



October 16, 2025

Change in Exclusions for the Morningstar EU Paris Aligned & Climate Transition Benchmarks Index Family

Background

In December 2025, Morningstar Indexes will implement a change to the definition of Controversial Weapons Involvement used in the Morningstar EU PAB and CTB indexes. These changes follow the results of the previously issued [consultation](#). The goal of these changes is to align with recent clarifications from the European Commission¹, which have led to a shift in market practice and stakeholder expectations on the baseline exclusions used in the Paris Aligned and Climate Transition Benchmarks. The changes also have the aim to reduce tracking difference from the parent benchmarks.

Controversial Weapons Involvement

Current Definition:	Updated Definition (Proposal 2 from consultation):
Categories of weapons • Anti-Personnel Mines (AP) • Biological and Chemical Weapons (BC) • Cluster Weapons (CM) • Nuclear Weapons (NW) • Depleted Uranium (DU)	Categories of weapons: • Anti-Personnel Mines (AP) • Biological and Chemical Weapons (BC) • Cluster Weapons (CM) • Depleted Uranium (DU) • White Phosphorus (WP)

¹ European Securities and Markets Authority. (2024, December 13). *Questions & Answers — Guidelines on funds' names: Q&A 2372*. Retrieved October 15th 2025, from <https://www.esma.europa.eu/publications-data/questions-answers/2372>

Platform on Sustainable Finance, Handbook of Climate Transition Benchmarks and Paris-Aligned Benchmarks (Version 2, 21 March 2025), accessed October 15th 2025, https://finance.ec.europa.eu/document/download/7e7aa605-37a3-4d87-95db-464a1ef39497_en?filename=192020-sustainable-finance-teg-benchmarks-handbook_en.pdf

• White Phosphorus (WP) Categories of direct involvement: • Involvement in the core weapon system, or components/ services of the core weapon system that are considered tailormade and essential for the lethal use of the weapon • Involvement in provision of components/services for the core weapon system, which are either considered not tailor-made or not essential for the lethal use of the weapon	Categories of direct involvement: • Involvement in the core weapon system, or components/ services of the core weapon system that are considered tailormade and essential for the lethal use of the weapon • Involvement in provision of components/services for the core weapon system, which are either considered not tailor-made or not essential for the lethal use of the weapon
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Morningstar Indexes remains committed to supporting investors by offering accurate barometers of market performance while adhering to responsible or ESG guidelines. This change has no impact on Morningstar Sustainalytics research coverage on companies across all categories of weapons involvement.

Effective Date: Changes will be implemented after the close of business on December 19th, 2025, effective December 22nd, 2025.

The Indexes impacted by the change are the following:

Portfolio Id	Index Name
2720019	Morningstar Global Markets Paris Aligned Benchmark
2720020	Morningstar Developed Markets Paris Aligned Benchmark
2720023	Morningstar Emerging Markets Paris Aligned Benchmark
2720024	Morningstar Developed Europe Paris Aligned Benchmark
2720018	Morningstar Global Markets EU Climate Transition Benchmark
2720021	Morningstar Developed Markets EU Climate Transition Benchmark
2720022	Morningstar Emerging Markets EU Climate Transition Benchmark
2720025	Morningstar Developed Europe EU Climate Transition Benchmark

There will be no changes to other indexes in the Morningstar EU Paris Aligned and Climate Transition Benchmark Index series.

About Morningstar Indexes

Morningstar Indexes has been designing modern solutions for 20 years, but what makes us truly unique has been more than three decades in development. Our rich history began in 1984, when Morningstar was founded on a promise to empower investors with data and research that is independent and objective. Over time, our collection of data has expanded considerably—and so has its application. Today, Morningstar Indexes draws on unique IP to unlock an extensive range of emerging opportunities for investors of every kind, while providing a robust institutional beta platform for core investing.

Contact Us

MorningstarIndexesAlerts@morningstar.com is a no-reply email address. For questions concerning this notification, please contact us at Indexes@morningstar.com.

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