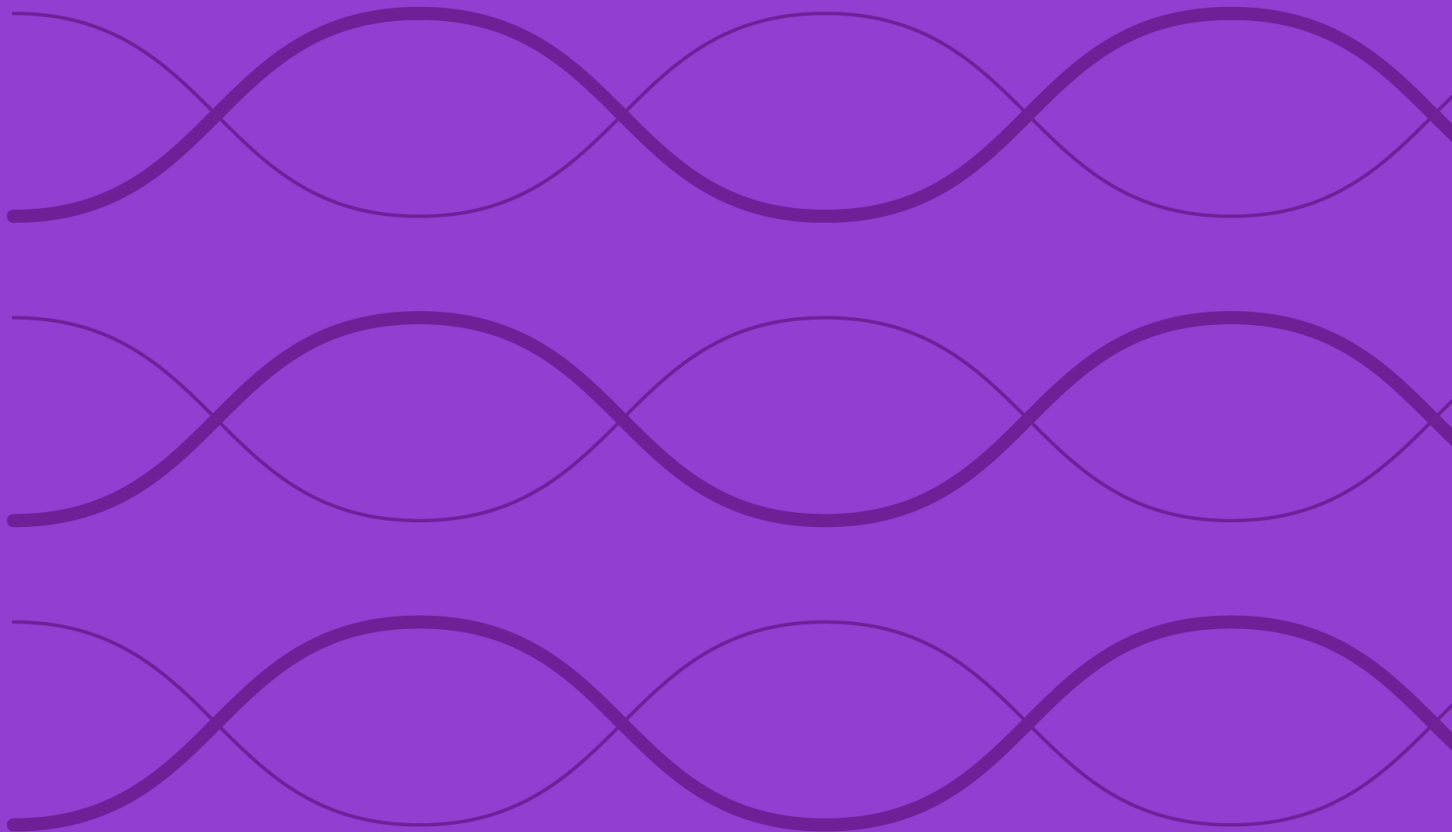


Construction Rules for the Morningstar® Eurozone Governance Leaders Select 75 Index



Overview	3
Index Construction	4
Methodology Summary	4
Starting Universe	5
Eligibility	5
Portfolio Construction	6
Optimization Parameters	7
Index Maintenance and Calculation	9
Reconstitution and Rebalancing	9
Corporate Actions	9
Index Calculation and Price Data	9
Methodology Review and Index Decommissioning Policy	10
Data Corrections	11
Intraday Index Data Corrections	11
Index-Related Data and Divisor Corrections	11
Exceptions	11
Appendixes	12
Appendix 1: Glossary	12
Appendix 2: Individual Indexes	12
Appendix 3: Calculation of Target Metrics	12
Appendix 4: Optimization Methodology	13
Appendix 5: ESG Screens	14
Appendix 6: Science Based Targets Initiatives	16
Appendix 7: Climate Impact Sectors	17
Appendix 8: Governance Management Score Definitions	17
About Morningstar Indexes	18

Overview

The Morningstar® Eurozone Governance Leaders Select 75 Index is designed to provide exposure to companies that demonstrate leading corporate and stakeholder governance practices, while meeting minimum sustainability standards and seeking to maintain low tracking error relative to its parent index.

Morningstar forecasts the tracking error of index portfolios using the Morningstar Global Equity Risk Model (EUR currency). For further details on the Morningstar Global Equity Risk Model, please refer to [Morningstar Global Equity Risk Model Methodology](#).

The index incorporates data on carbon emissions, ESG risk and controversies, SFDR Principal Adverse Impacts (PAI), Low Carbon Transition Ratings, and Product Involvement, provided by Sustainalytics, a Morningstar company specializing in sustainability research. Sustainalytics is operationally separate from and independent of Morningstar Indexes.

For further information on ESG data used in the index, please see the [Morningstar ESG Index Glossary](#).

Index Inception and Performance Start Date

The index inception date is 27th October 2026, and the performance start date, when the first back-tested index value was calculated, is 19th December 2022. For more details regarding the parent and the derived index refer to Appendix 2.

Index Construction

Methodology Summary

Starting Universe

- Parent universe: Morningstar Eurozone Target Market Exposure 97% Index.
- This index covers the top 97% of the investable market of the Morningstar Eurozone All-cap Target Market Exposure Index.

Eligibility

• Step 1: Baseline Exclusions

Exclude companies with:

- Severe controversies (Controversy Score of 5)
- Non-compliance with United Nations Global Compact (UNGC)
- Product involvement in weapons, tobacco, or fossil fuels
- ESG Risk Score above 30
- Missing human rights policy or data
- Missing carbon reduction initiatives or data
- Governance-related controversies

• Step 2: Governance-Based Exclusions

Exclude companies that:

- Fall in the bottom quintile by Governance Management Scores
- Fall in the bottom decile by Corporate or Stakeholder Governance Management Scores

• Step 3: Cumulative Exclusion Thresholds

- The cumulative weight of exclusions after Steps 1 and 2 is at least 30%
- The cumulative exclusion based on ESG Risk Score is at least 10%

• Step 4: Coverage and Data Exclusions

Exclude companies that:

- Are not covered by the Morningstar Global Equity Risk Model (EUR currency)
- Have a null SBTi target within High Impact Sections

Portfolio Construction

- The top 75 companies are selected within the High and Low Impact NACE Section based on the highest Governance Management score.
- Select and weight stocks to minimize tracking error, subject to improve governance, low carbon transition rating and intensity profile, diversification, and optimization process.
- The index is reconstituted quarterly.

Morningstar®
Eurozone Governance
Leaders Select 75
Index

Starting Universe

At each reconstitution, constituents of Morningstar® Eurozone Governance Leaders Select 75 Index are derived from the Morningstar® Eurozone Target Market Exposure 97% Index (the “Parent Index”):

To be eligible for the Morningstar® Eurozone Target Market Exposure 97% Index, all constituents must meet the following criteria:

- Constituents must be part of the Morningstar® Eurozone All Cap Target Market Exposure Index.
For more details on benchmark construction, refer to the construction rules for the [Morningstar Target Market Exposure Indexes](#).
- Only the primary share class per company is eligible; secondary share classes are excluded, and the primary share class represents the full company weight.
- Companies within the bottom 3% by cumulative benchmark weight of the rescaled Morningstar® Eurozone All Cap Target Market Exposure Index are excluded. The last company to pass the threshold is excluded.
- The index is reconstituted on a quarterly basis.

The above derived universe would become the parent universe for Morningstar® Eurozone Governance Leaders Select 75 Index going forward.

Eligibility

To be eligible for the index inclusion, all constituents must meet the following criteria:

Step 1 (ESG Risk, Controversy, Product Involvement and SFDR PAI exclusions)

- Companies must not have missing data in any of the product involvement screens and ESG risk scores.
- Companies must not have a high or severe (greater than 30) ESG Risk Scores.
- Companies must not have a severe level (level 5) of controversy rating.
- Companies must not be noncompliant with the principles of the United Nations Global Compact.
- Companies must not have a direct ownership in Anti-Personnel Mines, Biological & Chemical Weapons, Cluster Weapons, Depleted Uranium and White Phosphorus.
- Companies must not have any revenue involvement within tobacco production.
- Companies must not have a greater than 5% revenue involvement within tobacco retail products.
- Companies must not have any revenue involvement within thermal coal extraction and thermal coal supporting products & services.
- Companies must not have any revenue involvement within oil & gas generation and oil & gas production.
- Companies must not have any revenue involvement within arctic oil & gas exploration extraction.
- Companies must not have any revenue involvement within shale energy extraction.
- Companies must not have any revenue involvement within oil sands extraction.
- Companies must not have any revenue within shale energy, oil sands, arctic oil & gas exploration and oil & gas overall.

- Companies must not have any revenue involvement within oil & gas generation and thermal coal power generation revenue percentage.
- Companies must not have greater than 2 business ethics, governance and public policy incidents answer category.
- Companies must not have a null Governance Management score, Corporate Governance Management Score, or Stakeholder Governance Management score. For definitions of these scores, refer to Appendix 8.
- Companies must not have a null or lack human rights policy.
- Companies must not have a null Lack of Carbon Reduction Initiatives.

Step 2 (Governance Management exclusions)

After Step 1 exclusions, the following distribution-based exclusions are applied:

- Companies must not be in the bottom quintile when ranked by the Governance Management score in descending order.
- Companies must not be in the bottom decile when ranked by the Corporate Governance Management and Stakeholder Governance Management score in descending order.

Step 3 (ESG Risk sector-based exclusions)

1. The cumulative weight of companies excluded under Step 1 and Step 2 combined must be at least 30%. If this cumulative weight is below 30%, additional companies are excluded iteratively until the threshold is met. At each iteration, the company with the highest ESG Risk Score is excluded from the Morningstar Global Equity Classification (GECS) sector that currently has the lowest proportion of excluded companies by weight. The iteration continues until the cumulative excluded weight first reaches or exceeds 30%, with the final company that crosses the threshold being excluded.
2. After Step 3.1 above, the cumulative weight of companies excluded under Step 1 ESG Risk Score together with those excluded based on ESG Risk Score in Step 3.1 must be at least 10%. If this cumulative weight is below 10%, additional companies are excluded iteratively until the threshold is met, following the same approach: at each iteration, the company with the highest ESG Risk Score is excluded from the GECS sector with the lowest proportion of excluded (cumulative weight until Step 3.1) companies by weight, continuing until the cumulative excluded weight first reaches or exceeds 10%.

Portfolio Construction

Step 4 (Top 75 selection)

From the eligible universe after Step 3, the top 75 selection is done in the following manner:

1. Companies which are not covered by the Morningstar Global Equity Risk Model (EUR currency) are excluded.
2. Companies which belong to the High Impact NACE section and have null SBTi target data would be excluded.
3. If the eligible universe contains more than 75 companies after Step 4.2 above, companies based on the Governance Management score are excluded iteratively. In case there are two securities with the same Governance Management score, the security with the lower company float market capitalisation would be excluded. At each iteration, the company with the lowest Governance Management score is excluded from each of the NACE sections with the lowest proportion of excluded companies by weight.

Optimization Parameters

At every reconstitution, the Morningstar® Eurozone Governance Leaders Select 75 portfolio is created using optimization to minimize the ex-ante tracking error of the index and meet the constraints as follows:

Objective Function:

- Minimize ex-ante tracking error relative to Parent Index.

Constraints:

- No short position allowed.
- The maximum weight of any company should be less than or equal to 9.5%.
- The cumulative weight of companies with individual weights greater than 5% must not exceed 40%.
- The weighted average Governance Management Score of the portfolio should be higher than or equal to weighted average Parent Index Governance Management Score with 20% worst companies by count excluded. The count of retained companies equals the total number of governance-screened companies minus 20% of that total, rounded to the nearest integer. The Parent Index weights are rescaled to exclude companies with null Governance Management Scores prior to calculating the weighted average.
- The aggregate weight of companies within the High Impact NACE Sections that are SBTi aligned (1.5°C or well below 2°C) and have a Low Carbon Transition Rating Management score of greater than 50 must be greater than or equal to 40% of the total weight of the aggregate High Impact NACE Sections in the portfolio.
- The weighted average carbon intensity (Scope 1 + 2 based on EVIC) of the portfolio should be less than or equal to weighted average carbon intensity of the Parent Index.
- The weighted average Lack of Carbon Reduction Initiatives in the portfolio should be less than or equal to weighted average to that of the Parent Index.
- The cumulative weight of the High Impact NACE Sections in the portfolio must be at least equal to their corresponding cumulative weight in the Parent Index plus 0.01 percentage points.
- Sector, size segment and country active weight constraints: To limit deviation from corresponding weights in the Parent Index, the sector, size segment and country weights in the index are maintained within a lower and upper bound, calculated as:
 - o Lower bound = Weight in the Parent Index - 5%
 - o Upper bound = Weight in the Parent Index + 5%

**Note: Sectors with no representation in the top 75 selected companies are exempt from this constraint.*
- The maximum one-way turnover is less than 5% at the quarterly reconstitutions.

For more details on optimized construction, please refer to Appendixes 3 and 4.

Number of Stocks

The index targets a fixed number of stocks based on a transparent ranking system subject to the application of eligibility criteria at reconstitution. However, if fewer than the targeted number of securities from the starting universe meet eligibility criteria, or if securities are added or deleted as a result of corporate actions after reconstitution, the constituent count may

deviate from the targeted number. During reconstitution, if the number of eligible securities is less than the targeted constituent count, all eligible securities are selected. The reconstitution schedule is provided in the "Index Maintenance and Calculation" section. The target constituent count for the index is 75.

Index Weighting

The weights of index constituents are determined through an optimization process subject to the objective function and weight constraints described in the "Optimization Parameters" section above.

Index Maintenance and Calculation

Reconstitution and Rebalancing

The index is reconstituted and rebalanced quarterly on the third Friday of March, June, September and December. Adjustments are implemented after Friday's market close and reflected the following Monday. The market, EVIC, and ESG data used for rebalancing is as of the last trading day of February, May, August, and November.

Index files are published according to the Global calendar schedule. For more information, please refer to the [Morningstar Indexes Holiday Calendar](#).

Corporate Actions

The treatment of corporate actions will be as per the alternatively-weighted indexes corporate action methodology. For more details, please refer to the [Morningstar Indexes Corporate Actions Methodology](#).

Index Calculation and Price Data

Details about index calculations and price data can be found in their respective rulebooks: [Morningstar Indexes Calculation Methodology](#) and [Morningstar Equity Indexes Price Methodology](#).

Methodology Review and Index Decommissioning Policy

The index methodology is continually reviewed to ensure it achieves all stated objectives. These reviews consider corporate action treatment, eligibility requirements, and maintenance procedures. Subscribers to the index will be notified before any methodology changes are made. For more details, refer to the [Morningstar Index Methodology Change Policy](#).

Morningstar Indexes notifies all subscribers and stakeholders of the index that circumstances might arise that require a material change to, or a possible cessation of, the index. These circumstances are generally not within Morningstar's control and may include significant changes to the underlying market structure, inadequate access to necessary data, geo-political events, and regulatory changes. In addition, factors such as low usage or methodology convergence may result in the cessation of an index.

Because the decommissioning of the index or benchmark index could disrupt subscriber products that reference this index, all subscribers are encouraged to have robust fallback procedures in the event an index is decommissioned. For more details, refer to the [Morningstar Index Decommissioning Policy](#).

Data Corrections

Intraday Index Data Corrections

Commercially reasonable efforts are made to ensure the accuracy of data used in real-time index calculations. If incorrect price or corporate action data affects index calculations, corrections are applied prospectively.

Index-Related Data and Divisor Corrections

Index calculation data input defects—such as price, dividends, other mandatory corporate actions, or foreign-exchange rates—that do not affect the index shares and if discovered within two trading days are generally corrected, and the index is recalculated regardless of the performance impact.

Where such index calculation data input defects are discovered after two trading days, an index restatement will typically only occur if the impact on performance is material; otherwise, the correction is applied prospectively.

For more details, refer to the [Recalculation Guidelines](#).

Exceptions

While Morningstar will seek to apply the method described above, the market environment, supervisory, legal, financial, or tax reasons may require an alternative approach to be adopted. A decision to take an alternative approach will be made by the relevant Morningstar Index Methodology Committee, and in all instances, the application of a nonstandard process will be reported to the Morningstar Index Oversight Committee.

Appendixes

Appendix 1: Glossary

Terms	Description
Reconstitution	During each reconstitution, the steps mentioned in the index construction process are performed, resulting in membership reset.
Rebalance	During each rebalancing, the weights are adjusted for updated free-float and shares outstanding data.
Inception Date	The date when the live index calculations start.
Performance History Start Date	The beginning of the index history, inclusive of back-tested performance.

Appendix 2: Individual Indexes

Index Name	Parent Index	Performance Inception Date	Corporate Action Treatment	Inception Date
Morningstar® Eurozone Governance Leaders Select 75 Index	Morningstar® Eurozone Target Market Exposure 97% Index	Dec 19, 2022	Alternatively - weighted	Oct 27, 2026
Morningstar® Eurozone Target Market Exposure 97% Index	Morningstar® Eurozone All Cap Target Market Exposure Index	Jun 23, 2008	Float-adjusted market capitalization-weighted	Oct 27, 2026

Appendix 3: Calculation of Target Metrics

Calculation of Carbon, or Greenhouse Gas, Intensity

Carbon reduction models leverage emissions data from Sustainalytics, an ESG data and research company owned by Morningstar. Sustainalytics captures the most up-to-date reported Scope 1 (direct) and 2 (indirect) emissions plus companies' historical emissions (including restatements). Data is collected from company disclosure or reporting. It includes, but is not limited to, data reported on annual reports, Corporate Sustainability Responsibility (CSR) reports, regulatory reporting and disclosure on company-owned websites. Where emissions data is not reported by a company, Sustainalytics uses a number of estimation methods. These include a multi-factor regression model which considers sub-industry, geographical location, and a company's size. Estimations are run on an annual basis. The carbon emissions of a company are normalized for size by dividing annual carbon emissions by Enterprise Value including Cash (EVIC) using data from Morningstar's Equity Data set.

The carbon intensity of a security is defined as the ratio of the total emissions (Scope 1 + 2) (in metric tons) and the EVIC of the company (in millions of U.S. dollars).

$$\text{Enterprise Value Including Cash (EVIC)} = (\text{MktCap}_{\text{Ordinary Shares}} + \text{MktCap}_{\text{Preferred Shares}} + \text{BV}_{\text{Debt}} + \text{NCI})$$

$$\text{Security Carbon Intensity} = \frac{\text{Absolute Emissions (Scope 1 + 2) (in metric tonnes)}}{\text{Enterprise Value Including Cash (in Mn USD)}}$$

$$\text{Weighted Average Carbon Intensity} = \sum (\text{Index Weight} * \text{Security Level Carbon Intensity})$$

For securities where carbon intensity is not available, the median scope 1+2 carbon intensity of all the constituents of the Parent Index in the same industry group in which the constituent belongs is used respectively.

Companies which have null carbon intensity after the above treatment would be additionally excluded.

Calculation of Target High Impact NACE Section Weights

The cumulative weight of the High Impact NACE Sections in the portfolio must be at least equal to their corresponding cumulative weight in the Parent Index plus 0.01 percentage points.

Calculation of Target Governance Management Score

The number of companies to retain and the screened benchmark weight are calculated on the companies with non-null Governance Management scores:

$$\text{Retained companies} = \text{Integer}(\text{Count of Non Null Governance Companies} - \text{round}(0.2 * \text{Count of Non Null Governance Companies}))$$

The worst 20% of companies, with the lowest Governance Management score are excluded. The Benchmark Weighted Average Governance Management Score (excluding the worst 20%) is then calculated as:

$$\text{Benchmark Weighted Average Governance Management Score excluding worst 20\%} = \sum(\text{Screened Benchmark Weight} * \text{Security Level Governance Management Score})$$

where the sum is taken over the retained companies, and Screened Benchmark Weight is each retained company's benchmark weight renormalized so the retained weights sum to 100%.

Calculation of Lack of Carbon Reduction Initiatives

The Lack of Carbon Reduction Initiatives data is sourced from Sustainalytics, an ESG data and research company owned by Morningstar. This metric captures whether a company lacks carbon reduction initiatives and is reported as a Boolean value (True or False). For use in the optimiser, the values are converted to a binary 1 or 0: a company flagged as True, indicating it lacks carbon reduction initiatives — is assigned a value of 1, while a company flagged as False is assigned a value of 0. This conversion makes the metric suitable for application as an optimiser constraint.

Appendix 4: Optimization Methodology

Ex-Ante Tracking Error

$$TE = (w_p^T - w_b^T) (X^T F X + \lambda D) (w_p - w_b)$$

Where:

w_p = vector of portfolio weights, unknown

w_b = vector of benchmark weights

X = matrix of asset factor exposures

F = factor covariance matrix

D = specific (idiosyncratic, residual) risk block of covariance matrix

$X^T F X$ = systematic (factor-driven) risk block of covariance matrix from the risk model

$\lambda = 1.5$, specific risk aversion parameter; $\lambda=1$ results in a specific risk-neutral volatility forecast; $\lambda>1$ implies greater penalty for asset-specific risk not modelled by systematic risk factor exposures

Any risk model will miss some systematic sources of risk due to bias-variance tradeoff. The model will therefore underestimate the contribution of specific risk to the risk of the overall portfolio, because it assumes the residual risk is perfectly uncorrelated and diversifiable. $\lambda = 1.5$ was chosen to compensate for the above effects based on empirical testing of ex-post tracking error.

Handling of Infeasible Optimizations

Constraints will be relaxed if a feasible solution is not obtained. The relaxation happens in the following order:

- 1) The turnover constraint is relaxed up to 30% in increments of 5%.
- 2) The active sector constraint is relaxed from 5% to 10% in steps of 2.5% while resetting the turnover.
- 3) The active size segment constraint is relaxed from 5% to 10% in steps of 2.5% while resetting the sector and turnover constraint.
- 4) The active country constraint is relaxed from 5% to 10% in steps of 2.5% while resetting the size segment, sector and turnover constraint.

*The turnover constraint has been relaxed for September 2026 rebalance effective portfolio.

- If a feasible solution is not found after the above constraint relaxation, the index will not be reconstituted for that quarterly review, and Index Committee review of the constraint methodology will be conducted and completed by the next quarterly reconstitution date.

Appendix 5: ESG Screens

Category	Name	Backfill Date*	Missing Data Treatment #	Reason for Exclusion
Controversy	Highest Controversy Level	-	Exclude	5
UNGC	UNGC Compliance Status	-	Exclude	Non-compliant
Controversial Weapons	Anti-Personnel Mines – Category of Involvement	-	Exclude	AP1, AP3
	Biological and Chemical Weapons – Category of Involvement	-	Exclude	BC1, BC3
	Cluster Weapons – Category of Involvement	-	Exclude	CM1, CM3
	Depleted Uranium – Category of Involvement	-	Exclude	DU1, DU3
	White Phosphorus – Category of Involvement	-	Exclude	WP1, WP3
Tobacco	Tobacco Production – Level of Involvement	-	Exclude	Any involvement

Category	Name	Backfill Date*	Missing Data Treatment #	Reason for Exclusion
	Tobacco Retail – Level of Involvement	-	Exclude	Greater than 1 (Greater than 5%)
Thermal Coal	Thermal Coal Extraction – Level of Involvement	-	Exclude	Any involvement
	Thermal Coal Supporting Products & Services – Level of Involvement	-	Exclude	Any involvement
Oil & Gas	Oil & Gas Generation – Level of Involvement	-	Exclude	Any involvement
	Oil & Gas Production – Level of Involvement	-	Exclude	Any involvement
Arctic Oil & Gas	Arctic Oil & Gas Exploration – Level of Involvement	-	Exclude	Any involvement
Shale Energy	Shale Energy Extraction – Level of Involvement	-	Exclude	Any involvement
Oil Sands	Oil Sands Extraction – Level of Involvement	-	Exclude	Any involvement
Fossil Fuel Overall	Shale Energy Overall – Revenue Percentage	June 2023	Include before June 2023 and exclude from June 2023	Any involvement
	Oil Sands Overall – Revenue Percentage	June 2023	Include before June 2023 and exclude from June 2023	Any involvement
	Arctic Oil & Gas Exploration Overall – Revenue Percentage	June 2023	Include before June 2023 and exclude from June 2023	Any involvement
	Oil & Gas Overall – Revenue Percentage	June 2023	Include before June 2023 and exclude from June 2023	Any involvement
Total Power Generation	Thermal Coal Power Generation Revenue – Revenue Percentage	-	Exclude	a%*
	Oil & Gas Power Generation Revenue – Revenue Percentage	-	Exclude	b%*
ESG Risk Score	ESG Risk Score	-	Exclude	Greater than 30
Low Carbon Transition Rating	Low Carbon Transition Rating Management Score – All Scopes	August 2023	Assigned a score of 0	-

Category	Name	Backfill Date*	Missing Data Treatment #	Reason for Exclusion
Governance Management Score	Governance Management Score	-	Exclude	Bottom Quintile based on higher Governance Management Scores
	Issue – Corporate Governance Management Score	July 2024	Exclude	Bottom Decile based on higher Corporate Governance Management Scores
	Issue – Stakeholder Governance Management Score	July 2024	Exclude	Bottom Decile based on higher Stakeholder Governance Management Scores
Governance Controversies	G.1.5 Business Ethics Incidents – Answer Category	-	Exclude	Greater than or equal to 3
	G.2.13 Governance Incidents – Answer Category	-	Exclude	Greater than or equal to 3
	G.3.4 Public Policy Incidents – Answer Category	-	Exclude	Greater than or equal to 3
SFDR Indicators	Lack of Human Rights Policy - SFDR	-	Exclude	True
	Lack of Carbon Reduction Initiatives	-	Exclude	-

* The missing data prior to the backfill date have been backfilled based on the earliest data available. *a+b% is greater than 0%.

Missing data treatment is applied after the data backfill process is completed.

Appendix 6: Science Based Targets Initiatives

The Science Based Targets initiative drives ambitious climate action in the private sector by enabling companies to set science-based emissions-reduction targets. The initiative is a collaboration among CDP, World Resources Institute, the Worldwide Fund for Nature, and the United Nations Global Compact. Science-based targets show companies how much and how quickly they need to reduce their greenhouse gas emissions to prevent the worst effects of climate change. For a list of companies taking action or for more information on the initiative, please visit the Science Based Targets initiative [website](#).

Targets are considered science-based if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement—limiting global warming to well below 2 degrees Celsius above preindustrial levels and pursuing efforts to limit warming to 1.5 degrees. Companies which have null SBTi targets within High Impact Section during Step 4 selection are excluded.

Appendix 7: Climate Impact Sectors

NACE is the European Union's classification of economic activities. For index periods before 26 December 2026, including the backtest period, NACE Rev. 2.0 is used, and Sections A, B, C, D, E, F, G, H, and L are deemed High Impact NACE Sections. Effective 26 December 2026, NACE Rev. 2.1 is used, and Sections A, B, C, D, E, F, G, H, and M are deemed High Impact NACE Sections.

In the backtest period, for companies that had a missing NACE section in their history, the NACE data has been back-propagated as NACE is a slow-changing data. Companies for which we did not have a valid NACE Section even after back-propagating have been removed from the eligible universe.

Additionally, the cumulative weight of the High Impact NACE Sections must be at least equal to their corresponding cumulative weight in the Parent Index plus 0.01 percentage points.

For further details regarding NACE, please refer to [Eurostat NACE overview](#).

Appendix 8: Governance Management Score Definitions

The following definitions apply to the governance management metrics used in the index construction and optimization process:

- **Governance-Management Score:** Assesses how effectively a company manages its exposure to governance-related risks spanning three dimensions: corporate governance, stakeholder governance, and business ethics. The assessment combines management indicators covering policies, programmes and quantitative performance with risk-event indicators reflecting the financial risk posed by relevant incidents. The score ranges from 0 to 100, with a higher score indicating stronger management.
- **Issue - Corporate Governance-Management Score:** Assesses how effectively a company manages risks related to Corporate Governance, which refers to a system of rules and practices that helps ensure the interests of owners and managers are aligned and promotes transparency and accountability among management and shareholders. The score ranges from 0 to 100, with a higher score indicating stronger management.
- **Issue - Stakeholder Governance-Management Score:** Assesses how effectively a company manages risks related to Stakeholder Governance, which considers the perspectives and interests of various stakeholders to identify and mitigate potential reputational and financial risks. The score ranges from 0 to 100, with a higher score indicating stronger management.

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 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 European Benchmarks Regulation ("BMR"), ensuring that methodologies remain fit for purpose and continue to achieve their stated investment objectives. The group comprises members of the index team with data, operations, corporate actions, product development, index launch, client service, and index management experience who provide the first layer of governance over index operations.

Morningstar Index Oversight Committee

The Morningstar Index Oversight Committee is responsible for the index oversight function as per the requirements of the European BMR, providing independent oversight of all aspects of the governance of benchmark administration as required by the 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.

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