARKET ABUSE LAWS**

- 15.1 By participating in the Plan, the Participant agrees to comply with any Company insider trading policy. The Participant further acknowledges that, depending on the Participant's or his or her broker's country of residence or where the Shares are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., PSUs) or rights linked to the value of Shares, during such times the Participant is considered to have "inside information" regarding the Company as defined by the laws or regulations in the Participant's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant places before he or she possessed inside information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Participant understands that third parties may include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant's responsibility to comply with applicable restrictions and, therefore, the Participant should consult with his or her personal legal advisor on this matter.

### **15     FOREIGN ASSET/ACCOUNT REPORTING REQUIREMENTS AND EXCHANGE CONTROLS**

- 16.1 The Participant acknowledges that the Participant's country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect the Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares or sales proceeds from the sale of Shares acquired under the Plan) in a brokerage or bank
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account outside the Participant's country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of the Participant's participation in the Plan to the Participant's country through a designated bank or broker within a certain time after receipt. The Participant acknowledges that it is the Participant's responsibility to be compliant with such regulations, and the Participant should consult his or her personal legal advisor for any details.

## **16     ADDENDUM**

- 17.1 Notwithstanding any provisions in the Award Agreement, PSUs shall also be subject to the Country-Specific Terms and Conditions for the Participant's country, if any, set forth in the Addendum attached hereto. Moreover, if the Participant relocates to or otherwise becomes subject to the local laws, rules and/or regulations in one of the countries included in the Addendum, the terms and conditions for such country will apply to the Participant, to the extent that the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons.

## **17     CONSTRUCTION**

- 18.1 The PSUs granted hereunder are subject to any rules and regulations promulgated by the Committee pursuant to the Plan, now or hereafter in effect.
- 18.2 The Company and the Participant may amend this Award Agreement only by a written instrument signed by both parties, provided, that the Company may amend this Award Agreement without further action by the Participant if (i) such amendment is deemed by the Company to be advisable or necessary to comply with applicable law, rule, or, regulation, including Section 409A of the Code, or (ii) if such amendment is not to the detriment of the Participant.
- 18.3 The Participant shall agree to the terms of this Award Agreement by accepting the Grant Notice at the time and in the manner specified by the Company.
- 18.4 The Plan, the PSUs and this Award Agreement, and all determinations made and actions taken pursuant thereto, to the extent not otherwise governed by the Code or the laws of the United States, shall be governed by the laws of the State of Illinois and construed in accordance therewith without giving effect to principles of conflicts of laws.

## **18     SECTION 409A**

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- 19.1 To the extent the Participant is a citizen of the United States or a United States resident under the Code, the Company intends that the PSUs shall not constitute “nonqualified deferred compensation” subject to Section 409A of the Code, and the PSUs are intended to be exempt from Section 409A of the Code under the “short-term deferral” exception to the maximum extent permitted under Section 409A of the Code, and the Award Agreement shall be interpreted, administered and construed consistent with such intent. Notwithstanding the foregoing, the Company may unilaterally amend the terms of this Award Agreement (or the Plan) to avoid the application of, or to comply with, Section 409A of the Code, in a particular circumstance or as necessary or desirable to satisfy any of the requirements under Section 409A of the Code or to mitigate any additional tax, interest and/or penalties that may apply under Section 409A of the Code if exemption or compliance is not practicable, but the Company or the Employer shall not be under any obligation to make any such amendment. Nothing in this Award Agreement (or the Plan) shall provide a basis for any person to take action against the Company or any Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid under the Award Agreement, and neither the Company nor any of its Affiliates shall under any circumstances have any liability to the Participant or his or her estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Award Agreement, including taxes, penalties or interest imposed under Section 409A of the Code.

## **19 RECOUPMENT**

- 20.1 Recoupment. All awards of PSUs, whether unvested or vested, and any Shares issued upon settlement of the PSUs, shall be subject to any incentive compensation clawback or recoupment policy of the Company (i) currently in effect, (ii) as may be adopted by the Company to comply with applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including but not limited to the Morningstar, Inc. Dodd-Frank Policy on Recoupment of Incentive Compensation, or (iii) as may be adopted by the Company to facilitate the Company’s objectives related to eliminating or reducing fraud, misconduct, wrongdoing, or violations of law by an employee or other service provider or related to improving the Company’s governance practices or similar considerations and, in each case, as may be amended from time to time (collectively, the “Recoupment Policy”), such that any award of PSUs that was made to a Participant who is subject to the Recoupment Policy, and any Shares acquired pursuant to such award of PSUs, shall be subject to deduction, clawback or forfeiture, as provided under the Recoupment Policy.
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Further, the PSUs, whether unvested or vested, and any Shares issued upon settlement of the PSUs, shall be subject to deduction, clawback or forfeiture to the extent required to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards. No recovery of compensation as described in this Section 20.1 will constitute an event giving rise to the Participant's right to resign for "good reason" or "constructive termination" (or similar term) under any plan of, or agreement with, the Company, an Affiliate and/or the Participant.

- 20.2 Recoupment Authorization. To satisfy any recoupment obligation arising under the Recoupment Policy or otherwise under applicable laws, rules, regulations or stock exchange listing standards, among other things, the Participant expressly and explicitly authorizes the Company to issue instructions, on the Participant's behalf, to any brokerage firm or stock plan service provider engaged by the Company to hold any Shares or other amounts acquired pursuant to the PSUs to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy or recoupment obligation. To the extent that this Award Agreement and the Recoupment Policy conflict, the terms of the Recoupment Policy shall prevail.

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## **20 PROTECTED RIGHTS.**

- 20.4        21.1 Nothing contained in this Award Agreement or otherwise limits the Participant's ability to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission ("Government Agencies"). This Award Agreement does not limit Participant's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Nothing in this Award Agreement shall limit Participant's ability under applicable U.S. Federal law to (a) disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or (b) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.
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## **ADDENDUM**

### **COUNTRY-SPECIFIC TERMS AND CONDITIONS**

Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or in the Award Agreement.

#### ***Terms and Conditions***

This document includes additional (or different, if so specified) terms and conditions that govern PSUs granted under the Plan if the Participant works, resides and/or is otherwise subject to the local laws, rules and/or regulations in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant currently is residing and/or working, transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to the Participant.

#### ***Notifications***

This document also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of April 2025. Such laws are often complex and change frequently. As a result, the Participant should not rely on the information noted in this document as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date by the time the Participant vests in PSUs or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to his or her situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant currently is residing and/or working, transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the notifications contained herein may not apply to the Participant.

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**BRAZIL, EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”) COUNTRIES, SWITZERLAND AND THE UNITED KINGDOM**

**Data Privacy:** If the Participant resides and/or works in a country within Brazil, the EU/EEA, Switzerland or the United Kingdom, Section 9 of the Award Agreement shall be replaced with the following:

The Participant is hereby notified of the collection, use and transfer outside of the European Economic Area, as described in this Award Agreement, in electronic or other form, of the Participant’s Personal Data (defined below) by and among, as applicable, the Company and certain of its Affiliates for the exclusive and legitimate purpose of implementing, administering and managing the Participant’s participation in the Plan.

The Participant understands that the Company and the Employer hold certain personal information about the Participant, including, but not limited to, the Participant’s name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all entitlement to Shares awarded, canceled, vested, unvested or outstanding in the Participant’s favor (“Personal Data”), for the purpose of implementing, administering and managing the Plan.

The Participant understands that providing the Company with his or her Personal Data is necessary for the performance of this Award Agreement and that the Participant’s refusal to provide the Personal Data would make it impossible for the Company to perform its contractual obligations and may affect the Participant’s ability to participate in the Plan. The Participant’s Personal Data shall be accessible within the Company only by the persons specifically charged with Personal Data processing operations and by the persons who need to access the Personal Data because of their duties and position in relation to the performance of this Award Agreement.

The Company will use the Participant’s Personal Data only as long as is necessary to implement, administer and manage the Participant’s participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and securities laws. When the Company no longer needs the Participant’s Personal Data, it will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be relevant laws or regulations.

The Participant understands that the Company will transfer Personal Data to Charles Schwab & Co., Inc. (the “Broker”), and/or such other third parties as may be selected by the Company, which is assisting the Company with the implementation, administration and management of

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the Plan. The Company may select a different service provider or additional service providers and share Personal Data with such other provider(s) serving in a similar manner. The Participant may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition of the Participant's ability to participate in the Plan.

The Broker is based in the United States. The Participant's country or jurisdiction may have different data privacy laws and protections than the United States. If the Participant is outside of the United States, the Participant should note that the Participant's country has enacted data privacy laws that are different from the United States. By participating in the Plan, the Participant agrees to the transfer of the Participant's Personal Data to the Broker for the exclusive purpose of administering the Participant's participation in the Plan. The Company's legal basis, where required, for the transfer of Personal Data to the Broker is that such transfer is necessary for the performance of this Award Agreement.

The Participant has a number of rights under data privacy laws in the Participant's country. Depending on where the Participant is based, the Participant's rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) rectification of incorrect Personal Data, (iii) deletion of Personal Data, (iv) restrictions on processing, (v) portability of Personal Data, (vi) lodge complaints with competent authorities in the Participant's country, and/or (vii) a list with the names and addresses of any potential recipients of the Participant's Personal Data. To receive clarification regarding the Participant's rights or to exercise the Participant's rights, the Participant should contact the local human resources representative or the Data Protection Officer at: [privacyenquires@morningstar.com](mailto:privacyenquires@morningstar.com).

Finally, the Participant may choose to opt out of allowing the Company to share the Participant's Personal Data with Broker and others as described above, although execution of such choice may mean the Company cannot grant awards under the Plan to the Participant. For questions regarding opting-out of the Plan, the Participant should contact his or her local human resources representative or the Data Protection Officer at: [privacyenquires@morningstar.com](mailto:privacyenquires@morningstar.com).

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## **AUSTRALIA**

### ***Terms and Conditions***

Compliance with Law. Notwithstanding anything to the contrary in the Award Agreement or the Plan, the Participant shall not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Australian Corporations Act 2001 (Cth), any other provision of the Corporations Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Company's Affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

### ***Notifications***

Securities Law Notification. The grant of the PSUs is being made pursuant to Division 1A, Part 7.12 of the Corporations Act 2001 (Cth).

Tax Notification. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

## **BELGIUM**

There are no country-specific provisions.

## **BRAZIL**

### ***Terms and Conditions***

Labor Law Policy and Acknowledgement. This provision supplements Section 8 of the Award Agreement:

By accepting the PSUs, the Participant agrees that he or she is (i) making an investment decision, and (ii) the value of the underlying Shares is not fixed and may increase or decrease without compensation to the Participant.

Compliance with Law. By accepting the PSUs, the Participant acknowledges his or her agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the PSUs, and the sale of Shares acquired under the Plan and the receipt of any dividends or dividend equivalents.

## **CANADA**

### ***Terms and Conditions***

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Form of Settlement. Notwithstanding any terms and conditions in the Plan, Award Agreement or any other grant materials, the PSUs will be settled in Shares only, not cash.

Termination of Service. This provision replaces the second paragraph of Section 4.5 of the Award Agreement:

For purposes of the PSUs, the Participant's Service is considered terminated as of the date the Participant is no longer actually employed or otherwise rendering Service to the Company or any Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment or other laws or the terms of the Participant's employment or service contract, if any). Unless otherwise extended by the Company or expressly provided in the Award Agreement, the Participant's right to vest in the PSUs, if any, will terminate effective as of such date (the "Termination Date"). The Termination Date will not be extended by any common law notice period. Notwithstanding the foregoing, however, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the PSUs under the Award Agreement, if any, will be allowed to continue for that minimum notice period but then immediately terminate effective as of the last day of the Participant's minimum statutory notice period (except as set forth in Section 4.2 of the Award Agreement).

In the event the date the Participant is no longer providing actual service cannot be reasonably determined under the terms of this Award Agreement and/or the Plan, the Company shall have the exclusive discretion to determine when the Participant is no longer actively providing services for purposes of the PSUs (including whether the Participant may still be considered to be providing services while on a leave of absence). Any portion of the PSUs that is not vested on the Termination Date shall terminate immediately and be null and void, except as set forth in Section 4.2 of the Award Agreement. Subject to the foregoing, unless the applicable employment standards legislation specifically requires, in the Participant's case, the Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's service relationship is terminated (as determined under this provision), nor will the Participant be entitled to any compensation for lost vesting.

*The following provisions apply to residents of Quebec:*

French Language Documents. A French translation of the Plan and the Award Agreement will be made available to the Participant upon request. The Participant understands that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Award Agreement, and unless the Participant indicates otherwise, the

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French translation of the Plan and the Award Agreement will govern the PSUs and the Participant's participation in the Plan.

Documents en français. Une traduction en français du Plan et du Contrat d'Attribution sera mise à la disposition du Participant à sa demande. Le Participant comprend que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Nonobstant toute disposition contraire dans le Contrat d'Attribution, et à sauf indication contraire de la part du Participant, la traduction française du Plan et du Contrat d'Attribution régira l'attribution de « Performance Stock Units » (« PSUs ») et la participation au Plan du Participant.

Data Privacy. The following provision supplements Section 9 of the Award Agreement:

***The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information regarding the PSUs and the Participant's participation in the Plan from all personnel, professional or non-professional, involved with the administration of the Plan. The Participant further authorizes the Company and its Affiliates, the administrator of the Plan and any third party brokers/administrators that are assisting the Company with the operation and administration of the Plan to disclose and discuss the Plan and the Participant's participation in the Plan with their advisors. The Participant further authorizes the Company and its Affiliates to record information regarding the PSUs and the Participant's participation in the Plan and to keep such information in Participant's file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S.A. If applicable, the Participant also acknowledges and authorizes the Company and its Affiliates, the administrator of the Plan and any third party brokers/administrators that are assisting the Company with the operation and administration of the Plan to use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.***

#### **Notifications**

Securities Law Notification. The Participant is permitted to sell Shares acquired under the Plan through the designated broker, if any, provided the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (i.e., Nasdaq Stock Market).

#### **CHILE**

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### ***Terms and Conditions***

Securities Law Notification. The grant of the PSUs is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Grant Notice), and this offer conforms to General Ruling No. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the Registry of Securities or in the Registry of Foreign Securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.

### **CHINA**

The following provisions apply only if the Participant is subject to exchange control restrictions or regulations in China, as determined by the Company in its sole discretion.

### ***Terms and Conditions***

Settlement of PSUs and Sale of Shares. To facilitate compliance with exchange control regulations in China, the PSUs may be settled in the form of a cash payment. Alternatively, the PSUs may be settled in Shares, in which case, the Participant agrees that the Company is authorized to sell the Shares immediately upon settlement or after termination of Participant's Service, as described below, and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares (on the Participant's behalf pursuant to this authorization without further consent). The Participant agrees to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or the designated broker) to effectuate the sale of the Shares and shall otherwise cooperate with the Company with respect to such matters, provided that Participant shall not be permitted to exercise any influence over how, when or whether the sales occur. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price.

Upon the sale of the Shares, the Company agrees to pay the cash proceeds from the sale of Shares (less any applicable Tax-Related Items, brokerage fees or commissions) to the

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Participant in accordance with applicable exchange control laws and regulations including, but not limited to, the restrictions set forth below under “Exchange Control Requirements.”

Treatment of PSUs Upon Termination of Service. Due to exchange control regulations in China, the Participant understands and agrees that the Company may require the sale of Shares held by the Participant within six (6) months following the Participant’s termination of Service, or within such other period as determined by the Company or required by the China State Administration of Foreign Exchange (“SAFE”) (the “Mandatory Sale Date”). This includes any portion of Shares that vest upon the Participant’s termination of Service. The Participant understands that should the Company impose this requirement, any Shares held by the Participant under the Plan that have not been sold by the Mandatory Sale Date will automatically be sold by the Company’s designated broker at the Company’s direction (on the Participant’s behalf pursuant to this authorization without further consent).

Exchange Control Requirements. The Participant understands and agrees that, to facilitate compliance with exchange control requirements, the Participant is required to immediately repatriate to China the cash proceeds from the sale of the Shares and any dividends paid on such Shares. The Participant further understands that such repatriation of the cash proceeds will be effectuated through a special exchange control account established by the Company or its Affiliates, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant. The Company may deliver the proceeds to the Participant in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, there may be delays in delivering the proceeds to the Participant and due to fluctuations in the Share trading price and/or the U.S. dollar/PRC exchange rate between the sale/payment date and (if later) when the proceeds can be converted into local currency, the proceeds that the Participant receives may be more or less than the market value of the Shares on the sale/payment date (which is the amount relevant to determining the Participant’s tax liability). The Participant agrees to bear the risk of any currency fluctuation between the sale/payment date and the date of conversion of the proceeds into local currency.

The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future to facilitate compliance with exchange control requirements in China.

## **COLOMBIA**

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### ***Terms and Conditions***

Labor Law Acknowledgement. This provision supplements Section 8 of the Award Agreement:

Pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of the Participant's "salary" for any legal purpose. Therefore, the PSUs and related benefits will not be included and/or considered for purposes of calculating any labor benefits, including legal/fringe benefits, vacations, indemnities and/or any other labor-related amount which may be payable.

Mandate Letter. By accepting the PSUs, the Participant agrees that, if requested by the Company or the Employer, the Participant will execute a Mandate Letter or such other document (whether electronically or by such other method as requested by the Company or the Employer) that the Company determines is necessary or advisable in order that (i) a sufficient number of Shares to be allocated to the Participant upon vesting can be withheld or sold on the Participant's behalf to cover Tax-Related Items required to be withheld by the Employer and (ii) the proceeds from such withholding or sale can be transferred directly from the Company to the Employer in Colombia for remittance to the tax authorities.

### ***Notifications***

Securities Law Notification. The Shares are not and will not be registered with the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the Shares may not be offered to the public in Colombia. Nothing in the Award Agreement should be construed as making a public offer of securities or promoting financial products in Colombia.

### **DENMARK**

### ***Terms and Conditions***

Labor Law Acknowledgement. This provision supplements Section 8 of the Award Agreement:

In accepting the PSUs, the Participant acknowledges, understands and agrees that they relate to future services to be performed and are not a bonus or compensation for past services.

Danish Stock Option Act. Notwithstanding any provisions in this Award Agreement to the contrary, the treatment of PSUs upon the Participant's termination of Service shall be governed by the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act") as in effect at the time of the Participant's termination of Service (as determined by the Company, in its discretion, in consultation with legal counsel). By

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accepting the PSUs, the Participant acknowledges having received an “Employer Statement” in Danish which is being provided to comply with the Danish Stock Option Act.

## **FINLAND**

There are no country-specific provisions.

## **FRANCE**

### ***Terms and Conditions***

Type of Grant. The PSUs are not granted as “French-qualified” awards and are not intended to qualify for the special tax and social security treatment applicable to shares granted for no consideration under Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Language Acknowledgement. By accepting the PSUs, the Participant confirms having read and understood the documents relating to the PSUs which were provided to Participant in English.

*Consentement relatif à la langue. En acceptant l'attribution de « Performance Stock Units » (« PSUs »), le Participant confirme avoir lu et compris les documents relatifs aux PSUs qui ont été communiqués au Participant en langue anglaise.*

## **GERMANY**

There are no country-specific provisions.

## **HONG KONG**

### ***Terms and Conditions***

Restrictions on Sale and Transferability. In the event that Shares are vested pursuant to PSUs within six months after the Grant Date, the Participant (and the Participant’s heirs) hereby agrees that such Shares may not be offered for sale to the public or otherwise disposed of prior to the six-month anniversary of the Grant Date. Any Shares acquired under the Plan are accepted as a personal investment.

Form of Settlement. Notwithstanding any terms and conditions in the Plan, Award Agreement or any other grant materials, the PSUs will be settled in Shares only, not cash.

### ***Notifications***

Securities Warning. PSUs and any Shares issued thereunder do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company or its Affiliates. The Plan, the Plan prospectus and any other incidental communication materials (i)

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have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under applicable securities legislation in Hong Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the Participant’s personal use and may not be distributed to any other person. If the Participant is in any doubt about any of the contents of the Plan or the Plan prospectus, the Participant should obtain independent professional advice.

Occupational Retirement Schemes Ordinance Information. The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”). To the extent that any court, tribunal or legal/regulatory body in Hong Kong determines that the Plan constitutes an occupational retirement scheme for the purposes of ORSO, the grant of PSUs shall be null and void.

## **INDIA**

There are no country-specific provisions.

## **ITALY**

### ***Terms and Conditions***

Plan Document Acknowledgment. The Participant acknowledges that the Participant has read and specifically and expressly approves the following Sections of the Award Agreement: Section 6 (Responsibility for Taxes and Tax Withholding Obligations); Section 8 (Nature of Grant); Section 10 (Electronic Delivery and Acceptance); Section 13 (Imposition of Other Requirements); Section 14 (Language); Section 17 (Addendum) and the Data Privacy provision above in the Addendum for Brazil, EU/EEA countries, Switzerland and the United Kingdom.

## **JAPAN**

There are no country-specific provisions.

## **JERSEY**

There are no country-specific provisions.

## **KOREA**

There are no country-specific provisions.

## **LUXEMBOURG**

There are no country-specific provisions.

## **MEXICO**

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## ***Terms and Conditions***

**Labor Law Acknowledgement.** The following provision supplements Section 8 of the Award Agreement:

By accepting the PSUs, the Participant acknowledges that he or she understands and agrees that: (i) the PSUs are not related to the salary and other contractual benefits granted to the Participant by the Employer; and (ii) any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of employment.

**Policy Statement.** The grant of the PSUs the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 22 West Washington Street, Chicago, Illinois, 60602, USA, is solely responsible for the administration of the Plan. Participation in the Plan and the acquisition of Shares under the Plan does not, in any way establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis and the sole employer is the Affiliate employing the Participant, as applicable, nor does it establish any rights between the Participant and the Employer.

**Plan Document Acknowledgement.** By participating in the Plan, the Participant acknowledges that he or she has received copies of the Plan and the Award Agreement, has reviewed the Plan and the Award Agreement in their entirety and fully understands and accept all provisions of the Plan and the Award Agreement.

In addition, by participating in the Plan, the Participant further acknowledges that he or she has read and specifically and expressly approves the terms and conditions in Section 8 of the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and its Affiliates are not responsible for any decrease in the value of the Shares underlying the PSUs.

Finally, the Participant hereby declares that he or she does not reserve any action or right to bring any claim against the Employer, the Company and/or its Affiliates for any compensation or damages as a result of participation in the Plan and therefore grants a full and broad release to the Employer and the Company and its Affiliates with respect to any claim that may arise under the Plan.

## **Spanish Translation**

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Reconocimiento de la Ley Laboral. Esta disposición complementa la Sección 8 del Acuerdo:

*Al aceptar el PSU, el Participante reconoce entiende y acuerda que: (i) la PSU no se encuentra relacionada con el salario ni con otras prestaciones contractuales concedidas al Participante por del patrón; y (ii) cualquier modificación del Plan o su terminación no constituye un cambio o detrimento en los términos y condiciones de empleo.*

Declaración de Política. La concesión del PSU que la Compañía está haciendo bajo el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin ninguna responsabilidad.

*La Compañía, con oficinas registradas ubicadas en 22 West Washington Street, Chicago, Illinois, 60602, Estados Unidos de Norteamérica, es la única responsable por la administración del Plan. La participación en el Plan y la adquisición de Acciones no establece de forma alguna, una relación de trabajo entre el Participante y la Compañía, ya que la participación en el Plan por parte del Participante es completamente comercial y el único patrón es la Subsidiaria que ha contratado al Participante, en caso de ser aplicable, así como tampoco establece ningún derecho entre el Participante y su patrón.*

*Reconocimiento del Plan de Documentos. Al participar en el Plan, el Participante reconoce que ha recibido copias del Plan y del Acuerdo, mismos que ha revisado en su totalidad y los entiende completamente y, que ha entendido y aceptado las disposiciones contenidas en el Plan y en el Acuerdo.*

*Adicionalmente, al participar en el Plan, el Participante reconoce que ha leído, y que aprueba específica y expresamente los términos y condiciones contenidos en la Sección 8 del Acuerdo, en la cual se encuentra claramente descrito y establecido lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el mismo es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía, así como sus Subsidiarias no son responsables por cualquier detrimento en el valor de las Acciones en relación con la PSU.*

*Finalmente, el Participante declara que no se reserva ninguna acción o derecho para interponer una demanda en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de la participación en el Plan y en consecuencia, otorga el más amplio finiquito a su patrón, así como a la Compañía, a sus Subsidiarias con respecto a cualquier demanda que pudiera originarse en virtud del Plan.*

## **Notifications**

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Securities Law Notification. The PSUs and the Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and this Award Agreement, and any other document relating to the PSUs may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and the Employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Company's Mexican Affiliate made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

## **NETHERLANDS**

### ***Terms and Conditions***

Exclusion of Claim. By accepting the PSUs, the Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the PSUs, whether or not as a result of the Participant's termination of Service (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the PSUs. Upon acceptance of the PSUs, the Participant shall be deemed irrevocably to have waived any such entitlement.

## **NEW ZEALAND**

### ***Notifications***

Securities Law Notification.

### ***Warning***

This is an offer of PSUs which, upon vesting and settlement in accordance with the terms of the Plan and this Award Agreement, will be converted into Shares. Shares give you a stake in the ownership of Morningstar, Inc. You may receive a return if dividends are paid.

If Morningstar, Inc. runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed

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decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment, if any.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

The Shares are quoted on the Nasdaq Stock Market. This means that if you acquire Shares under the Plan, you may be able to sell them on the Nasdaq Stock Market if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review in connection with the offer of PSUs under the Plan:

1. Morningstar Inc.'s most recent Annual Report (i.e., Form 10-K) is available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.
2. Morningstar Inc.'s most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements are available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.
3. The Plan is available on the website of the Company's stock plan service provider.
4. The Plan Prospectus is available on the website of the Company's stock plan service provider.

A copy of the above documents will be sent to you free of charge on written request being mailed to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel.

#### **NORWAY**

There are no country-specific provisions.

#### **ROMANIA**

#### ***Terms and Conditions***

Language Consent. By accepting the grant of PSUs, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the

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documents related to the grant (the Plan and the Award Agreement), which were provided in the English language. The Participant accepts the terms of those documents accordingly.

*Consimtământ cu Privire la Limbă. Acceptând acordarea unităților de Performance Stock Unit-uri, participantul recunoașteți că are cunoștințe competenți în citirea și înțelegerea limbii engleze și înțelegeți pe deplin termenii documentelor legate de subvenție (Planul și Acordul de acordare), care au fost furnizate în limba engleză. Acceptați termenii acestor documente în consecință.*

## **SINGAPORE**

There are no country-specific provisions.

## **SOUTH AFRICA**

### ***Notifications***

Securities Law Notification. In compliance with South African securities laws, the documents listed below are available on the following websites:

- i. a copy of the Company's most recent annual report (i.e., Form 10-K) is available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>;
- ii. a copy of the Plan is available on the website of the Company's stock plan service provider; and
- iii. a copy of the Plan Prospectus is available on the website of the Company's stock plan service provider.

A copy of the above documents will be sent to the Participant free of charge on written request to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel.

The Participant is advised to carefully read the materials provided before making a decision whether to participate in the Plan. In addition, the Participant should contact his or her tax advisor for specific information concerning the Participant's personal tax situation with regard to Plan participation.

## **SPAIN**

### ***Terms and Conditions***

Nature of Grant. This provision supplements Section 8 of the Award Agreement:

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In accepting the grant of the PSUs, the Participant acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan.

Further, the Participant understands that the Company, in its sole discretion, has unilaterally and gratuitously decided to grant PSUs under the Plan to individuals who may be employees of the Company or an Affiliate throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Company or any Affiliate to the extent set forth in the Award Agreement. Consequently, the Participant understands that the PSUs are granted on the assumption and condition that such PSUs and any Shares acquired upon vesting of the PSUs shall not become a part of any employment contract (either with the Company or any Affiliate) and shall not be considered a mandatory benefit, or salary for any purposes (including severance compensation) or any other right whatsoever.

Further, as a condition of the grant of the PSUs, unless otherwise expressly provided for by the Company or set forth in the Award Agreement, the PSUs will be cancelled without entitlement to any Shares if the Participant's Service terminates for any reason, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (i.e., subject to a "despido improcedente"), material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, or under Article 10.3 of Royal Decree 1382/1985. The Committee, in its sole discretion, shall determine the date when the Participant's Service has terminated for purposes of the PSUs.

The Participant understands that the grant of the PSUs would not be granted but for the assumptions and conditions referred to above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of, or right to, the PSUs shall be null and void.

## **SWEDEN**

### ***Terms and Conditions***

Responsibility for Taxes and Tax Withholding Obligations. This provision supplements Section 6 of the Award Agreement:

Without limiting the Company's and the Employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 6 of the Award Agreement, in accepting the PSU award, the Participant authorizes the Company and/or the Employer to withhold

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Shares otherwise deliverable to the Participant upon vesting/settlement to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

## **SWITZERLAND**

### ***Notifications***

Securities Law Notification. Neither this document nor any other materials relating to the PSUs (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“FinSA”), (b) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than a participant or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

## **TAIWAN**

### ***Notifications***

Securities Law Notification. The offer of participation in the Plan is made only to employees of the Company and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

## **THAILAND**

There are no country-specific provisions.

## **UNITED ARAB EMIRATES**

### ***Notifications***

Securities Law Notification. Participation in the Plan is being offered only to selected Participants and is in the nature of providing equity incentives to Participants in the United Arab Emirates. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection this statement, including the Plan, this Award Agreement or any other incidental communication materials distributed in connection with the PSUs. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development have approved this statement or taken steps to verify the information set out in it, and have no responsibility for it. If the Participant has any questions regarding the context of this Award Agreement, including this Addendum or the Plan, the Participant should obtain independent professional advice.

## **UNITED KINGDOM**

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## ***Terms and Conditions***

Responsibility for Taxes and Tax Withholding Obligations. This provision supplements Section 6 of the Award Agreement:

Without limitation to Section 6 of the Award Agreement, the Participant agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold on the Participant's behalf or have paid or will pay to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Participant is a director or executive officer (as within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Participant is a director or executive officer and income tax due is not collected from or paid by the Participant within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Participant on which additional income tax and national insurance contributions may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Employer may recover from the Participant at any time thereafter by any of the means referred to in Section 6 of the Award Agreement.

Exclusion of Claim. By accepting the PSUs, the Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the PSUs, whether or not as a result of the Participant's termination of Service (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the PSUs. Upon acceptance of the PSUs, the Participant shall be deemed irrevocably to have waived any such entitlement.

**MORNINGSTAR, INC.**

**AMENDED AND RESTATED 2011 STOCK INCENTIVE PLAN**

**RESTRICTED STOCK UNIT AWARD AGREEMENT**

**THIS RESTRICTED STOCK UNIT AWARD AGREEMENT**, which includes the Online Grant Acceptance form (the “Grant Notice”) provided to the Participant named therein and any special terms and conditions for the Participant’s country set forth in the Addendum attached hereto (together, the “Award Agreement”), is made under the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan, as amended from time to time (the “Plan”) as of the Grant Date specified in the Grant Notice. Any term capitalized but not defined in this Award Agreement will have the meaning set forth in the Plan. For purposes of this Award Agreement, “Employer” means the entity (the Company or Affiliate) that employs the Participant.

**BETWEEN:**

- (1) **MORNINGSTAR, INC.**, an Illinois corporation (the “Company”); and
- (2) The Participant identified in the Grant Notice.

**1 GRANT OF RESTRICTED STOCK UNITS**

- 1.1 In accordance with the terms of the Plan and subject to the terms and conditions of this Award Agreement, the Company hereby grants to the Participant the number of Restricted Stock Units specified in the Grant Notice.
- 1.2 Each Restricted Stock Unit is a notional amount that represents one unvested share of common stock, no par value, of the Company (a “Share”). Each Restricted Stock Unit constitutes the right, subject to the terms and conditions of the Plan and this Award Agreement, to distribution of a Share if and when the Restricted Stock Unit vests.

Notwithstanding the foregoing, if the Participant is resident or employed outside of the United States, the Company, in its sole discretion, may settle the Restricted Stock Units in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law; (ii) would require the Participant, the Company and/or its Affiliates to obtain the approval of any governmental and/or regulatory body in the Participant’s country; (iii) would result in adverse tax consequences for the Participant, the Company or any Affiliate; or (iv) is administratively burdensome. Alternatively, the Company, in its sole

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discretion, may settle the Restricted Stock Units in the form of Shares but require the Participant to sell such Shares immediately or within a specified period following the Participant's termination of Service (in which case, this Award Agreement shall give the Company the authority to issue sales instructions on the Participant's behalf).

- 1.3 This Award Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. The Participant hereby agrees to be bound by the terms of this Award Agreement and the Plan.
- 1.4 Subject to, and except as otherwise provided by, this Award Agreement, including Section 3 hereof, the Restricted Stock Units subject to this Award Agreement shall vest in installments, with each installment becoming vested on the "Vesting Date" shown below, if the Participant has remained in continuous Service (as defined in Section 3.5 hereof) until that Vesting Date. Notwithstanding the foregoing, the Board or the Committee may cause the Restricted Stock Units granted hereby to vest at an earlier date pursuant to its authority under the Plan; provided, that if the Restricted Stock Units are considered "nonqualified deferred compensation" subject to Section 409A of the Code, as determined by the Company, any such vested Restricted Stock Units shall be settled on the original Vesting Dates in accordance with Section 4.

Percentage of Restricted Stock Units

25%  
25%  
25%  
25%

Vesting Date

First anniversary of Grant Date  
Second Anniversary of Grant Date  
Third Anniversary of Grant Date  
Fourth Anniversary of Grant Date

- 1.5 Further details of the Restricted Stock Units granted to the Participant under the terms of this Award Agreement are set forth in the Grant Notice.

**2 RIGHTS AS A SHAREHOLDER**

- 2.1 Unless and until a Restricted Stock Unit has vested and the Share underlying it has been distributed to the Participant, the Participant will not be entitled to vote that Share or have any right to dividends, dividend equivalents or other distributions with respect to that Share; provided that the number and class of securities subject to this Award Agreement shall be subject to adjustment in accordance with Section 5.7 of the Plan.

**3 TERMINATION OF SERVICE AND OTHER CHANGES IN SERVICE STATUS**

- 3.1 If the Participant's Service (as defined in Section 3.5) terminates for any reason other than Disability, death, or termination by the Company without Cause (as defined in Section 3.4), the Participant will forfeit the right to receive Shares underlying any Restricted Stock Units that have not vested at that time. Notwithstanding anything in the Plan to the contrary, for purposes of this Award Agreement, "Disability" shall mean the condition of being "disabled" as provided in Code Section 409A(a)(2)(C).
- 3.2 If the Participant's Service terminates on account of Disability or death of the Participant, the Shares underlying all of the Restricted Stock Units awarded hereunder shall become immediately vested and be distributed to the Participant or the Participant's beneficiary under the Plan as soon as practicable in accordance with Section 4.1 of this Award Agreement.
- 3.3 If the Participant's Service is terminated by the Company without Cause and, as of such termination of Service, the Participant has been in continuous Service for at least six (6) months following the Grant Date, the Restricted Stock Units awarded hereunder shall remain outstanding and eligible to vest as if the Participant's Service had continued through each of the Vesting Dates set forth in Section 1.4.
- 3.4 For purposes of this Award Agreement "Cause" shall mean the Participant's: (i) willful neglect of or continued failure to substantially perform the Participant's duties with or obligations for the Company or an Affiliate in any material respect (other than any such failure resulting from the Participant's incapacity due to physical or mental illness); (ii) commission of a willful or grossly negligent act or the willful or grossly negligent omission to act that causes or is reasonably likely to cause material harm to the Company or an Affiliate; (iii) commission or conviction of, or plea of nolo contendere to, any felony or any crime significantly injurious to the Company or an Affiliate; (iv) theft, conversion, embezzlement or misappropriation of funds or other assets of the Company or any of its Affiliates or any other act of fraud or dishonesty with respect to the Company or any of its Affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (v) violation of any material written policy of the Company or an Affiliate which is applicable to the Participant, including, without limitation, the Company's Code of Ethics; (vi) violation of any restrictive covenant agreement with the Company or any of its Affiliates; or (vii) material breach of any material agreement with the Company or any of its Affiliates. An act or omission is "willful" for this purpose if it was knowingly done, or knowingly omitted, by the Participant in bad faith and without reasonable belief that the act or omission was in the best interest of the Company or an Affiliate.

- 3.5 For purposes of this Award Agreement “Service” means the provision of services to the Company or its Affiliates in the capacity of an employee or a member of the Board but not as a consultant to the Company or an Affiliate. For purposes of this Award Agreement, the transfer of an employee from the Company to an Affiliate, from an Affiliate to the Company or from an Affiliate to another Affiliate shall not be a termination of Service. However, if the Affiliate for which an employee is providing services ceases to be an Affiliate of the Company due to a sale, transfer or other reason, and the employee ceases to perform services for the Company or any Affiliate, the employee shall incur a termination of Service. For purposes of this Award Agreement, “Affiliate” means an entity that is (directly or indirectly) controlled by, or controls, the Company.

For purposes of this Award Agreement, the Participant’s Service will be considered terminated as of the date the Participant is no longer actively providing services to the Company or any Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant’s employment or service agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Company, the Participant’s right to vest in Restricted Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., the Participant’s period of Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant’s employment or service agreement, if any). The Committee shall have the exclusive discretion to determine when the Participant is no longer actively providing services for purposes of his or her Restricted Stock Unit award (including whether the Participant may still be considered to be providing services while on a leave of absence).

#### **4 TIMING AND FORM OF PAYMENT**

- 4.1 Once a Restricted Stock Unit vests, the Participant will be entitled to receive a Share in its place. Delivery of the Share shall occur within 60 days following the applicable Vesting Date or, in the case of Section 3.2 and subject to Section 18, within 60 days following the date the Participant’s Service terminates on account of the Disability or death of the Participant.

#### **5 RESPONSIBILITY FOR TAXES AND TAX WITHHOLDING OBLIGATIONS**

- 5.1 The Participant acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Further, notwithstanding any contrary provision of this Award Agreement, no Shares will be issued to the Participant, unless and until satisfactory arrangements (as determined by the Committee) have been made by the Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to the Restricted Stock Units. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. In addition, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- 5.2 The Participant shall, in connection with any relevant taxable or tax withholding event, as applicable, pay to the Company or the Employer or make arrangements satisfactory to the Company for payment of any Tax-Related Items required by law to be withheld on account of such taxable event. Without limiting the Company's power or rights pursuant to Section 5.5 of the Plan, amounts required by law or regulation to be withheld by the Company with respect to any taxable event arising under this Award Agreement will be satisfied by having Shares withheld in accordance with Section 5.5 of the Plan. In addition, the Participant may elect to deliver to the Company the necessary funds to satisfy the withholding obligation, in which case there will be no reduction in the Shares otherwise distributable to the Participant.
- 5.3 Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to maximum applicable rates, in which case the Participant may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax

authority or to the Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

- 5.4 The Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or proceeds from the sale of Shares until arrangements satisfactory to the Company have been made in connection with the Tax-Related Items.

## **6 NOTICES**

- 6.1 Any notice or other communication required or permitted under this Award Agreement must be in writing and must be delivered personally, sent by certified, registered or express mail, or sent by overnight courier, at the sender's expense. Notice will be deemed given when delivered personally or, if mailed, three days after the date of deposit or, if sent by overnight courier, on the regular business day following the date sent. Notice to the Company should be sent to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel. Notice to the Participant should be sent to the address of the Participant contained in the Company's records. Either party may change the person and/or address to whom the other party must give notice by giving such other party written notice of such change, in accordance with the procedures described above.

## **7 NATURE OF GRANT**

In accepting the grant of Restricted Stock Units, the Participant acknowledges, understands and agrees that:

- a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- b) the Plan is operated and the Restricted Stock Units are granted solely by the Company and only the Company is a party to this Award Agreement; accordingly, any rights the Participant may have under this Award Agreement may be raised only against the

Company but not any Affiliate of the Company (including, but not limited to, the Employer);

- c) no Affiliate of the Company (including, but not limited to, the Employer) has any obligation to make any payment of any kind to the Participant under this Award Agreement;
- d) the grant of Restricted Stock Units is extraordinary, voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past;
- e) all decisions with respect to future Restricted Stock Unit or other award grants, if any, will be at the sole discretion of the Committee;
- f) the Participant is voluntarily participating in the Plan;
- g) the Participant's participation in the Plan shall not create a right to further Service with the Employer and shall not interfere with the ability of the Employer to terminate the Participant's Service at any time with or without cause;
- h) a Restricted Stock Unit grant will not be interpreted to form an employment or service contract or relationship with the Company or an Affiliate;
- i) the grant of Restricted Stock Units, the Shares subject to the Restricted Stock Units, and the income and value of the same, are not intended to replace any pension rights or compensation;
- j) the grant of Restricted Stock Units, the Shares subject to the Restricted Stock Units, and the income and value of the same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Affiliate;
- k) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;
- l) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Award Agreement do not

create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;

- m) unless otherwise agreed with the Company, the Restricted Stock Units and the Shares subject to the Restricted Stock Units, and the income and value of the same, are not granted as consideration for, or in connection with, the Service the Participant may provide as a director of an Affiliate;
- n) no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units or recoupment of any Shares acquired under the Plan resulting from (i) the termination of the Participant's Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment or service agreement, if any), and/or (ii) the application of any recoupment policy as described in Section 19 of the Award Agreement or any recovery or clawback policy otherwise required by law, and in consideration of the grant of Restricted Stock Units, the Participant agrees not to institute any claim against the Company or any Affiliate; and
- o) neither the Company, the Employer nor any Affiliate shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the Restricted Stock Units or of any amounts due to the Participant pursuant to the vesting of Restricted Stock Units or the sale of Shares.

## 8 **DATA PRIVACY**

***The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in any Restricted Stock Unit award grant materials by and among, as applicable, the Employer, the Company, and any other Affiliate for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.***

***The Participant understands that the Company and the Employer may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any Shares or directorships held in the Company,***

*details of all Restricted Stock Unit awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding in the Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.*

*The Participant understands that Data will be transferred to the Company's designated broker and/or stock plan service provider that is assisting the Company (presently or in the future) with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative.*

*The Participant authorizes the Company, the Employer and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative.*

*Further, the Participant understands that he or she is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or later seeks to revoke the Participant's consent, the Participant's employment or Service status with the Employer will not be affected. The only consequence of refusing or withdrawing consent is that the Company would not be able to grant Restricted Stock Units or other equity awards to the Participant or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.*

## **9     ELECTRONIC DELIVERY AND ACCEPTANCE**



- 9.1 The Company may, in its sole discretion, decide to deliver any documents related to Restricted Stock Units awarded under the Plan or future Restricted Stock Units that may be awarded under the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

## **10 SEVERABILITY**

- 10.1 The provisions of the Award Agreement (including the Country-Specific Terms and Conditions attached hereto as an Addendum), are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

## **11 NO ADVICE REGARDING GRANT**

- 11.1 The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant should consult with his or her own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

## **12 IMPOSITION OF OTHER REQUIREMENTS**

- 12.1 The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

## **13 LANGUAGE**

- 13.1 The Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms and conditions, of this Award Agreement, the Plan, or any other documents related to the grant of a Restricted Stock Unit. If the Participant received any document related to the Plan translated into a language other than English

and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

#### **14 INSIDER TRADING/MARKET ABUSE LAWS**

- 14.1 By participating in the Plan, the Participant agrees to comply with any Company insider trading policy. The Participant further acknowledges that, depending on the Participant's or his or her broker's country of residence or where the Shares are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Restricted Stock Units) or rights linked to the value of Shares, during such times the Participant is considered to have "inside information" regarding the Company as defined by the laws or regulations in the Participant's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant places before he or she possessed inside information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Participant understands that third parties may include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant's responsibility to comply with applicable restrictions and, therefore, the Participant should consult with his or her personal legal advisor on this matter.

#### **15 FOREIGN ASSET/ACCOUNT REPORTING REQUIREMENTS AND EXCHANGE CONTROLS**

- 15.1 The Participant acknowledges that the Participant's country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect the Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends or dividend equivalents paid on Shares or sales proceeds from the sale of Shares acquired under the Plan) in a brokerage or bank account outside the Participant's country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of the Participant's participation in the Plan to the Participant's country through a designated bank or broker within a certain time after receipt. The Participant acknowledges that it is the Participant's responsibility to be compliant with such regulations, and the Participant should consult his or her personal legal advisor for any details.

## **16     ADDENDUM**

- 16.1     Notwithstanding any provisions in the Award Agreement, Restricted Stock Units shall also be subject to the Country-Specific Terms and Conditions for the Participant's country, if any, set forth in the Addendum attached hereto. Moreover, if the Participant relocates to or otherwise becomes subject to the local laws, rules and/or regulations in one of the countries included in the Addendum, the terms and conditions for such country will apply to the Participant, to the extent that the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons.

## **17     CONSTRUCTION**

- 17.1     The Restricted Stock Units granted hereunder are subject to any rules and regulations promulgated by the Committee pursuant to the Plan, now or hereafter in effect.
- 17.2     The Company and the Participant may amend this Award Agreement only by a written instrument signed by both parties, provided, that the Company may amend this Award Agreement without further action by the Participant if (i) such amendment is deemed by the Company to be advisable or necessary to comply with applicable law, rule, or, regulation, including Section 409A of the Code, or (ii) if such amendment is not to the detriment of the Participant.
- 17.3     The Participant shall agree to the terms of this Award Agreement by accepting the Grant Notice at the time and in the manner specified by the Company.
- 17.4     The Plan, the Restricted Stock Units and this Award Agreement, and all determinations made and actions taken pursuant thereto, to the extent not otherwise governed by the Code or the laws of the United States, shall be governed by the laws of the State of Illinois and construed in accordance therewith without giving effect to principles of conflicts of laws.

## **18     SECTION 409A**

- 18.1     To the extent the Participant is a citizen of the United States or a United States resident under the Code, the Company intends that the Restricted Stock Units shall be exempt from, or comply with, Section 409A of the Code, and the Award Agreement shall be interpreted, administered and construed consistent with such intent. Each settlement hereunder shall be considered a separate payment for purposes of Section 409A of the Code. Notwithstanding the foregoing, the Company may unilaterally amend the terms of

this Award Agreement (or the Plan) to avoid the application of, or to comply with, Section 409A of the Code, in a particular circumstance or as necessary or desirable to satisfy any of the requirements under Section 409A of the Code or to mitigate any additional tax, interest and/or penalties that may apply under Section 409A of the Code if exemption or compliance is not practicable, but the Company or the Employer shall not be under any obligation to make any such amendment. Nothing in this Award Agreement (or the Plan) shall provide a basis for any person to take action against the Company or any Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid under the Award Agreement, and neither the Company nor any of its Affiliates shall under any circumstances have any liability to the Participant or his or her estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Award Agreement, including taxes, penalties or interest imposed under Section 409A of the Code. If the Participant is a “specified employee,” within the meaning of Section 409A of the Code, then to the extent the Award constitutes nonqualified deferred compensation, within the meaning of Section 409A of the Code and is payable upon a “separation from service,” such Share (or cash, if applicable) shall be transferred to the Participant or his or her beneficiary upon the earlier to occur of (i) the six-month anniversary of such separation from service and (ii) the date of the Participant’s death, in each case, to the extent required to comply with Section 409A of the Code.

## **19     RECOUPMENT**

- 19.1     **Recoupment.** All awards of Restricted Stock Units, whether unvested or vested, and any Shares issued upon settlement of the Restricted Stock Units, shall be subject to any incentive compensation clawback or recoupment policy of the Company (i) currently in effect, (ii) as may be adopted by the Company to comply with applicable law and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including but not limited to the Morningstar, Inc. Dodd-Frank Policy on Recoupment of Incentive Compensation, or (iii) as may be adopted by the Company to facilitate the Company’s objectives related to eliminating or reducing fraud, misconduct, wrongdoing, or violations of law by an employee or other service provider or related to improving the Company’s governance practices or similar considerations and, in each case, as may be amended from time to time (collectively, the “Recoupment Policy”), such that any award of Restricted Stock Units that was made to a Participant who is subject to the Recoupment Policy, and any Shares acquired pursuant to such award of Restricted Stock Units, shall be subject to deduction, clawback or forfeiture, as provided under the Recoupment Policy. Further, the Restricted Stock Units, whether unvested or

vested, and any Shares issued upon settlement of the Restricted Stock Units, shall be subject to deduction, clawback or forfeiture to the extent required to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards. No recovery of compensation as described in this Section 19.1 will constitute an event giving rise to the Participant's right to resign for "good reason" or "constructive termination" (or similar term) under any plan of, or agreement with, the Company, an Affiliate and/or the Participant.

- 19.2 **Recoupment Authorization.** To satisfy any recoupment obligation arising under the Recoupment Policy or otherwise under applicable laws, rules, regulations or stock exchange listing standards, among other things, the Participant expressly and explicitly authorizes the Company to issue instructions, on the Participant's behalf, to any brokerage firm or stock plan service provider engaged by the Company to hold any Shares or other amounts acquired pursuant to the Restricted Stock Units to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy or recoupment obligation. To the extent that this Award Agreement and the Recoupment Policy conflict, the terms of the Recoupment Policy shall prevail.

## **20 PROTECTED RIGHTS.**

- I Nothing contained in this Award Agreement or otherwise limits the Participant's ability to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission ("**Government Agencies**"). This Award Agreement does not limit Participant's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Nothing in this Award Agreement shall limit Participant's ability under applicable U.S. Federal law to (a) disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or (b) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

## **ADDENDUM**

### **COUNTRY-SPECIFIC TERMS AND CONDITIONS**

Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or in the Award Agreement.

#### ***Terms and Conditions***

This document includes additional (or different, if so specified) terms and conditions that govern Restricted Stock Units granted under the Plan if the Participant works, resides and/or is otherwise subject to the local laws, rules and/or regulations in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant currently is residing and/or working, transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to the Participant.

#### ***Notifications***

This document also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of April 2025. Such laws are often complex and change frequently. As a result, the Participant should not rely on the information noted in this document as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date by the time the Participant vests in Restricted Stock Units or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to his or her situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant currently is residing and/or working, transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the notifications contained herein may not apply to the Participant.



**BRAZIL, EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”) COUNTRIES, SWITZERLAND AND THE UNITED KINGDOM**

Data Privacy: If the Participant resides and/or works in a country within Brazil, the EU/EEA, Switzerland or the United Kingdom, Section 8 of the Award Agreement shall be replaced with the following:

The Participant is hereby notified of the collection, use and transfer outside of the European Economic Area, as described in this Award Agreement, in electronic or other form, of the Participant’s Personal Data (defined below) by and among, as applicable, the Company and certain of its Affiliates for the exclusive and legitimate purpose of implementing, administering and managing the Participant’s participation in the Plan.

The Participant understands that the Company and the Employer hold certain personal information about the Participant, including, but not limited to, the Participant’s name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all entitlement to Shares awarded, canceled, vested, unvested or outstanding in the Participant’s favor (“Personal Data”), for the purpose of implementing, administering and managing the Plan.

The Participant understands that providing the Company with his or her Personal Data is necessary for the performance of this Award Agreement and that the Participant’s refusal to provide the Personal Data would make it impossible for the Company to perform its contractual obligations and may affect the Participant’s ability to participate in the Plan. The Participant’s Personal Data shall be accessible within the Company only by the persons specifically charged with Personal Data processing operations and by the persons who need to access the Personal Data because of their duties and position in relation to the performance of this Award Agreement.

The Company will use the Participant’s Personal Data only as long as is necessary to implement, administer and manage the Participant’s participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and securities laws. When the Company no longer needs the Participant’s Personal Data, it will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be relevant laws or regulations.



The Participant understands that the Company will transfer Personal Data to Charles Schwab & Co., Inc. (the “Broker”), and/or such other third parties as may be selected by the Company, which is assisting the Company with the implementation, administration and management of the Plan. The Company may select a different service provider or additional service providers and share Personal Data with such other provider(s) serving in a similar manner. The Participant may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition of the Participant’s ability to participate in the Plan.

The Broker is based in the United States. The Participant’s country or jurisdiction may have different data privacy laws and protections than the United States. If the Participant is outside of the United States, the Participant should note that the Participant’s country has enacted data privacy laws that are different from the United States. By participating in the Plan, the Participant agrees to the transfer of the Participant’s Personal Data to the Broker for the exclusive purpose of administering the Participant’s participation in the Plan. The Company’s legal basis, where required, for the transfer of Personal Data to the Broker is that such transfer is necessary for the performance of this Award Agreement.

The Participant has a number of rights under data privacy laws in the Participant’s country. Depending on where the Participant is based, the Participant’s rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) rectification of incorrect Personal Data, (iii) deletion of Personal Data, (iv) restrictions on processing, (v) portability of Personal Data, (vi) lodge complaints with competent authorities in the Participant’s country, and/or (vii) a list with the names and addresses of any potential recipients of the Participant’s Personal Data. To receive clarification regarding the Participant’s rights or to exercise the Participant’s rights, the Participant should contact the local human resources representative or the Data Protection Officer at: [privacyenquires@morningstar.com](mailto:privacyenquires@morningstar.com).

Finally, the Participant may choose to opt out of allowing the Company to share the Participant’s Personal Data with Broker and others as described above, although execution of such choice may mean the Company cannot grant awards under the Plan to the Participant. For questions regarding opting-out of the Plan, the Participant should contact his or her local human resources representative or the Data Protection Officer at: [privacyenquires@morningstar.com](mailto:privacyenquires@morningstar.com).

## **AUSTRALIA**

### ***Notifications***

Securities Law Notification. The grant of the Restricted Stock Units is being made pursuant to Division 1A, Part 7.12 of the Corporations Act 2001 (Cth).

Tax Notification. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

## **BELGIUM**

There are no country-specific provisions.

## **BRAZIL**

### ***Terms and Conditions***

Labor Law Policy and Acknowledgement. This provision supplements Section 7 of the Award Agreement:

By accepting the Restricted Stock Units, the Participant agrees that he or she is (i) making an investment decision, (ii) Shares will be issued to the Participant only if the vesting conditions are met and (iii) the value of the underlying Shares is not fixed and may increase or decrease without compensation to the Participant.

Compliance with Law. By accepting the Restricted Stock Units, the Participant acknowledges his or her agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the Restricted Stock Units, and the sale of Shares acquired under the Plan and the receipt of any dividends or dividend equivalents.

## **CANADA**

### ***Terms and Conditions***

Form of Settlement. Notwithstanding any terms and conditions in the Plan, Award Agreement or any other grant materials, the Restricted Stock Units will be settled in Shares only, not cash.

Termination of Service. This provision replaces the second paragraph of Section 3.5 of the Award Agreement:

For purposes of the Restricted Stock Units, the Participant's Service is considered terminated as of the date the Participant is no longer actually employed or otherwise rendering Service to the Company or any Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment or other laws or the terms of the Participant's employment or service contract, if any). Unless otherwise extended by the Company or expressly provided in the Award Agreement, the Participant's right to vest in the Restricted Stock Units, if any, will terminate effective as of such date (the "Termination Date"). The Termination Date will not be extended by any common law notice period. Notwithstanding the foregoing, however, if

applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the Restricted Stock Units under the Award Agreement, if any, will be allowed to continue for that minimum notice period but then immediately terminate effective as of the last day of the Participant's minimum statutory notice period.

In the event the date the Participant is no longer providing actual Service cannot be reasonably determined under the terms of this Award Agreement and/or the Plan, the Company shall have the exclusive discretion to determine when the Participant is no longer actively providing Service for purposes of the Restricted Stock Units (including whether the Participant may still be considered to be providing Service while on a leave of absence). Any portion of the Restricted Stock Units that is not vested on the Termination Date shall terminate immediately and be null and void, except as expressly provided in the Award Agreement. Subject to the foregoing, unless the applicable employment standards legislation specifically requires, in the Participant's case, the Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's Service is terminated (as determined under this provision), nor will the Participant be entitled to any compensation for lost vesting.

*The following provisions apply to residents of Quebec:*

French Language Documents. A French translation of the Plan and the Award Agreement will be made available to the Participant upon request. The Participant understands that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Award Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and the Award Agreement will govern the Restricted Stock Units and the Participant's participation in the Plan.

Documents en français. Une traduction en français du Plan et du Contrat d'Attribution sera mise à la disposition du Participant à sa demande. Le Participant comprend que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Nonobstant toute disposition contraire dans le Contrat d'Attribution, et à sauf indication contraire de la part du Participant, la traduction française du Plan et du Contrat d'Attribution régira l'attribution de Droits sur des Actions Assujettis à des Restrictions et la participation au Plan du Participant.

Data Privacy. The following provision supplements Section 8 of the Award Agreement:

*The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information regarding the Restricted Stock Units and the Participant's participation in the Plan from all personnel, professional or non-professional, involved with the administration of the Plan. The Participant further authorizes the Company, its Affiliates, the administrator of the Plan and any third party brokers/administrators that are assisting the Company with the operation and administration of the Plan to disclose and discuss the Plan and the Participant's participation in the Plan with their advisors. The Participant further authorizes the Company and its Affiliates to record information regarding the Restricted Stock Units and the Participant's participation in the Plan and to keep such information in Participant's file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S.A. If applicable, the Participant also acknowledges and authorizes the Company, its Affiliates, the administrator of the Plan and any third party brokers/administrators that are assisting the Company with the operation and administration of the Plan to use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.*

### ***Notifications***

Securities Law Notification. The Participant is permitted to sell Shares acquired under the Plan through the designated broker, if any, provided the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (i.e., Nasdaq Stock Market).

### **CHILE**

#### ***Terms and Conditions***

Securities Law Notification. The grant of the Restricted Stock Units is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Grant Notice), and this offer conforms to General Ruling No. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the Registry of Securities or in the Registry of Foreign Securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;

- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.

## **CHINA**

The following provisions apply only if the Participant is subject to exchange control restrictions or regulations in China, as determined by the Company in its sole discretion.

### ***Terms and Conditions***

Settlement of Restricted Stock Units and Sale of Shares. To facilitate compliance with exchange control regulations in China, the Restricted Stock Units may be settled in the form of a cash payment. Alternatively, the Restricted Stock Units may be settled in Shares, in which case, the Participant agrees that the Company is authorized to sell the Shares immediately upon settlement or after termination of the Participant's Service, as described below, and the Participant expressly authorizes the Company's designated broker to complete the sale of such Shares (on the Participant's behalf pursuant to this authorization without further consent). The Participant agrees to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or the designated broker) to effectuate the sale of the Shares and shall otherwise cooperate with the Company with respect to such matters, provided that Participant shall not be permitted to exercise any influence over how, when or whether the sales occur. The Participant acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price.

Upon the sale of the Shares, the Company agrees to pay the cash proceeds from the sale of Shares (less any applicable Tax-Related Items, brokerage fees or commissions) to the Participant in accordance with applicable exchange control laws and regulations including, but not limited to, the restrictions set forth below under "Exchange Control Requirements."

Treatment of Restricted Stock Units Upon Termination of Service. Due to exchange control regulations in China, the Participant understands and agrees that the Company may require the sale of Shares held by the Participant within six (6) months following the Participant's termination of Service, or within such other period as determined by the Company or required by the China State Administration of Foreign Exchange ("SAFE") (the "Mandatory Sale Date"). This includes any portion of Shares that vest upon the Participant's termination of Service. The Participant understands that should the Company impose this requirement, any Shares held by the Participant under the Plan that have not been sold by the Mandatory Sale Date will

automatically be sold by the Company's designated broker at the Company's direction (on the Participant's behalf pursuant to this authorization without further consent).

Exchange Control Requirements. The Participant understands and agrees that, to facilitate compliance with exchange control requirements, the Participant is required to immediately repatriate to China the cash proceeds from the sale of the Shares and any dividends or dividend equivalents paid on such Shares. The Participant further understands that such repatriation of the cash proceeds will be effectuated through a special exchange control account established by the Company or its Affiliates, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant. The Company may deliver the proceeds to the Participant in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, there may be delays in delivering the proceeds to the Participant and due to fluctuations in the Share trading price and/or the U.S. dollar/PRC exchange rate between the sale/payment date and (if later) when the proceeds can be converted into local currency, the proceeds that the Participant receives may be more or less than the market value of the Shares on the sale/payment date (which is the amount relevant to determining the Participant's tax liability). The Participant agrees to bear the risk of any currency fluctuation between the sale/payment date and the date of conversion of the proceeds into local currency.

The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future to facilitate compliance with exchange control requirements in China.

## **COLOMBIA**

### ***Terms and Conditions***

Labor Law Acknowledgement. This provision supplements Section 7 of the Award Agreement:

Pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of the Participant's "salary" for any legal purpose. Therefore, the Restricted Stock Units and related benefits will not be included and/or considered for purposes of calculating any labor benefits, including legal/fringe benefits, vacations, indemnities and/or any other labor-related amount which may be payable.

Mandate Letter. By accepting the Restricted Stock Units, the Participant agrees that, if requested by the Company or the Employer, the Participant will execute a Mandate Letter or such other document (whether electronically or by such other method as requested by the Company or the

Employer) that the Company determines is necessary or advisable in order that (i) a sufficient number of Shares to be allocated to the Participant upon vesting can be withheld or sold on the Participant's behalf to cover Tax-Related Items required to be withheld by the Employer and (ii) the proceeds from such withholding or sale can be transferred directly from the Company to the Employer in Colombia for remittance to the tax authorities.

### ***Notifications***

Securities Law Notification. The Shares are not and will not be registered with the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the Shares may not be offered to the public in Colombia. Nothing in the Award Agreement should be construed as making a public offer of securities or promoting financial products in Colombia.

### **DENMARK**

#### ***Terms and Conditions***

Labor Law Acknowledgement. This provision supplements Section 7 of the Award Agreement:

In accepting the Restricted Stock Units, the Participant acknowledges, understands and agrees that they relate to future services to be performed and are not a bonus or compensation for past services.

Danish Stock Option Act. Notwithstanding any provisions in this Award Agreement to the contrary, the treatment of Restricted Stock Units upon the Participant's termination of Service shall be governed by the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act") as in effect at the time of the Participant's termination of Service (as determined by the Company, in its discretion, in consultation with legal counsel). By accepting the Restricted Stock Units, the Participant acknowledges having received an "Employer Statement" in Danish which is being provided to comply with the Danish Stock Option Act.

### **FINLAND**

There are no country-specific provisions.

## **FRANCE**

### ***Terms and Conditions***

Type of Grant. The Restricted Stock Units are not granted as “French-qualified” awards and are not intended to qualify for the special tax and social security treatment applicable to shares granted for no consideration under Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Language Acknowledgement. By accepting the Restricted Stock Units, the Participant confirms having read and understood the documents relating to the Restricted Stock Units which were provided to the Participant in English.

*Consentement relatif à la langue. En acceptant les droits sur actions assujettis à restrictions (« restricted stock units » ou « RSUs »), le Participant confirme avoir lu et compris les documents relatifs aux RSUs qui ont été communiqués au Participant en langue anglaise.*

## **GERMANY**

There are no country-specific provisions.

## **HONG KONG**

### ***Terms and Conditions***

Restrictions on Sale and Transferability. In the event that Shares are delivered in settlement of Restricted Stock Units within six (6) months after the Grant Date, the Participant (and the Participant’s heirs) hereby agrees that such Shares may not be offered for sale to the public or otherwise disposed of prior to the six- month anniversary of the Grant Date. Any Shares acquired under the Plan are accepted as a personal investment.

Form of Settlement. Notwithstanding any terms and conditions in the Plan, Award Agreement or any other grant materials, the Restricted Stock Units will be settled in Shares only, not cash.

### ***Notifications***

Securities Warning. Restricted Stock Units and any Shares issued thereunder do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company or its Affiliates. The Plan, the Plan prospectus and any other incidental communication materials (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under applicable securities legislation in Hong



Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the Participant's personal use and may not be distributed to any other person. If the Participant is in any doubt about any of the contents of the Plan or the Plan prospectus, the Participant should obtain independent professional advice.

Occupational Retirement Schemes Ordinance Information. The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent that any court, tribunal or legal/regulatory body in Hong Kong determines that the Plan constitutes an occupational retirement scheme for the purposes of ORSO, the grant of Restricted Stock Units shall be null and void.

## **INDIA**

There are no country-specific provisions.

## **ITALY**

### ***Terms and Conditions***

Plan Document Acknowledgment. The Participant acknowledges that the Participant has read and specifically and expressly approves the following Sections of the Award Agreement: Section 5 (Responsibility for Taxes and Tax Withholding Obligations); Section 7 (Nature of Grant); Section 9 (Electronic Delivery and Acceptance); Section 12 (Imposition of Other Requirements); Section 13 (Language); Section 16 (Addendum) and the Data Privacy provision above in the Addendum for Brazil, EU/EEA countries, Switzerland and the United Kingdom.

## **JAPAN**

There are no country-specific provisions.

## **JERSEY**

There are no country-specific provisions.

## **KOREA**

There are no country-specific provisions.

## **LUXEMBOURG**

There are no country-specific provisions.

## **MEXICO**

### ***Terms and Conditions***

Labor Law Acknowledgement. The following provision supplements Section 7 of the Award Agreement:

By accepting the Restricted Stock Units, the Participant acknowledges that he or she understands and agrees that: (i) the Restricted Stock Units are not related to the salary and other contractual benefits granted to the Participant by the Employer; and (ii) any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Policy Statement. The grant of the Restricted Stock Units the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 22 West Washington Street, Chicago, Illinois, 60602, USA, is solely responsible for the administration of the Plan. Participation in the Plan and the acquisition of Shares under the Plan does not, in any way establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis and the sole employer is the Affiliate employing the Participant, as applicable, nor does it establish any rights between the Participant and the Employer.

Plan Document Acknowledgement. By participating in the Plan, the Participant acknowledges that he or she has received copies of the Plan and the Award Agreement, has reviewed the Plan and the Award Agreement in their entirety and fully understands and accept all provisions of the Plan and the Award Agreement.

In addition, by participating in the Plan, the Participant further acknowledges that he or she has read and specifically and expressly approves the terms and conditions in Section 7 of the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and its Affiliates are not responsible for any decrease in the value of the Shares underlying the Restricted Stock Units.

Finally, the Participant hereby declares that he or she does not reserve any action or right to bring any claim against the Employer, the Company and/or its Affiliates for any compensation or damages as a result of participation in the Plan and therefore grants a full and broad release to the

Employer and the Company and its Affiliates with respect to any claim that may arise under the Plan.

## **Spanish Translation**

Reconocimiento de la Ley Laboral. Esta disposición complementa la Sección 7 del Acuerdo:

*Al aceptar el RSU, el Participante reconoce entiende y acuerda que: (i) la RSU no se encuentra relacionada con el salario ni con otras prestaciones contractuales concedidas al Participante por del patrón; y (ii) cualquier modificación del Plan o su terminación no constituye un cambio o detrimento en los términos y condiciones de empleo.*

Declaración de Política. La concesión del RSU que la Compañía está haciendo bajo el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin ninguna responsabilidad.

*La Compañía, con oficinas registradas ubicadas en 22 West Washington Street, Chicago, Illinois, 60602, Estados Unidos de Norteamérica, es la única responsable por la administración del Plan. La participación en el Plan y la adquisición de Acciones no establece de forma alguna, una relación de trabajo entre el Participante y la Compañía, ya que la participación en el Plan por parte del Participante es completamente comercial y el único patrón es la Subsidiaria que ha contratado al Participante, en caso de ser aplicable, así como tampoco establece ningún derecho entre el Participante y su patrón.*

Reconocimiento del Plan de Documentos. Al participar en el Plan, el Participante reconoce que ha recibido copias del Plan y del Acuerdo, mismos que ha revisado en su totalidad y los entiende completamente y, que ha entendido y aceptado las disposiciones contenidas en el Plan y en el Acuerdo.

*Adicionalmente, al participar en el Plan, el Participante reconoce que ha leído, y que aprueba específica y expresamente los términos y condiciones contenidos en la Sección 7 del Acuerdo, en la cual se encuentra claramente descrito y establecido lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el mismo es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía, así como sus Subsidiarias no son responsables por cualquier detrimento en el valor de las Acciones en relación con la RSU.*

*Finalmente, el Participante declara que no se reserva ninguna acción o derecho para interponer una demanda en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de la participación en el Plan y en consecuencia, otorga el más amplio finiquito a su patrón, así como a la Compañía, a sus Subsidiarias con respecto a cualquier demanda que pudiera originarse en virtud del Plan.*

## ***Notifications***

Securities Law Notification. The Restricted Stock Units and the Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and this Award Agreement, and any other document relating to the Restricted Stock Units may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and the Employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Company's Mexican Affiliate made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

## **NETHERLANDS**

### ***Terms and Conditions***

Exclusion of Claim. By accepting the Restricted Stock Units, the Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the Restricted Stock Units, whether or not as a result of the Participant's termination of Service (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Restricted Stock Units. Upon acceptance of the Restricted Stock Units, the Participant shall be deemed irrevocably to have waived any such entitlement.

## **NEW ZEALAND**

### ***Notifications***

Securities Law Notification.

### **Warning**

This is an offer of Restricted Stock Units which, upon vesting and settlement in accordance with the terms of the Plan and this Award Agreement, will be converted into Shares. Shares give you a stake in the ownership of Morningstar, Inc. You may receive a return if dividends are paid.

If Morningstar, Inc. runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment, if any.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

The Shares are quoted on the Nasdaq Stock Market. This means that if you acquire Shares under the Plan, you may be able to sell them on the Nasdaq Stock Market if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review in connection with the offer of Restricted Stock Units under the Plan:

1. Morningstar Inc.'s most recent Annual Report (i.e., Form 10-K) is available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.
2. Morningstar Inc.'s most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements are available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.
3. The Plan is available on the website of the Company's stock plan service provider.
4. The Plan Prospectus is available on the website of the Company's stock plan service provider.

A copy of the above documents will be sent to you free of charge on written request being mailed to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel.

## **NORWAY**

There are no country-specific provisions.

## **ROMANIA**

### ***Terms and Conditions***

Language Consent. By accepting the grant of Restricted Stock Units, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Plan and the Award Agreement), which were provided in the English language. The Participant accepts the terms of those documents accordingly.

Consimțământ cu Privire la Limba. Acceptând acordarea unităților de Restricted Stock Unit-uri, participantul recunoașteți că are cunoștințe competenți în citirea și înțelegerea limbii engleze și înțelegeți pe deplin termenii documentelor legate de subvenție (Planul și Acordul de acordare), care au fost furnizate în limba engleză. Acceptați termenii acestor documente în consecință.

## **SINGAPORE**

There are no country-specific provisions.

## **SOUTH AFRICA**

### ***Notifications***

Securities Law Notification. In compliance with South African securities laws, the documents listed below are available on the following websites:

- i. a copy of the Company's most recent annual report (i.e., Form 10-K) is available at: <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>;
- ii. a copy of the Plan is available on the website of the Company's stock plan service provider; and
- iii. a copy of the Plan Prospectus is available on the website of the Company's stock plan service provider.

A copy of the above documents will be sent to the Participant free of charge on written request to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, USA, Attention: General Counsel.

The Participant is advised to carefully read the materials provided before making a decision whether to participate in the Plan. In addition, the Participant should contact his or her tax

advisor for specific information concerning the Participant's personal tax situation with regard to Plan participation.

## **SPAIN**

### ***Terms and Conditions***

**Nature of Grant.** This provision supplements Section 7 of the Award Agreement:

In accepting the grant of the Restricted Stock Units, the Participant acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan.

Further, the Participant understands that the Company, in its sole discretion, has unilaterally and gratuitously decided to grant Restricted Stock Units under the Plan to individuals who may be employees of the Company or an Affiliate throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Company or any Affiliate to the extent set forth in the Award Agreement. Consequently, the Participant understands that the Restricted Stock Units are granted on the assumption and condition that such Restricted Stock Units and any Shares acquired upon vesting of the Restricted Stock Units shall not become a part of any employment contract (either with the Company or any Affiliate) and shall not be considered a mandatory benefit, or salary for any purposes (including severance compensation) or any other right whatsoever.

Further, as a condition of the grant of the Restricted Stock Units, unless otherwise expressly provided for by the Company or set forth in the Award Agreement, the Restricted Stock Units will be cancelled without entitlement to any Shares if the Participant's Service terminates for any reason, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (i.e., subject to a "despido improcedente"), material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, or under Article 10.3 of Royal Decree 1382/1985. The Committee, in its sole discretion, shall determine the date when the Participant's Service has terminated for purposes of the Restricted Stock Units.

The Participant understands that the grant of the Restricted Stock Units would not be granted but for the assumptions and conditions referred to above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of, or right to, the Restricted Stock Units shall be null and void.

## **SWEDEN**

### ***Terms and Conditions***

**Responsibility for Taxes and Tax Withholding Obligations.** This provision supplements Section 5 of the Award Agreement:

Without limiting the Company's and the Employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 5 of the Award Agreement, in accepting the Restricted Stock Unit award, the Participant authorizes the Company and/or the Employer to withhold Shares otherwise deliverable to the Participant upon vesting/settlement to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

## **SWITZERLAND**

### ***Notifications***

**Securities Law Notification.** Neither this document nor any other materials relating to the Restricted Stock Units (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (b) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than a participant or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

## **TAIWAN**

### ***Notifications***

**Securities Law Notification.** The offer of participation in the Plan is made only to employees of the Company and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

## **THAILAND**

There are no country-specific provisions.



## **UNITED ARAB EMIRATES**

### ***Notifications***

Securities Law Notification. Participation in the Plan is being offered only to selected Participants and is in the nature of providing equity incentives to Participants in the United Arab Emirates. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection this statement, including the Plan, this Award Agreement or any other incidental communication materials distributed in connection with the Restricted Stock Units. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development have approved this statement or taken steps to verify the information set out in it, and have no responsibility for it. If the Participant has any questions regarding the context of this Award Agreement, including this Addendum or the Plan, the Participant should obtain independent professional advice.

## **UNITED KINGDOM**

### ***Terms and Conditions***

Responsibility for Taxes and Tax Withholding Obligations. This provision supplements Section 5 of the Award Agreement:

Without limitation to Section 5 of the Award Agreement, the Participant agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold on the Participant’s behalf or have paid or will pay to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Participant is a director or executive officer (as within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Participant is a director or executive officer and income tax due is not collected from or paid by the Participant within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Participant on which additional income tax and national insurance contributions may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any

income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Employer may recover from the Participant at any time thereafter by any of the means referred to in Section 5 of the Award Agreement.

Exclusion of Claim. By accepting the Restricted Stock Units, the Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the Restricted Stock Units, whether or not as a result of the Participant's termination of Service (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Restricted Stock Units. Upon acceptance of the Restricted Stock Units, the Participant shall be deemed irrevocably to have waived any such entitlement.

**MORNINGSTAR, INC.**  
**AMENDED AND RESTATED 2011 STOCK INCENTIVE PLAN**  
**DIRECTOR RESTRICTED STOCK UNIT AWARD AGREEMENT**

**THIS DIRECTOR RESTRICTED STOCK UNIT AWARD AGREEMENT**, which includes the Online Grant Acceptance form (the “Grant Notice”) provided to the Participant named therein (together, the “Award Agreement”), is made under the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan, as amended from time to time (the “Plan”) as of the Grant Date specified in the Grant Notice. Any term capitalized but not defined in this Award Agreement will have the meaning set forth in the Plan.

**BETWEEN:**

- (1) MORNINGSTAR, INC.**, an Illinois corporation (the “Company”); and
- (2)** The Participant identified in the Grant Notice.

**1 GRANT OF RESTRICTED STOCK UNITS**

- 1.1 In accordance with the terms of the Plan and subject to the terms and conditions of this Award Agreement, the Company hereby grants to the Participant the number of Restricted Stock Units specified in the Grant Notice.
  - 1.2 Each Restricted Stock Unit is a notional amount that represents one unvested share of common stock, no par value, of the Company (a “Share”). Each Restricted Stock Unit constitutes the right, subject to the terms and conditions of the Plan and this Award Agreement, to distribution of a Share if and when the Restricted Stock Unit vests.
  - 1.3 This Award Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. The Participant hereby agrees to be bound by the terms of this Award Agreement and the Plan.
  - 1.4 Subject to, and except as otherwise provided by, this Award Agreement, including Section 3.2 hereof, the Restricted Stock Units subject to this Award Agreement shall vest in installments, with each installment becoming vested on the “Vesting Date” shown below, if the Participant has remained in continuous Service (as defined in Section 3.3 hereof) until that Vesting Date. Notwithstanding the foregoing, the Board or the
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Committee may cause the Restricted Stock Units granted hereby to vest at an earlier date pursuant to its authority under the Plan.

Percentage of Restricted Stock Units

33.3%

33.3%

33.3%

Vesting Date

First anniversary of Grant Date

Second Anniversary of Grant Date

Third Anniversary of Grant Date

- 1.5 1.5 Further details of the Restricted Stock Units granted to the Participant under the terms of this Award Agreement are set forth in the Grant Notice.

**2 RIGHTS AS A SHAREHOLDER**

- 2.1 Unless and until a Restricted Stock Unit has vested and the Share underlying it has been distributed to the Participant, the Participant will not be entitled to vote that Share or have any right to dividends, dividend equivalents or other distributions with respect to that Share; provided that the number and class of securities subject to this Award Agreement shall be subject to adjustment in accordance with Section 5.7 of the Plan.

**3 TERMINATION OF SERVICE AND OTHER CHANGES IN SERVICE STATUS**

- 3.1 If the Participant's Service (as defined in Section 3.3) terminates for any reason other than Disability, death, or Retirement, the Participant will forfeit the right to receive Shares underlying any Restricted Stock Units that have not vested at that time. Notwithstanding anything in the Plan to the contrary, for purposes of this Award Agreement:

3.1.1 "Disability" shall mean the condition of being "disabled" as provided in Code Section 409A(a)(2)(C), and

3.1.2 "Retirement" shall mean a Participant's termination of Service following the earlier to occur of (a) the attainment of age 73 and (b) the completion of five (5) consecutive years of Service, unless the Board determines, in its sole discretion, that such termination of Service shall not be considered a Retirement.

- 3.2 If the Participant's Service terminates on account of the Participant's Disability, death or Retirement, the Shares underlying all of the Restricted Stock Units awarded hereunder shall become immediately vested and be distributed to the Participant or the Participant's

beneficiary under the Plan as soon as practicable in accordance with Section 4.1 of this Award Agreement.

- 3.3 For purposes of this Award Agreement “Service” means the provision of services to the Company or its Affiliates in the capacity of an employee or a member of the Board but not as a consultant to the Company or an Affiliate. For purposes of this Award Agreement, “Affiliate” means an entity that is (directly or indirectly) controlled by, or controls, the Company.

#### **4 TIMING AND FORM OF PAYMENT**

- 4.1 Once a Restricted Stock Unit vests, the Participant will be entitled to receive a Share in its place. Delivery of the Share will be made as soon as administratively feasible, but not later than 60 days, after its associated Restricted Stock Unit vests, subject to any delay required by Section 5.16 of the Plan.

#### **5 WITHHOLDING OBLIGATIONS**

- 5.1 Without limiting the Company’s power or rights pursuant to Section 5.5 of the Plan with respect to a member of the Board who also serves as an employee of the Company, amounts required by tax law or regulation to be withheld by the Company with respect to any taxable event arising under this Award Agreement will be satisfied by having Shares withheld in accordance with Section 5.5 of the Plan. In addition, a Participant subject to withholding obligations may elect to deliver to the Company the necessary funds to satisfy the withholding obligation, in which case there will be no reduction in the Shares otherwise distributable to the Participant.

#### **6 NOTICES**

- 6.1 Any notice or other communication required or permitted under this Award Agreement must be in writing and must be delivered personally, sent by certified, registered or express mail, or sent by overnight courier, at the sender's expense. Notice will be deemed given when delivered personally or, if mailed, three days after the date of deposit or, if sent by overnight courier, on the regular business day following the date sent. Notice to the Company should be sent to Morningstar, Inc., 22 West Washington Street, Chicago, Illinois, 60602, Attention: General Counsel. Notice to the Participant should be sent to the address of the Participant contained in the Company’s records. Either party may change the person and/or address to whom the other party must give notice by giving

such other party written notice of such change, in accordance with the procedures described above.

**7     CONSTRUCTION**

- 7.1     The Restricted Stock Units granted hereunder are subject to any rules and regulations promulgated by the Committee pursuant to the Plan, now or hereafter in effect.
- 7.2     The Company and the Participant may amend this Award Agreement only by a written instrument signed by both parties, provided, that the Company may amend this Award Agreement without further action by the Participant if (i) such amendment is deemed by the Company to be advisable or necessary to comply with applicable law, rule, or, regulation, including Section 409A of the Code, or (ii) if such amendment is not to the detriment of the Participant.
- 7.3     The Participant shall agree to the terms of this Award Agreement by accepting the Grant Notice at the time and in the manner specified by the Company.
- 7.4     The provisions of this Award Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. If the Company determines that any amounts payable hereunder may be taxable to the Participant under Section 409A of the Code, the Company may (i) adopt such amendments to the Award Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by this Award Agreement and/or (ii) take such other actions as the Company determines necessary or appropriate to avoid or limit the imposition of an additional tax under Section 409A; provided, that neither the Company nor any of its Affiliates nor any other person or entity shall have any liability to the Participant with respect to the tax imposed by Section 409A of the Code. For purposes of this Award Agreement, references to termination of Service shall mean the Participant's separation from service, within the meaning of regulations promulgated under Section 409A of the Code.

**MORNINGSTAR, INC.**  
**EXECUTIVE SEVERANCE POLICY**

(Effective May 9, 2025)

In order to encourage the retention of key management employees, the Compensation Committee of the Board of Directors (the “Committee”) of Morningstar, Inc., an Illinois corporation (the “Company”), has adopted this Executive Severance Policy (as it may be amended pursuant to the terms hereof, this “Policy”).

**SECTION 1. Definitions.** For purposes of this Policy, the following terms shall have the meanings set forth below:

- a. “Accrued Rights” shall have the meaning set forth in Section 3(a).
  - b. “Affiliate(s)” shall mean, with respect to any specified person, any other person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such specified person, it being understood that control of an entity shall require the direct or indirect ownership of a majority of the outstanding capital stock of such entity. For purposes of the definition of “Affiliate(s),” the term “person” has the meaning described in Section 13(d) of the Exchange Act, or any successor statute thereto.
  - c. “Annual Base Salary” shall mean, with respect to any Participant, such Participant’s annual rate of base salary in effect immediately prior to such Participant’s Termination Date (or, in the event of a termination for Good Reason, the annual rate of base salary in effect immediately prior to the event giving rise to the termination for Good Reason if such annual base salary is higher than the annual base salary in effect immediately prior to such Participant’s Termination Date). For the avoidance of doubt, Annual Base Salary shall include annual base salary received by the Participant from the Company and all of its Affiliates.
  - d. “Annual Bonus” shall mean Participant’s annual cash bonus payable pursuant to the Morningstar Corporate Incentive Plan (or any successor annual cash bonus plan) for the fiscal year in which the Termination Date occurs, calculated based on actual Company and individual performance for such fiscal year.
  - e. “Annual Target Bonus” shall mean Participant’s target Annual Bonus for the fiscal year in which the Termination Date occurs or, if the target Annual Bonus for the fiscal year in which the Termination Date occurs has not yet been established as of the Termination Date, the target Annual Bonus for the fiscal year prior to the year in which the Termination Date occurs.
  - f. “Board” shall mean the Board of Directors of the Company.
  - g. “Cause” shall mean, with respect to any Participant, the occurrence of any one of the following, as determined by the Board in its sole discretion:
    - (i) willful neglect of or continued failure to substantially perform the Participant’s duties with or obligations for the Company or an Affiliate in any material respect
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(other than any such failure resulting from the Participant's incapacity due to physical or mental illness);

- (ii) commission by the Participant of a willful or grossly negligent act or the willful or grossly negligent omission to act that causes or is reasonably likely to cause material harm to the Company or an Affiliate;
  - (iii) commission or conviction by the Participant of, or plea of nolo contendere to, any felony or any crime significantly injurious to the Company or an Affiliate. An act or omission is "willful" for this purpose if it was knowingly done, or knowingly omitted, by the Participant in bad faith and without reasonable belief that the act or omission was in the best interest of the Company or an Affiliate;
  - (iv) the theft, conversion, embezzlement or misappropriation by the Participant of funds or other assets of the Company or any of its Affiliates or any other act of fraud or dishonesty with respect to the Company or any of its Affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing);
  - (v) violation by the Participant of any material written policy of the Company or an Affiliate which is applicable to the Participant, including, without limitation, the Company's Code of Ethics;
  - (vi) violation by the Participant of any restrictive covenant agreement with the Company or any of its Affiliates; or
  - (vii) material breach by the Participant of any material agreement with the Company or any of its Affiliates.
- h. "Change in Control" shall have the same meaning as such term is defined under the Morningstar, Inc. Amended and Restated 2011 Stock Incentive Plan or any successor equity incentive plan, as may be amended from time to time.
  - i. "Change in Control Severance Multiple" shall mean (i) 2.5 for the Chief Executive Officer of the Company and (ii) 1.5 for all other Participants.
  - j. "Change in Control Severance Period" shall mean (i) thirty (30) months for the Chief Executive Officer of the Company and (ii) eighteen (18) months for all other Participants.
  - k. "Claimant" shall have the meaning set forth in Section 4(c).
  - l. "COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time, or any successor statute thereto.
  - m. "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder.
  - n. "Disability" shall mean, with respect to any Participant, (i) a physical or mental health condition that causes such Participant to be unable to perform Participant's essential job functions for at least 90 consecutive days or for 120 days during any 180 day period, or (ii) such Participant receiving long-term disability benefits under any policy, plan or program.
  - o. "Effective Date" shall mean May 9, 2025.



- p. “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, or any successor statute thereto.
- q. “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended from time to time.
- r. “Good Reason” shall mean the occurrence, following a Change in Control, of any of the following without the Participant’s consent:
  - (i) the assignment to the Participant of any duties or responsibilities materially inconsistent with the Participant’s position, or a material reduction in the Participant’s responsibilities and authority, except in connection with the termination of the Participant’s employment for Cause, Disability or death; or
  - (ii) a material reduction by the Company in the Participant’s Annual Base Salary by no less than 10% in the aggregate, except for a non-permanent reduction that is part of a program applied to other senior executives of the Company necessitated by economic or other financial conditions;provided in each case that the Participant must notify the Company by written notice of Participant’s intention to terminate Participant’s employment for “Good Reason;” and provided, further, that such notice shall be provided to the Company within thirty (30) days of the initial existence of such event constituting “Good Reason;” and the Company shall have thirty (30) days to cure such event after receipt of such notice and, if the Good Reason event is not cured, the Participant shall terminate his or her employment within 30 days following the expiration of the Good Reason cure period.
- s. “Participant” shall have the meaning set forth in Section 2.
- t. “Participation and Restrictive Covenant Agreement” shall mean the written agreement evidencing participation eligibility under this Policy and the restrictive covenants being agreed to as a condition to participate in this Policy between the Company and the applicable employee.
- u. “Payments” shall have the meaning set forth in Section 3(f).
- v. “Severance Multiple” shall mean (i) two (2) for the Chief Executive Officer of the Company and (ii) one (1) for all other Participants.
- w. “Severance Period” shall mean (i) twenty-four (24) months for the Chief Executive Officer of the Company and (ii) twelve (12) months for all other Participants.
- x. “Termination Date” shall mean, with respect to any Participant, the effective date of such Participant’s termination of employment.

**SECTION 2. Eligibility.** The Committee shall from time to time, in its sole discretion, select and designate which of the Company’s (including any of its Affiliates) employees are eligible to participate in this Policy and such employee shall become a participant under this Policy (“Participant”) conditioned upon accepting and executing a Participation and Restrictive Covenant Agreement within thirty (30) days after such agreement is delivered to such employee. It is intended that participants in this Policy shall be limited to (a) the Chief Executive Officer of

the Company (“CEO”) and (b) direct reports of the CEO (each, an “ELT Member”) who have served in their current position for at least one (1) year, in each case, recommended by the CEO and selected by the Committee on an annual basis. If a Participant transfers positions within the Company (or among its Affiliates) and ceases to serve as the CEO or an ELT Member, as applicable, then eligibility for benefits under this Policy shall cease as of the six-month anniversary of the Participant ceasing to serve as the CEO or ELT Member.

**SECTION 3. Effect of Termination of Employment.**

- a. Effect of Termination of Employment on Compensation and Accrued Rights. Upon termination of a Participant’s employment with the Company and its Affiliates for any reason, all compensation and all benefits to the Participant shall terminate, provided that the Company shall pay the Participant: (i) the earned but unpaid portion of the Participant’s Annual Base Salary through the Termination Date; (ii) any annual, long-term, or other incentive award that relates to a completed fiscal year or performance period, as applicable, and is payable (but not yet paid) on or before the Termination Date pursuant to the terms of the underlying award agreement, which shall be paid in accordance with the terms of such award; (iii) if accrued pursuant to the applicable vacation policy of the Company and its Affiliates, as in effect from time to time, a lump-sum payment in respect of accrued but unused vacation days at the Participant’s per-business-day Annual Base Salary rate in effect as of the Termination Date; and (iv) any unpaid expense or other reimbursements properly incurred and due to the Participant (collectively, the “Accrued Rights”).
- b. Involuntary Termination. Subject to Sections 3(g) and 5, upon a Participant’s termination by the Company and its Affiliates other than for Cause, death or Disability, in each case, prior to or more than twenty-four (24) months following a Change in Control, the Participant shall be entitled to receive the following payments and benefits set forth in this Section 3(b) (collectively, the “Standard Severance Benefits”):
  - (i) an amount equal to the Severance Multiple multiplied by the sum of (x) the Participant’s Annual Base Salary and (y) the Participant’s Annual Target Bonus, payable in substantially equal installments in accordance with the Company’s normal payroll practices for the Severance Period following the Participant’s Termination Date, with the first installment paid within sixty (60) days following the Termination Date and such first installment including such amounts as would have otherwise been paid during the period beginning on the Termination Date and ending on such payment date;
  - (ii) provided that the Participant was employed with the Company or one of its Affiliates for at least three (3) months of the fiscal year in which the Termination Date occurs, an amount equal to the Participant’s Annual Bonus for such fiscal year, prorated based on the number of days the Participant was an employee of the Company or its Affiliates and payable at the same time and in the same manner as annual bonuses paid to similarly situated employees, but in any event no later than March 15th of the calendar year following the year in which the Termination Date occurs; and

(iii) provided that the Participant timely and properly elects to receive continued coverage under the Company's group medical and dental plans under COBRA and subject to Participant paying the monthly COBRA premium, the Company will continue to pay, on the Participant's behalf, an amount equal to the employer portion of the monthly insurance premiums for such benefits paid by the Company on behalf of similarly situated active executives, in each case, until the earliest of (x) the end of the Severance Period, (y) the date the Participant is no longer eligible to receive COBRA continuation coverage, and (z) the date on which the Participant becomes eligible to receive substantially similar coverage from another employer or other source (the "Continuation Period"); provided, however, in the event that payments by the Company on behalf of the Participant are prohibited or not advisable under the terms of the Company's health care plans or under then applicable law (including the Code), the Company shall instead reimburse the Participant, on a monthly basis during the Continuation Period, an amount equal to the employer portion of the monthly insurance premiums for such benefits paid by the Company on behalf of similarly situated active executives.

c. Change in Control Termination. Subject to Sections 3(g) and 5 and in lieu of the benefits set forth in Section 3(b), upon a Participant's resignation with Good Reason or termination by the Company and its Affiliates other than for Cause, death or Disability within twenty-four (24) months following a Change in Control, the Participant shall be entitled to receive the following payments and benefits set forth in this Section 3(c) (collectively, the "Change in Control Severance Benefits"):

- (i) an amount equal to the Change in Control Severance Multiple multiplied by the sum of (x) the Participant's Annual Base Salary and (y) the Participant's Annual Target Bonus, payable in a lump sum within sixty (60) days following the Termination Date; provided, however, if the amounts payable under this Section 3(c)(i) constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the Change in Control is not "change in control event" under Section 409A of the Code, then the amounts payable under this Section 3(c)(i) shall be payable, to the extent required to comply with Section 409A of the Code, in substantially equal installments in accordance with the Company's normal payroll practices for the Change in Control Severance Period following the Participant's Termination Date, with the first installment paid within sixty (60) days following the Termination Date and such first installment including such amounts as would have otherwise been paid during the period beginning on the Termination Date and ending on such payment date;
- (ii) an amount equal to the Participant's Annual Target Bonus for the fiscal year in which the Termination Date occurs, prorated based on the number of days the Participant was an employee of the Company or its Affiliates and payable in a lump sum within sixty (60) days following the Termination Date; and

- (iii) within sixty (60) days following the Termination Date, a one-time lump-sum cash payment calculated by the Company in its discretion
- (iv) the Company will pay to the Participant an amount equal to the employer portion of the monthly insurance premiums for coverage under the Company's group medical and dental plans based on the amount paid by the Company on behalf of similarly situated active executives, multiplied by the number of months in the Change in Control Severance Period, payable in a lump sum within sixty (60) days following the Termination Date; provided, however, if the amounts payable under this Section 3(c)(iii) constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the Change in Control is not "change in control event" under Section 409A of the Code, then the amounts payable under this Section 3(c)(iii) shall be payable, to the extent required to comply with Section 409A of the Code, in substantially equal installments in accordance with the Company's normal payroll practices for the Change in Control Severance Period following the Participant's Termination Date, with the first installment paid within sixty (60) days following the Termination Date and such first installment including such amounts as would have otherwise been paid during the period beginning on the Termination Date and ending on such payment date.
- d. Grounds for Cause; Remedies in the Event of Material Breach. The Participant shall not be entitled to any of the benefits described in Sections 3(b) or 3(c) if, as of the Termination Date, grounds existed for termination of the Participant's employment for Cause. Notwithstanding any provisions in this Agreement to the contrary, the Committee may, in its sole and absolute discretion, in the event of the Participant's material breach of a material obligation of the Participant to the Company or any of its Affiliates pursuant to any award or agreement between the Participant and the Company or any of its Affiliates, including a material breach of the Participation and Restrictive Covenant Agreement: (A) terminate the right of such Participant to receive the Standard Severance Benefits or the Change in Control Severance Benefits pursuant to Sections 3(b) and (c), to the extent such benefits have not been paid; and/or (B) seek the recoupment of any the Standard Severance Benefits or the Change in Control Severance Benefits paid to such Participant under Sections 3(b) and (c), including through exercise rights of set-off, forfeiture or cancellation, to the full extent permitted by law, with respect to any other awards, benefits or payments otherwise due the Participant from the Company or any of its Affiliates, to the extent the Committee in its sole discretion deems appropriate after considering the relevant facts and circumstances. Any termination and/or recoupment of a Participant's benefits under this Policy shall be in addition and without prejudice to any other remedies that the Company or its Affiliates might elect to assert.
- e. Section 280G. Notwithstanding anything to the contrary in this Policy, by participating in this Policy, each Participant expressly agrees that if the payments and benefits provided for in this Policy or any other payments and benefits which such Participant has the right to receive from the Company and its Affiliates (collectively, the "Payments"), would

constitute a “parachute payment” (as defined in Section 280G(b)(2) of the Code), then the Payments shall be either (a) reduced (but not below zero) so that the present value of the Payments will be one dollar (\$1.00) less than three times the Participant’s “base amount” (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Payments received by the Participant shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to the Participant. The reduction of Payments, if any, shall be made by reducing first any Payments that are exempt from Section 409A of the Code and then reducing any Payments subject to Section 409A of the Code in the reverse order in which such Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Payments is necessary shall be made by the Committee in good faith. If a reduced Payment is made or provided and, through error or otherwise, that Payment, when aggregated with other payments and benefits from the Company (or its Affiliates) used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times the Participant’s base amount, then the Participant shall immediately repay such excess to the Company.

- f. Payment Obligations Absolute; Release of Claims. Subject to the provisions in Sections 3(d) and (e) and 6(a), the obligations of the Company and its Affiliates under this Section 3 shall be absolute and unconditional and shall not be affected by any circumstances, including, without limitation, any set off, counterclaim, recoupment, defense or other right which the Company or its Affiliates may have against a Participant or anyone else; provided that the obligations of the Company and its Affiliates under Sections 3(b) and (c) (except upon such Participant’s death) shall be subject to such Participant’s execution of a general release and waiver in a form provided by the Company, which has become irrevocable within sixty (60) days after the Termination Date. The Company agrees to execute such form of release and waiver concurrently with the execution thereof by Participant. All amounts payable by the Company shall be paid without notice or demand. A Participant shall not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Section 3, and the obtaining of any such other employment (or the engagement in any endeavor as an independent contractor, sole proprietor, partner, or joint venturer) shall in no event effect any reduction of the obligations of the Company and its Affiliates under this Section 3.
- g. Covenants. Each Participant’s participation in this Policy is conditioned upon Participant’s execution of a Participation and Restrictive Covenant Agreement within thirty (30) days after such agreement is delivered to such Participant (or such later date as permitted by the Committee). If a Participant breaches any of the covenants in the Participation and Restrictive Covenant Agreement, including any non-competition, non-solicitation, non-disparagement or confidentiality covenants contained therein, (i) Participant’s entitlement to the Standard Severance Benefits or the Change in Control Severance Benefits shall be null and void, (ii) all rights to receive or continue to receive the Standard Severance Benefits or the Change in Control Severance Benefits shall

thereupon cease and (iii) Participant shall immediately repay to the Company all amounts theretofore paid to, and the value of all benefits theretofore received by, Participant (except for the Accrued Rights). The foregoing shall not limit any other rights or remedies the Company may have existing in its favor, including injunctive relief and liquidated damages.

#### **SECTION 4. Policy Administration; Claims Procedure.**

- a. General. Except as specifically provided herein, the Policy shall be administered by the Committee. The Committee may delegate any administrative duties, including, without limitation, duties with respect to the processing, review, investigation, approval and payment of severance benefits, to designated individuals or committees. The Committee shall be the “administrator” and a “named fiduciary” under the Policy for purposes of ERISA.
- b. Interpretations and Variations. The Committee shall have the duty and authority to interpret and construe, in its sole discretion, the terms of the Policy in regard to all questions of eligibility, the status and rights of Participants, and the manner, time and amount of any payment under the Policy. The Committee or its representative shall decide any issues arising under this Policy, and the decision of the Committee shall be binding and conclusive on the Participants and the Company. Any variations from the Policy may be made only by the Committee in its sole discretion.
- c. Filing a Claim. It is not normally necessary to file a claim in order to receive benefits under this Policy; however, if a Participant (the “Claimant”) feels he or she has been improperly denied severance benefits, any claim for payment of severance benefits shall be signed, dated and submitted to the General Counsel, as set forth in Section 7(a). The Committee shall then evaluate the claim and notify the Claimant of the approval or disapproval in accordance with the provisions of this Policy not later than ninety (90) days after the Company’s receipt of such claim unless special circumstances require an extension of time for processing the claims. If such an extension of time for processing is required, written notice of the extension shall be furnished to the Claimant prior to the termination of the initial ninety (90) day period which shall specify the special circumstances requiring an extension and the date by which a final decision will be reached (which date shall not be later than one hundred eighty (180) days after the date on which the claim was filed). If the Claimant does not provide all the necessary information for the Committee to process the claim, the Committee may request additional information and set deadlines for the Claimant to provide that information.
- d. Notice of Initial Determination. The Claimant shall be given a written notice in which the Claimant shall be advised as to whether the claim is granted or denied, in whole or in part. If a claim is denied, in whole or in part, the Claimant shall be given written notice which shall contain (i) the specific reasons for the denial, (ii) specific references to pertinent Policy provisions on which the denial is based, (iii) a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary and (iv) an explanation of this Policy’s

appeal procedures, which shall also include a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following a denial of the claim upon review.

- e. Right to Appeal. If a claim for payment of severance benefits made in accordance with the procedures specified in this Policy is denied, in whole or in part, the Claimant shall have the right to request that the Committee review the denial, provided that the Claimant files a written request for review with the Committee within sixty (60) days after the date on which the Claimant received written notification of the denial. The Claimant may review or receive copies, upon request and free of charge, any documents, records or other information "relevant" (within the meaning of Department of Labor Regulation 2560.503-1(m)(8)) to the Claimant's claim. The Claimant may also submit written comments, documents, records and other information relating to his or her claim.
- f. Review of Appeal. In deciding a Claimant's appeal, the Committee shall take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial review of the claim. If the Claimant does not provide all the necessary information for the Committee to decide the appeal, the Committee may request additional information and set deadlines for the Claimant to provide that information. Within 60 days after a request for review is received, the review shall be made and the Claimant shall be advised in writing of the decision on review, unless special circumstances require an extension of time for processing the review, in which case the Claimant shall be given a written notification within such initial 60 day period specifying the reasons for the extension and when such review shall be completed (provided that such review shall be completed within 120 days after the date on which the request for review was filed).
- g. Notice of Appeal Determination. The decision on review shall be forwarded to the Claimant in writing and, in the case of a denial, shall include (i) specific reasons for the decision, (ii) specific references to the pertinent Policy provisions upon which the decision is based, (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records or other information relevant to the Claimant's claim and (iv) a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following a wholly or partially denied claim for benefits. The Committee's decision on review shall be final and binding on all persons for all purposes. If a Claimant shall fail to file a request for review in accordance with the procedures herein outlined, such Claimant shall have no right to review and shall have no right to bring an action in any court, and the denial of the claim shall become final and binding on all persons for all purposes. Any notice and decisions by the Committee under this Section 4 may be furnished electronically in accordance with Department of Labor Regulation 2520.104b-1(c)(i), (iii) and (iv).
- h. Arbitration. Notwithstanding any employee agreement in effect between a Participant and the Company or any Affiliate, if a Participant brings a claim that relates to benefits under this Policy, regardless of the basis of the claim (including but not limited to, actions under Title VII, wrongful discharge, breach of employment agreement, etc.), such claim shall be settled by final binding arbitration in accordance with the rules of the American

Arbitration Association (“AAA”) and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Arbitration must be initiated by serving or mailing a written notice of the complaint to the other party describing the facts and claims for each claim. Written notice shall be provided within one year (365 days) after the day the complaining party first knew or should have known of the events giving rise to the complaint, unless the applicable statute of limitation provides for a longer period of time. If the complaint is not properly submitted within the appropriate time frame, all rights and claims that the complaining party has or may have against the other party shall be waived and void. Notice will be deemed given according to the date of any postmark or the date of time of any personal delivery. Each party may be represented in the arbitration by an attorney or other representative selected by the party. The Company or Affiliate shall be responsible for its own costs, the AAA filing fee and all other fees, costs and expenses of the arbitrator and AAA for administering the arbitration. The claimant shall be responsible for his attorney's or representative's fees, if any. However, if any party prevails on a statutory claim which allows the prevailing party costs and/or attorneys' fees, the arbitrator may award costs and reasonable attorneys' fees as provided by such statute. **BY PARTICIPATING IN THIS POLICY, PARTICIPANT WAIVES ANY RIGHT THAT PARTICIPANT MAY HAVE TO A JURY TRIAL OR, EXCEPT AS EXPRESSLY PROVIDED HEREIN, A COURT TRIAL OF ANY CLAIM ALLEGED BY PARTICIPANT.**

**SECTION 5. Section 409A Compliance; Changes in Law.**

- a. It is the intention of the Company that the provisions of this Policy comply with Section 409A of the Code, and all provisions of this Policy shall be construed and interpreted in a manner consistent with Section 409A of the Code. The Company shall administer and operate this Policy in compliance with Section 409A of the Code and any rules, regulations or other guidance promulgated thereunder as in effect from time to time and in the event that the Company determines that any provision of this Policy does not comply with Section 409A of the Code or any such rules, regulations or guidance and that as a result any Participant may become subject to a Section 409A tax, notwithstanding Section 7(k), the Company shall have the discretion to amend or modify such provision to avoid the application of such Section 409A tax, and in no event shall any Participant's consent be required for such amendment or modification. Notwithstanding any provision of this Policy to the contrary, each Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with amounts payable pursuant to this Policy (including any taxes arising under Section 409A of the Code), and the Company shall have no obligation to indemnify or otherwise hold such Participant harmless from any or all of such taxes.
- b. In the event that the Company determines that any provision of this Policy violates, or would result in any material liability (other than liabilities for Standard Severance Benefits or Change in Control Severance Benefits) to the Company under, any law, regulation, rule or similar authority of any governmental agency (other than Section 409A of the Code), the Company shall be entitled, notwithstanding Section 7(k), to amend or



modify such provision as the Company determines in its discretion to be necessary or desirable to avoid such violation or liability, and in no event shall any Participant's consent be required for such amendment or modification.

- c. The payments under this Policy are designated as separate payments for purposes of the short-term deferral rule under Treasury Regulation Section 1.409A-1(b)(4), the exemption for involuntary terminations under separation pay plans under Treasury Regulation Section 1.409A-1(b)(9)(iii), and the exemption for medical expense reimbursements under Treasury Regulation Section 1.409A-1(b)(9)(v)(B). As a result, (A) payments that are made on or before the later of (x) the 15th day of the third month of the calendar year following the calendar year in which the Participant's right to payment ceased being subject to a substantial risk of forfeiture, and (y) the 15th day of the third month of the Company's fiscal year following the Company's fiscal year in which the Participant's right to payment ceased being subject to a substantial risk of forfeiture and (B) any additional payments that are made on or before the last day of the second calendar year following the year of the Participant's Separation Date and do not exceed the lesser of two times the Participant's annual rate of pay in the year prior to his termination or two times the limit under Section 401(a)(17) of the Code then in effect, are intended to be exempt from the requirements of Section 409A of the Code to the maximum extent permissible.
- d. To the extent any amounts under this Policy are payable by reference to a Participant's "termination of employment," such term and similar terms shall be deemed to refer to such Participant's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Policy, to the extent any payments hereunder constitute "nonqualified deferred compensation," within the meaning of Section 409A of the Code ("Section 409A Payment"), and the Participant is a specified employee, within the meaning of Treasury Regulation Section 1.409A-1(i), as determined by the Company in accordance with any method permitted under Section 409A of the Code, as of the date of the Participant's separation from service, each such payment that is payable upon such Participant's separation from service and would have been paid prior to the six-month anniversary of such Participant's separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following the Participant's separation from service or (ii) the date of the Participant's death. Further, to the extent that any amount is a Section 409A Payment and such payment is conditioned upon Participant's execution of a release and which is to be paid or provided during a designated period that begins in one taxable year and ends in a second taxable year, then such Section 409A Payment shall be paid or provided in the later of the two taxable years.
- e. Any reimbursements payable to a Participant pursuant to this Policy or otherwise shall be paid to such Participant in no event later than the last day of the calendar year following the calendar year in which such Participant incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-

kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Policy shall not be subject to liquidation or exchange for any other benefit. Any tax gross-up payment payable to a Participant, whether under this Policy or otherwise, shall be paid to the Participant or to the applicable taxing authorities on the Participant's behalf as soon as practicable after the related taxes are due, but in any event not later than the last day of the calendar year following the calendar year in which the related taxes are remitted to the taxing authorities.

**SECTION 6. Offset; No Mitigation.**

- a. To the extent permitted by Section 409A of the Code, the amount of a Participant's payments under this Policy shall be reduced to the extent necessary to defray amounts owed by Participant due to unused expense account balances, overpayment of salary, awards or bonuses, advances or loans.
- b. In no event shall any Participant be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Participant under any of the provisions of this Policy and such amounts shall not be reduced whether or not the Participant obtains other employment.

**SECTION 7. Miscellaneous.**

- a. Notices. Notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

**If to the Company:** Morningstar, Inc.  
22 West Washington Street  
Chicago, Illinois, 60602, USA  
Attention: Corporate Secretary

**If to a Participant:** At the most recent address  
on file with the Company

or to such other address as either party may furnish to the other in writing in accordance herewith, except that notices of changes of address shall be effective only upon receipt.

- b. **GOVERNING LAW. THIS POLICY SHALL BE DEEMED TO BE MADE IN THE STATE OF ILLINOIS, AND, TO THE EXTENT NOT PREEMPTED BY ERISA OR OTHER FEDERAL LAW, THE VALIDITY, INTERPRETATION, CONSTRUCTION AND PERFORMANCE OF THIS POLICY IN ALL RESPECTS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF**

**ILLINOIS WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAW.** By participating in this Policy, each Participant and the Company hereby irrevocably consent to, and agree not to object or assert any defense or challenge to, the jurisdiction and venue of the state and federal courts located in Chicago, Illinois, and agree that any claim which, subject to Section 4 above, may be brought in a court of law or equity may be brought in any such Chicago, Illinois court.

- c. No Waiver. No failure by the Company or a Participant at any time to give notice of any breach by the Company or a Participant, or to require compliance with, any condition or provision of this Policy shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.
- d. Severability. If a court of competent jurisdiction determines that any provision of this Policy is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Policy, and all other provisions shall remain in full force and effect.
- e. Withholding of Taxes and Other Employee Deductions. The Company may withhold from any benefits and payments made pursuant to this Policy all federal, state, city and other taxes as may be required pursuant to any law or governmental regulation or ruling and all other normal employee deductions made with respect to the Company's employees generally.
- f. Headings. The paragraph headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.
- g. Interpretations. For purposes of this Policy, the words "include" and "including", and variations thereof, shall not be deemed to be terms of limitation but rather shall be deemed to be followed by the words "without limitation". The term "or" is not exclusive. The word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply "if." Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely.
- h. Successors. This Policy shall be binding upon and inure to the benefit of the Company and any successor of the Company, including without limitation any person, association, or entity which may hereafter acquire or succeed to all or substantially all of the business or assets of the Company by any means whether direct or indirect, by purchase, merger, consolidation, or otherwise. Participants' rights, benefits and obligations under this Policy are personal and shall not be voluntarily or involuntarily assigned, alienated, or transferred, whether by operation of law or otherwise, without the prior written consent of the Company.
- i. Other Agreement. Except as provided in (i) any awards under stock incentive plans or programs, long term incentive programs, annual incentive program, or similar plans or programs of the Company, and (ii) if applicable, terms and conditions that survive upon the expiration of the employment agreement, including any restrictive covenants contained therein, among the Participant and the Company or an Affiliate as of the

Effective Date, this Policy sets forth the entire agreement of the Company with regard to the subject matter hereof.

- j. Non-Duplication. The benefits provided under this Policy are not intended to result in any duplicative benefits to Participant and this Policy shall be administered accordingly. Accordingly, the Committee, in good faith, shall exercise its discretion and to the extent permitted under applicable law, equitably offset against Participant's severance benefits under this Policy against any other severance, termination, or similar benefits payable to Participant by the Company or any of its Affiliates or amounts paid to comply with, or satisfy liability under, the Worker Adjustment and Retraining Notification Act or any other foreign, federal, state, or local law requiring payments in connection with any termination of Employment or workforce reduction, including, but not limited to, amounts paid in connection with paid leaves of absence, back pay, benefits, and other payments intended to satisfy such liability or alleged liability. For the avoidance of doubt, this Policy shall replace any agreements entered into between the Company and the Participant providing the Participant with severance or related benefits and the Participant shall not be entitled to benefits under both this Policy and any other severance plan or policy maintained by the Company or its Affiliates and amounts payable under this Policy shall be reduced by any amounts received or payable under any such severance Policy or policy. To the extent that the benefits payable hereunder are deemed to be a substitute for a Section 409A Payment provided under another agreement with Participant, then the benefits payable hereunder shall be paid at the same time and in the same form as such substituted Section 409A Payment to the extent required to comply with Section 409A of the Code.
- k. Deemed Resignations. Any termination of a Participant's employment shall constitute an automatic resignation of such Participant as an officer or other authorized representative of the Company and each Affiliate of the Company, an automatic resignation from the board of directors, if applicable, of the Company and each Affiliate of the Company and from the board of directors or similar governing body of any corporation, limited liability company or other entity in which the Company or any Affiliate holds an equity interest and with respect to which board or similar governing body such Participant serves as the Company's or such Affiliate's designee or other representative.
- l. Protected Rights. Nothing contained in this Policy or otherwise limits the Participant's ability to report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission ("Government Agencies"). This Policy does not limit Participant's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Nothing in this Policy shall limit Participant's ability under applicable U.S. Federal law to (a) disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole

purpose of reporting or investigating a suspected violation of law or (b) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

- m. No Guarantee of Employment. This Policy shall not be construed as creating any contract of employment between the Company and its Affiliates, on the one hand, and any Participant, on the other hand, nor shall this Policy be construed as restricting in any way the rights of the Company or any of its Affiliates to terminate the employment of any Participant at any time and for any reason subject, however, to any rights of a Participant under this Policy.
- n. Amendment and Termination of this Policy. The Committee may amend, modify or terminate this Policy at any time; provided, however, that (i) except as specifically provided in Section 5, no amendment that is materially adverse to any Participant will be effective without such Participant's written consent until one year after its adoption, (ii) termination of the Policy will not be effective until the first anniversary of the date of the relevant corporate action authorizing the Policy's termination or, if such corporate action occurs following a Change in Control, the second anniversary of such corporate action, and (iii) no such amendment, modification or termination shall affect the right to any unpaid Standard Severance Benefits or Change in Control Severance Benefits of any Participant whose Termination Date has occurred prior to such amendment, modification or termination of this Policy. The failure of the Company or a Participant to insist upon strict adherence to any term of this Policy on any occasion shall not be considered as a waiver of the rights of the Company or such Participant or deprive the Company or such Participant of the right thereafter to insist upon strict adherence to that term or any other term of this Policy. No failure or delay by the Company or any Participant in exercising any right or power hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right or power, or any abandonment of any steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

**SECTION 8. Survival.** The provisions of this Policy, including Sections 3, 4, 5, 6, 7 and 8 shall survive and remain binding and enforceable, notwithstanding the expiration or termination of this Policy, the termination of a Participant's employment with the Company or any of its Affiliates for any reason or any settlement of the financial rights and obligations arising from such Participant's participation hereunder, to the extent necessary to preserve the intended benefits of such provisions.

\* \* \* \* \*

## CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Kunal Kapoor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Morningstar, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ Kunal Kapoor

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Kunal Kapoor  
Chief Executive Officer

## CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Michael Holt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Morningstar, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ Michael Holt

Michael Holt

Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002

Kunal Kapoor, as Chief Executive Officer of Morningstar, Inc. (the Company), certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kunal Kapoor

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Kunal Kapoor

Chief Executive Officer

Date: July 31, 2025



CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002

Michael Holt, as Chief Financial Officer of Morningstar, Inc. (the Company), certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael Holt

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Michael Holt  
Chief Financial Officer

Date: July 31, 2025