

Bitwise Web3 Equities Index Methodology Document

Version 1.7

Change History

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1.6	Matt Hougan	16 th August 2022	Live document
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1. Introduction

1.1. The Bitwise Web3 Equities Index: Capitalizing on a new generation of the internet

1.1.1. The Bitwise Web3 Equities Index provides focused exposure to companies that are well-positioned to benefit from the emergence of Web3 and Web3 technologies.

1.1.2. Web3 refers to an evolution in the core architecture of the internet that leverages blockchain technology to make the internet more decentralized, secure, open, and oriented around individuals, as opposed to centralized platforms. Web3 technologies enhance the ability of users to own data and property in the digital world without relying on centralized intermediaries. As such, Web3 provides an internet experience in which data privacy, decentralized ownership, and community consensus act as key pillars of the ecosystem.

1.1.3. The index is comprised of companies that fit into one of five themes, each of which will benefit from the emergence of Web3 and Web3 technologies. The five themes, which are described in detail in section 2.4.2, are:

- Web3 Finance
- Web3 Infrastructure Providers
- Web3-Enabled Creator Economy
- Web3-Enabled Metaverse and Digital Worlds
- Web3 Development and Governance

2. Governance

2.1. General

- 2.1.1. The index is designed to be compliant with the IOSCO Principles for Financial Benchmarks,¹ the U.S. Regulated Investment Company (RIC) rules, and the UK/EU UCITS “5/10/40” rules.

2.2. Bitwise Index Services

- 2.2.1. Bitwise Index Services is the index provider, administrator and owner of the Bitwise Web3 Equities Index.

2.3. Morningstar Indexes Limited

- 2.3.1. Morningstar Indexes Limited (“Morningstar Indexes”) is the calculator of the index. Morningstar Indexes is regulated by the Financial Conduct Authority as a registered benchmark administrator under the UK benchmarks regulation and by BaFin as a registered benchmark administrator under the EU benchmarks regulation. Bitwise Index Services contracts with Morningstar Indexes for the calculation of the index.

2.4. Bitwise Web3 Classification Group

- 2.4.1. The Bitwise Web3 Classification Group (“Classification Group”) is a committee of industry experts that studies the emerging landscape of the internet to identify companies whose business models, operations, and/or growth prospects are closely linked to the emergence of Web3. The Classification Group relies on deep domain knowledge — supplemented by information from corporate announcements and filings, public presentations, patent filings, third-party industry assessments, media coverage and scientific literature, and subject matter expert interviews — to generate projections about the types of technological capabilities that will be required to power the growth of Web3, to determine the commercial opportunities that its growth will create, and to identify companies whose business models, operations and/or growth prospects are linked to these opportunities.

To qualify for the index, companies must fit within one of the five themes described in section 2.4.2, meaning that, in the expert opinion of the Classification Group, the company’s business models, operations, and/or growth prospects are closely tied to the Web3-related business activities detailed below. [Note: Companies may only be classified into a single theme. If a company has business activities that fit into multiple themes, it will be assigned to the theme with the largest impact on the company’s business models, operations, and/or growth prospects.]

As part of its activities, the Classification Group also ranks the degree to which each company’s business modes, operations, and/or growth prospects are tied to the emergence of Web3, as defined in section 2.4.3.

2.4.2. Thematic Classification

- i) Web3 Finance: The emergence of Web3 will facilitate digital ownership and property rights by leveraging cryptography and blockchain technology. Companies are eligible for classification as Web3 Finance companies if they facilitate the ownership, transfer, trading, lending, or use of Web3 digital assets and cryptocurrencies in a financial manner.

¹ A statement of compliance with the IOSCO Principles can be found at <https://indexes.morningstar.com>

ii) Web3 Infrastructure Providers: The emergence of Web3 will enable individuals to own their own data and property on the internet in a decentralized manner, which will create new ways to interact with the digital world. Companies are eligible for classification as Web3 Infrastructure Provider companies if they provide technological capabilities that will be in high demand in a Web3-enabled world. These capabilities include privacy, computation and storage, cybersecurity, networking technology, graphical processing, computing facilities and equipment, hashrate, application programming interfaces ("APIs"), and distributed bandwidth.

iii) Web3-Enabled Creator Economy: The emergence of Web3 and digital ownership will empower individuals to build businesses, brands, and services in new ways and with a more direct connection between creators and their customers. Companies are eligible for classification as Web3-Enabled Creator Economy companies if their future growth prospects depend on helping individuals create, promote, design, build or sell goods and services on the internet in a manner that the individual seller retains control over the relationship with the buyer, rather than the platform retaining control over the relationship with the buyer.

iv) Web3-Enabled Metaverse and Digital Worlds: The emergence of Web3 facilitates the growth of open Metaverses and interconnected immersive digital worlds by allowing for interoperability and digital property rights. Companies are eligible for classification as Web3-Enabled Metaverse and Digital Worlds companies if they will directly benefit from this growth or participate in the design of these open and interconnected immersive digital worlds.

v) Web3 Development and Governance: The emergence of Web3 has created new platforms with a new architecture wherein the community is responsible for development and governance of the platforms themselves. Companies eligible for classification as Web3 Development and Governance companies are those that contribute to development and governance of Web3 platforms themselves, or which provide specialized services or tools to enable individuals and other community members to do so.

2.4.3. Exposure Classification

The Bitwise Web3 Classification Group monitors the landscape on a quarterly basis and determines the degree to which each company's primary business models, operations and/or growth prospects are tied to the emergence of Web3, ranking that exposure in the following three tiers:

a) Tier 1: Companies for which all or substantially all of their primary business models and/or growth prospects are directly linked to business activities associated with one or more of the Web3 themes.

b) Tier 2: Companies for which a majority of their business operations and/or growth prospects are directly linked to business activities associated with one or more of the Web3 themes.

c) Tier 3: Companies for which a material part of their operations and/or growth prospects are directly linked to business activities associated with one or more of the Web3 themes. This group, however, will still have the majority of their operations and/or growth prospects linked to activities outside of Web3.

2.4.4. The Bitwise Web3 Classification Group operates independently from the operation of the Bitwise Equity Index Management Committee, which, as described below, is responsible for the management and implementation of the rules of the index.

2.5. Bitwise Equity Index Management Committee

2.5.1. The Bitwise Equity Index Management Committee is responsible for the management and implementation of these rules, for their continuing fitness for purpose, and for any periodic amendments thereto. It is also responsible, in the event of the rules not providing a clear process for the management of any situation, for determining the process to be followed.

- 2.5.2. The committee is composed of a chairperson appointed by Bitwise Index Services, a minimum of two additional members selected either from Bitwise Index Services or external index experts, and a representative of the index calculator, Morningstar Indexes Ltd.
- 2.5.3. Members of the Bitwise Equity Index Management Committee may not serve on the Bitwise Web3 Classification Group.
- 2.5.4. The Bitwise Equity Index Management Committee convenes on a quarterly basis, in the first week of March, June, September and December.
- 2.5.5. Full details of its responsibilities are detailed within the Committee's terms of reference.

2.6. Morningstar Index Services Methodology & Administration Committee

- 2.6.1. The Morningstar Index Services Methodology & Administration Committee (hereinafter, in some cases, the "Index Services Methodology & Administration Committee" or "ISM") supervises Morningstar Indexes Limited's Index services calculation activities.
- 2.6.2. The ISM is composed of at least six voting members (including the chair) each of whom must be employed in the index team and have significant experience in index governance, regulations, research, methodology or calculations.
- 2.6.3. The ISM will meet at least monthly in person or by telephone.

2.7. Morningstar Index Operations Committee

- 2.7.1. The Morningstar Index Operations Committee governs the processes, systems and exception handling of the day-to-day management of the index, including the implementation of index rebalancings and reconstitutions as agreed by the Bitwise Index Management Committee, restatements and contingency management.
- 2.7.2. The committee will consist of at least six voting members (including the chair) each of whom must be employed in the index team and have significant experience in index operations, methodology or calculations.
- 2.7.3. The Index Operations Committee will meet at least monthly in person or by telephone.

2.8. Index methodology changes

- 2.8.1. Members of the Bitwise Equity Index Management Committee, Morningstar Services Methodology & Administration Committee, and stakeholders may at any time recommend changes to these Rules (including the Index construction criteria) by submitting any proposed changes for consideration and approval in advance of the Bitwise Equity Index Management Committee's next meeting.
- 2.8.2. Proposed rules changes that the Bitwise Equity Index Management Committee deems material will be publicly consulted on, according to the policy detailed within the Morningstar Indexes Methodology Change Policy and Morningstar Indexes Cessation Process, available from <https://indexes.morningstar.com>.
- 2.8.3. Following approval by the Bitwise Equity Index Management Committee, such changes shall be implemented by way of an update to these rules, which shall be published on <https://indexes.morningstar.com> and www.bitwiseinvestments.com.
- 2.8.4. Except in exceptional circumstances, new rules and rules adjustments will become effective after the following periodic review of index constituents and weightings.

3. Index construction

3.1. Eligible shares

Theme eligibility

- 3.1.1. Potentially eligible common ordinary and preference shares identified by the Bitwise Web3 Classification Group as part of the Web3 Finance, Web3 Infrastructure, Web3-Enabled Creator Economy, Web3-Enabled Metaverse and Digital Worlds, or Web3 Development and Governance themes represent the initial eligible universe of potential constituents for the index.

Geographic eligibility

- 3.1.2. Eligible stock exchanges are evaluated annually by the Bitwise Equity Index Management Committee. In general, a stock exchange will qualify as an eligible stock exchange if there is not an undue burden for U.S. investors to access and settle trades on that exchange in a timely fashion.
- 3.1.3. Potential constituents whose primary exchange is not one of the exchanges shown in Appendix A are removed from the eligible universe.

Size eligibility

- 3.1.4. Shares with a minimum full market capitalization of less than \$100m are removed from the eligible universe.²

Liquidity

- 3.1.5. Shares with a three-month average daily traded value lower than \$1m are removed from the eligible universe.
- 3.1.6. Shares with a price above \$50,000 are removed from the universe.

Free float

- 3.1.7. Shares with a free float of less than 10% are removed from the universe.

3.2. Constituent selection and RIC/UCITS-compliant weighting

Initial constituent selection

- 3.2.1. The Bitwise Web3 Equities Index comprises up to the thirty largest Tier 1 and Tier 2, and up to the ten largest Tier 3, constituents. Constituents are selected and ranked by the Bitwise Web3 Equities Classification Group, as detailed in section 2.4, based on adjusted market capitalization, as defined in 3.2.3, and subject to Tier caps, the screening criteria defined in section 3.1, and the adjustments defined in section 3.2.4.

Tier weighting

- 3.2.2. At each quarterly rebalance, 85% of the index will be allocated to Tier 1 and Tier 2 companies. The remaining 15% of the index will be allocated to Tier 3 companies.

Constituent weighting

- 3.2.3. Constituents that are classified as Tier 1 receive 4.0 times their initial weighting. Those classified as Tier 2 keep their initial weighting. Those classified as Tier 3 are equally weighted in their own weighting sleeve.

² During index quarterly reviews, existing constituents whose capitalization remains above \$75m will remain eligible with respect to their market capitalization, as detailed in 4.2.2.

RIC- and UCITS-compliance weighting

- 3.2.4. Any individual constituent whose overall index weight is greater than 8% once the above calculations are complete will have its overall index weight capped at 8%. Weight removed from capped constituents will be distributed pro rata across uncapped Tier 1 and Tier 2 constituents.
- 3.2.5. Step 3.2.4 is repeated, if necessary, until no company has a weight over 8%.
- 3.2.6. Where the sum of individual index constituent weights that exceed 4.5% is greater than 45%, Tier 1 and Tier 2 index constituents will be ranked in reverse order of previously calculated index weight.
- 3.2.7. Commencing with the largest constituent, cumulative index weight is calculated, and the constituent whose added weight brings the cumulative weight above 45%, and all remaining constituents, will have their maximum allowable weight set to 4.5%.
- 3.2.8. Weight removed from each constituent will be redistributed pro rata across the remaining uncapped Tier 1 and Tier 2 constituents.
- 3.2.9. The process above (3.2.5 to 3.2.7) is repeated, if necessary, until no constituent's weight is greater than 8% and the sum of individual index constituent weights that exceed 4.5% is not greater than 45%.

4. Quarterly review of the Bitwise Web3 Equities Index

4.1. Timings

4.1.1. The Bitwise Web3 Equities Index is reviewed quarterly, using the process described below.

4.1.2. Dates applicable to reviews are detailed below:

Date	Name	
On or before the first Friday of March, June, September and December	Determination date	Date on which data is collected for use in the index review.
On or before the second Friday of March, June, September and December	Review release date	Date on which the results of the review are published to licensees.
The third Friday of March, June, September and December	Implementation date	Date on which the results of the review are implemented in the index.

4.1.3. Where U.S. markets are closed on a determination, review release or implementation date, the previous day on which U.S. markets are open will be used instead of the indicated date.

4.2. Review process

4.2.1. As of the determination date, share prices, shares in issue, Bitwise Web3 classifications and related data is captured.

4.2.2. The eligible universe is created, as described in 3.1 above, other than that existing constituents whose full market capitalization remains above \$75m will remain eligible.

4.2.3. Constituents are weighted according to the process described in section 3.2 above.

4.2.4. The results of the quarterly review process are published on the review release date.

4.2.5. The results of the quarterly review process are implemented at the close of business on the implementation date.

5. Calculation of the Bitwise Web3 Equities Index

5.1. Index versions calculated

- 5.1.1. Price, net total return, and gross total return versions of each index are calculated.
- 5.1.2. The index is calculated in U.S. dollars.
- 5.1.3. The index is an end-of-day index, calculated on all U.S. business days using the closing auction price received from each constituent's primary listing exchange, converted (where necessary) using the WM/Refinitiv London 4 p.m. closing spot values, and is published shortly after the close of U.S. markets.

5.2. Index formula & divisor calculations

- 5.2.1. For details of the index calculation formula and related processes, please refer to the "Morningstar Index Services Equity Index Calculation Guide." The Bitwise Web3 Equities Index is treated as a market capitalization-weighted index.

5.3. Constituent fast entry

- 5.3.1. Subject to 5.3.2, where an initial public offering is classified as a Tier 1 company and has a market capitalization at the close of its first day of full trading greater than \$5bn, it will be included in the Bitwise Web3 Equities Index at the close of its second day of trading. In the case where there are already 30 other eligible Tier 1 and Tier 2 companies, the new company will be eligible for inclusion if it is larger than the smallest Tier 1 and Tier 2 company held in the index based on adjusted market capitalization as per rule 3.2.3 following the procedure highlighted in rules 3.2.4 to 3.2.9.
- 5.3.2. If the addition of a "fast entry" company would cause the index to have more than 25% of its weight in companies with less than six months of public trading activity, the company will not be added but instead will be eligible for inclusion at the following quarterly review, in the usual manner.
- 5.3.3. In the event of a constituent entry under the fast entry process, no constituent will be removed and therefore the index will (presuming no companies have exited the theme since the last review) comprise more than 40 constituents until the next index review.

5.4. Constituent exits between reviews

- 5.4.1. The handling of constituents that undergo takeovers or mergers follows the policy detailed in the Morningstar Index Services Equity Index Calculation Guide.
- 5.4.2. Constituents removed due to takeovers or mergers, or for any other reason, are not replaced until the next index review.
- 5.4.3. Where a constituent is removed, the weight of the constituent is distributed pro rata across the remaining constituents in its theme. If the company is removed at a zero value, due to bankruptcy etc., no redistribution of weight is necessary. Any such change shall be published on <https://indexes.morningstar.com> and www.bitwiseinvestments.com.

5.5. Intra-review tier reweighting

- 5.5.1. The relative combined weight of Tiers 1 and 2 vs. Tier 3 are monitored on a daily basis. If the cumulative index weight of Tier 1 and Tier 2 constituents falls below 80% at the close on any U.S. business day, the weights of Tier 1 and Tier 2 constituents will be reset, using the process described in 3.2, such that Tier 3 represents 15% of the index and Tiers 1 and 2 represent 85% of the index in aggregate, the new weights immediately announced and then implemented two business days later.
- 5.5.2. If the combined weights of Tiers 1 and 2 fall below 80% during an index review period, i.e., between an index determination date and implementation date, the implementation of that review will be brought forward and will take place two business days after the day on which the combined weight fell below 80%. No changes will occur on the previously scheduled implementation date.

5.6. Other corporate actions and events

- 5.6.1. The constituents of the Bitwise Web3 Equities Index are proactively maintained to reflect changes that may result from corporate actions.
- 5.6.2. The management of corporate events follows the processes and procedures outlined in the Morningstar Indexes Corporate Actions Methodology.

5.7. Errors

- 5.7.1. If an error is discovered in an index value Morningstar Indexes will follow the process outlined in the "Morningstar Indexes Recalculation Guidelines", available at <https://indexes.morningstar.com>.

6. Exceptions and amendments to these Rules

6.1. Exceptions

- 6.1.1. Morningstar Indexes shall apply the method described above for the composition and calculation of the indices. However, it cannot be excluded that the market environment, supervisory, legal, financial or tax reasons may require unforeseen changes to be made to the Bitwise Web3 Equities Index. Where possible, such changes will be made in conjunction with the Bitwise Equity Index Management Committee, and in all instances, reported to that committee. Any such changes shall be published on <https://indexes.morningstar.com> and www.bitwiseinvestments.com.
- 6.1.2. Wherever exceptions are required, Morningstar Indexes will endeavor to ensure a calculation method is applied that is consistent with the method described in this document.

6.2. Amendments

- 6.2.1. Morningstar Indexes Limited and Bitwise Index Services notify users of the benchmarks that while it is the policy of Bitwise Index Services as administrator to consult fully on any material change to a benchmark, it is possible that circumstances, particularly external events beyond the control of Morningstar Indexes and Bitwise Index Services, may necessitate immediate changes to, or the cessation of, a benchmark and therefore, any financial contracts or other financial instruments that reference the benchmarks, or any market participants that use the benchmarks in valuations should plan to be able to manage the possibility of changes to, or cessation of, the benchmarks. Please consult the Morningstar Indexes Methodology Change Policy and Morningstar Indexes Cessation Process for further details.
- 6.2.2. The Bitwise Equity Index Management Committee may prescribe changes to the selection criteria and other rules governing the indices and the method applied to calculate the indices, which it deems to be necessary and desirable in order to prevent material errors or to remedy, correct or supplement the rules currently described in these Guidelines.
- 6.2.3. Bitwise Index Services and Morningstar Indexes shall ensure that any amendments to the methodology are updated and published as soon as possible after any changes to the indices are implemented, and shall notify all persons who have licensed the use of the indices as far in advance of such implementation as reasonably practicable.

7. Data publication

7.1. Data distribution

- 7.1.1. The index values are published via various data vendors. Each vendor determines whether they will distribute/display the index data via their respective information systems. Values are also published at www.bitwiseinvestments.com and <https://indexes.morningstar.com>.
- 7.1.2. The composition of the index, as well as the respective weightings of index constituents, is published on a retrospective basis in respect of each review date on the business day immediately following the next review date, at www.bitwiseinvestments.com and <https://indexes.morningstar.com>.

8. Contact details

- 8.1.1. The index provider, Bitwise Index Services, can be contacted at indexes@bitwiseinvestments.com. More information is available at www.bitwiseinvestments.com.
- 8.1.2. The index calculator, Morningstar Indexes Ltd, can be contacted at indexes@morningstar.com. More information is available at <https://indexes.morningstar.com>.

9. Legal

- 9.1.1. Bitwise Index Services or any successor thereto (the "Index Owner") owns solely and exclusively the intellectual property rights in the Bitwise Web3 Equities Index and its methodology (excluding methodological elements not developed specifically for the creation of the Bitwise Web3 Equities Index). Any use or publication of such intellectual property, as well as of the Bitwise trademark or any other Bitwise related methodologies, provisions or values, must be with the prior written consent of the Bitwise Index Services.
- 9.1.2. Bitwise Index Services assumes no obligation, duty or liability to any person in relation to the Index save as provided in any written agreement with such person. Bitwise Index Services makes no express or implied warranty as to:
 - 9.1.3. the advisability of purchasing or assuming any risk in connection with any transaction related to the Index;
 - 9.1.4. the levels at which the Index stands at any particular time on any particular date;
 - 9.1.5. the results to be obtained by any party from the use of the Index or any data included in it for the purposes of issuing securities or carrying out any financial transaction;
 - 9.1.6. any other matter.
- 9.1.7. Bitwise Index Services may assign the proprietary rights in the Index to a third party in its reasonable discretion.

9.2. Licensing

- 9.2.1. Licenses to use the indices as the underlying value for investment products and derivative instruments may be issued to stock exchanges, banks, financial services providers and investment houses by Bitwise Index Services.

Appendix A: Eligible Exchanges

Country	Exchange Name	MIC
USA	New York SE Floor Equities	XNYS
USA	NYSE AMERICAN Floor Equities	XASE
USA	NASDAQ Capital Market	XNCM
USA	NASDAQ Global Select Market Equities	XNGS
USA	Cboe BZX trading NYSE/NYSE AMRCN Eq	BATS
USA	NASDAQ Global Market Equities	XNMS
Australia	Australian Securities Exchange	XASX
Austria	Wiener Boerse AG	WBAH
Belgium	Euronext Brussels	XBRU
Canada	Toronto Stock Exchange	XTSE
Canada	Canadian National Stock Exchange	XCNQ
Canada	TSX Venture Exchange	XTSX
Canada	NEO Exchange	NEOE
Denmark	Nasdaq Copenhagen	XCSE
Finland	Nasdaq Helsinki Ltd	XHEL
France	Euronext Paris	XPAR
Germany	XETRA	XETR
Hong Kong	Hong Kong Stock Exchange and Clearing Ltd	XHKG
Ireland	Euronext Dublin	XDUB
Israel	Tel Aviv Stock Exchange	XTAE
Italy	Borsa Italia	MTAA
Japan	Tokyo Stock Exchange	XTKS
Netherlands	Euronext Amsterdam	XAMS
New Zealand	New Zealand Exchange	XNZE
Norway	Oslo Bors	XOSL
Portugal	Euronext Lisbon	XLIS
Singapore	Singapore Exchange	XSES
Spain	Bolsa De Madrid	XMAD
Sweden	Nasdaq Stockholm AB	XSTO
Sweden	NASDAQ First North Growth Market	FNSE
Switzerland	SIX Swiss Exchange AG	XSWX
United Kingdom	London Stock Exchange	XLON

Appendix B: Index Information

Table of starting values, tickers, inception dates etc.

Appendix C: ESG Disclosure

EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY³	
Item 1. Name of the benchmark administrator	Bitwise Index Services
Item 2. Type of benchmark or family of benchmarks	Equity
Item 3. Name of the benchmark or family of benchmarks	Bitwise Web3 Equities Index
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	No
Date on which information has last been updated	20/06/2023
The reason why the information has been updated	Annual review

³ The information herein contained is provided in accordance with the Commission Delegated Regulation (EU) 2020/1817 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the minimum content of the explanation on how environmental, social and governance factors are reflected in the benchmark methodology.

About Morningstar Indexes

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

Morningstar Index Methodology Committee

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

Morningstar Index Services Methodology & Administration Committee

The purpose of the Morningstar Index Services Methodology & Administration Committee is to oversee all new index development, index methodology changes, and cessation of indexes for any indexes where Morningstar provides calculation and administration services but does not own the Intellectual Property of the indexes. This committee will also oversee the adequacy and effectiveness of the operational interactions between Morningstar and its calculation services clients, and of client governing committees, where relevant.

Morningstar Index Operations Committee

The Morningstar Index Operations Committee governs the processes, systems, and exception handling of the day-to-day management of all live indexes, including index rebalancing and reconstitution, restatements, market classification, and contingency management. The committee oversees the annual review of index methodology (as required by the UK and EU BMRs), ensuring that methodologies remain fit for purpose and continue to achieve their stated investment objectives. The Index Operations Committee is responsible for governing the operations of both Morningstar branded indexes as well as indexes where Morningstar only provides calculation services.

Morningstar Index Oversight Committee

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

<https://indexes.morningstar.com>

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