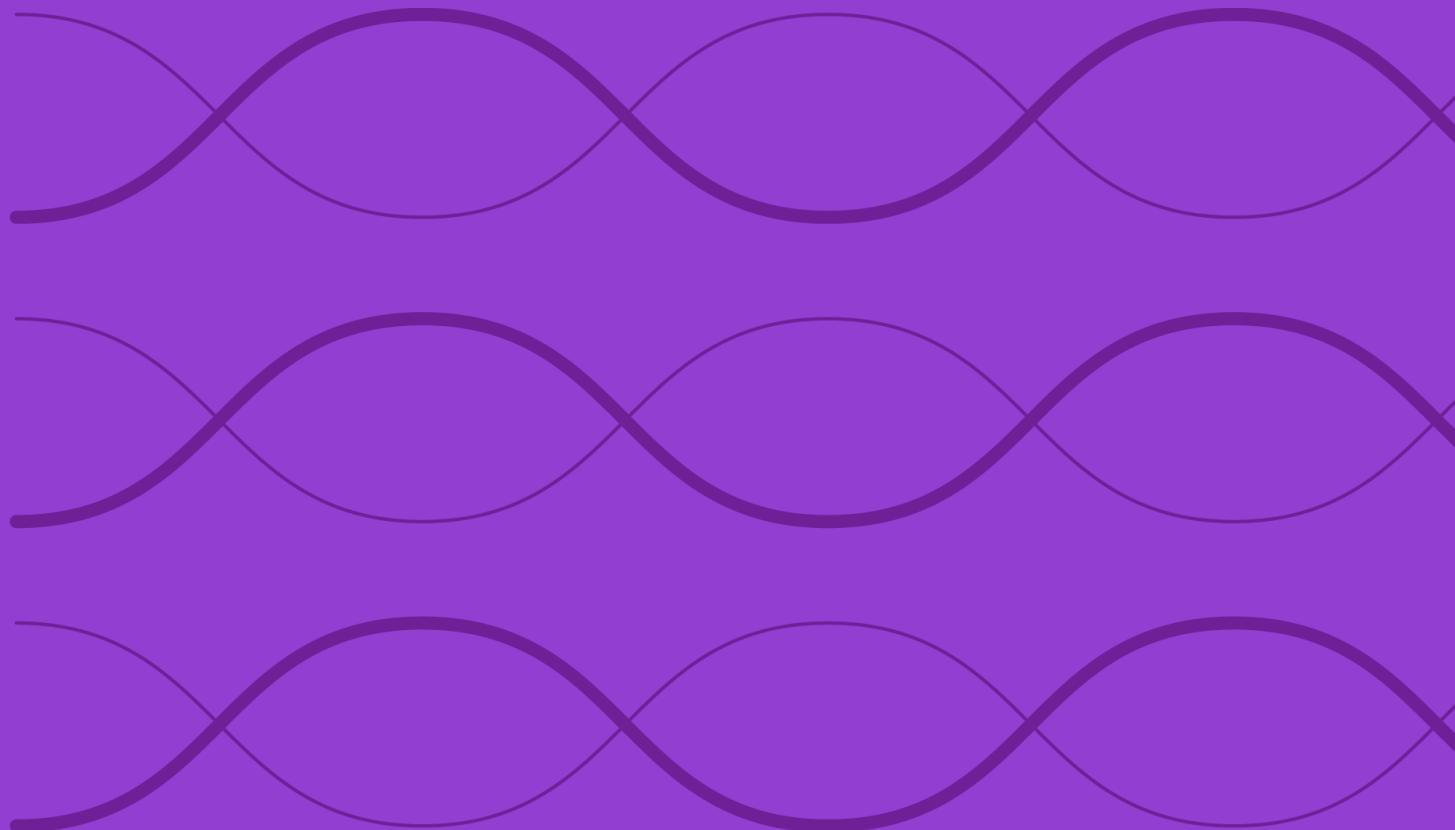


MORNINGSTAR Indexes

Morningstar Fixed Income Indexes- Benchmark Statement

September 2025



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This benchmark statement is provided by Morningstar Indexes GmbH as the “Administrator” of the Morningstar Fixed Income Indexes. It is intended to meet the requirements of Regulation EU 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (“BMR”). The benchmark statement should be read in conjunction with the Construction Rules for the Morningstar Bond Indexes and other associated policies and methodology documents. References to “DR” in this benchmark statement refer to Commission Delegated Regulation (EU) 2018/1643 of 13 July 2018 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council regarding regulatory technical standards specifying further the contents of, and cases where updates are required to, the benchmark statement to be published by the administrator of a benchmark.

General Information

1.1 Date of Publication – DR 1(1)(a)

This benchmark statement was first published in April 2021 and was most recently updated in September 2025.

1.2 Review of benchmark statement – BMR 27(1)

This benchmark statement will be reviewed regularly (at least once every two years) or whenever there have been material changes to the information provided.

1.3 Use of ISIN – DR 1(1)(b)

The Administrator does not currently assign ISINs to all the indexes for which it is the administrator.

1.4 Contributors of input data – DR 1(1)(c)

The Morningstar Fixed Income Indexes do not use “contributed” input data.

1.5 Regulated-data benchmark disclosures – DR 1(d), DR 2

The Morningstar Fixed Income Indexes are not regulated-data benchmarks for the purposes of BMR.

1.6 Significant and non-significant benchmarks disclosure – DR 1(d)

The Morningstar Fixed Income Indexes are non-significant benchmarks.

Content

2.1 Market Reality – BMR 27 (1)(a)

The Morningstar Fixed Income Indexes are a comprehensive, modular range of indexes designed to reflect the performance and fundamental characteristics of global bond markets. The indexes offer the following key features:

- Comprehensive coverage—Broad representation of the US bond market and its sub asset classes with history since 1999.
- Discrete building blocks—The index series is composed of discrete building blocks to pinpoint desired exposure.
- Objective and transparent—Built and maintained according to a transparent and predictable set of rules.
- Investable and replicable—Rules carefully balance liquidity and accurate market coverage to ensure investability.

Morningstar's primary fixed income index methodology as well as the eligibility criteria for index constituents, is described at length in the Construction Rules for the Morningstar Bond Indexes (the “Index Methodology”).

The following exclusions apply to all indexes within the Morningstar Fixed Income Benchmark Family unless otherwise indicated:

- Bonds with embedded options, such as puts and scheduled calls, are excluded from the global Core Bond indexes except for options pertaining to structured securities, unless otherwise noted.
- Perpetual bonds
- Zero coupon bonds
- Step-up coupon bonds

- Fixed-to-floating rate and fixed-to-variable rate bonds
- Payment-in-kind (PIK) bonds
- Amortizing bonds
- Loans
- Sukuk (Islamic bonds)
- Subordinated debt
- Capital securities and contingent capital securities
- Convertible bonds
- Securitized corporate securities, such as pass-through trust certificates

The categorisations of a particular market as developed or otherwise is based on the Morningstar Indexes market classification.

The Morningstar Global Core Bond Index serves as the parent index for other indexes within the Morningstar Fixed Income Benchmark Family that address specific investment themes. Each index within the Morningstar Fixed Income Benchmark Family will be governed by multiple methodological documents, including the specific index rulebook and the Index Methodology, the Morningstar Indexes Calculation Methodology, the Morningstar Corporate Actions Methodology and the Fundamental and Proprietary Data Methodology.

The Morningstar Fixed Income Benchmark Family also includes custom indexes that may include specific screens, exclusion lists, or alternative weightings on parent indexes described above.

2.2 Use of discretion – BMR 27(1)(b)

The Index Methodology, including all documents incorporated therein, are written with the intent of removing, in so far as is feasible, the need for judgment or discretion to be exercised. While the Administrator will seek to apply the Index Methodology, market conditions, 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 Morningstar Indexes Methodology Committee, and in all instances, the application of a nonstandard process will be reported to the Morningstar Indexes Oversight Committee.

2.3 External factors – BMR 27(1)(c)

The Administrator hereby notifies all subscribers and stakeholders of the Morningstar Fixed Income Benchmark Family that circumstances might arise that require a material change to, or a possible cessation of, the indexes within the Morningstar Fixed Income Benchmark Family. 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 within the Morningstar Fixed Income Benchmark Family.

Subscribers to the Morningstar Fixed Income Benchmark Family will be notified before any methodology changes are made and will be consulted on material changes. For more details, refer to the [Morningstar Index Methodology Change Policy](#).

Because the cessation of an index within the Morningstar Fixed Income Benchmark Family could disrupt subscriber products that reference the index in question, all subscribers are encouraged to have robust fallback procedures in the event an index is terminated. For more details, refer to the [Morningstar Index Decommissioning Policy](#).

2.4 Changes to/cessation of benchmarks – BMR 27(1)(d)

Subscribers to the Morningstar Fixed Income Benchmark Family will be notified before any methodology changes are made to that index. For more details, refer to the [Morningstar Index Methodology Change Policy](#).

Because the cessation of an index within the Morningstar Fixed Income Benchmark Family could disrupt subscriber products that reference the index in question, all subscribers are encouraged to have robust fallback procedures in the event an index is terminated. For more details, refer to the [Morningstar Index Decommissioning Policy](#).

2.5 Definition of key terms – BMR 27(2)(a) and DR 1(2)

The definitions of key terms relating to the Morningstar Fixed Income Indexes can be found in the Index Methodologies and associated documentation.

- *Description of the market/economic reality*

Please refer to section 2.1 above.

- *Geographical boundaries*

The geographical boundaries of the markets measured by the Morningstar Fixed Income Indexes are determined by the eligibility criteria set out in the Index Methodology and associated documentation.

- *Any other relevant information*

The Morningstar Fixed Income Indexes may be used for a variety of purposes, including benchmarking performance or use as the basis for index-linked investment products. The Morningstar Fixed Income Indexes may be used by a variety of market participants including but not limited to asset owners, portfolio managers, product issuers, broker-dealers and researchers. Not all uses are appropriate for all users. Market participants should use their judgment when selecting any index for a particular purpose.

2.6 Benchmark methodology, and changes to and cessation of benchmarks – BMR 27(2)(b), DR 1(5)

The Index Methodology reflects the economic reality that the Morningstar Fixed Income Indexes intend to measure, as set out in section 2.1 above. The approval of new indexes follows a governance process. The Index Methodologies are subject to review at least annually.

Proposals for material amendments to the Index Methodologies will be subject to consultation, as set out in the [Morningstar Index Methodology Change Policy](#). Subscribers to the Morningstar Fixed Income Benchmark Family will be notified before any methodology changes are made.

Because the cessation of an index within the Morningstar Fixed Income Benchmark Family disrupt subscriber products that reference the index in question, all subscribers are encouraged to have robust fallback procedures in the event an index is terminated. For more details, refer to the [Morningstar Index Decommissioning Policy](#).

2.7 Input data – BMR 27(2)(c)

Morningstar Indexes partners with a third-party calculation agent to calculate the indexes within the Morningstar Fixed Income Benchmark Family. The index calculation agent uses third-party vendor pricing as the primary source of calculations for Morningstar Fixed Income Benchmark Family. Bid-side prices are used for the daily bond index calculations and offer-side

for adding new bonds to the index. Trading and settlement of securities follow local market conventions. The index does not take transaction costs or tax withholdings into account.

Closing currency spot and forward rates are obtained from WM/Reuters and represent closing forward rates fixed at 4 p.m. U.K. time. Earlier or later times may be chosen according to WM/Reuters' policy on national holidays, or as a result of technical difficulties, a failure in the supply of the relevant data source or special market conditions for specific currencies. Other sources may be used by exception where the appropriate rates are not available.

Composite ratings are the simple averages of ratings from the three major rating agencies. The composite rating is calculated by assigning a numeric equivalent to each rating. The average of the numeric equivalents for each agency that rates a bond is rounded to the nearest integer and then converted back to an equivalent composite rating.

The Administrator considers these sources to be readily available data.

The criteria, and processes and procedures, for calculating, determining and reconstituting the index can be found in the Index Methodology, and the documents incorporated therein.

2.8 Controls over exercise of judgment/discretion – BMR 27(2)(d), RTS 1(4)

As described in response 2.2 above, the Index Methodology, including all documents incorporated therein, are written with the intent of removing, in so far as is feasible, the need for judgment or discretion to be exercised. While the Administrator will seek to apply the Index Methodology, market conditions, 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 Morningstar Indexes Methodology Committee, and in all instances, the application of a nonstandard process will be reported to the Morningstar Indexes Oversight Committee. Records of those Committees are kept and, consequently, records of use of judgment/discretion are kept.

2.9 Determination of the benchmark in stress periods – BMR 27(2)(e)

Determination of the indexes within the Morningstar Fixed Income Benchmark Family relies on the continued availability of transacted security prices and currency rates from third-party vendors, however external events may impact the availability of such data. Consequently, Morningstar reserves the right to use an alternative pricing source, if necessary. While the Administrator will seek to apply the method described in the Index Methodology, 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 Indexes Methodology Committee, and in all instances, the application of a nonstandard process will be reported to the Morningstar Indexes Oversight Committee.

2.10 Errors in input data – BMR 27(2)(f)

Incorrect pricing and corporate action data for individual issues in the database will generally be corrected upon detection. Commercially reasonable efforts are made to correct an older error subject to its significance and feasibility. For more details, refer to the Recalculation Guidelines.

When errors are noted on current index levels, the calculation agent will use best efforts to address and correct levels within one index calculation day of its publication. When historical errors are detected, the necessary change will be classified as immaterial or material according to the Morningstar Recalculation Guidelines. Users will be notified of any decision to recalculate or restate an index.

2.11 Potential limitations – BMR 27(2)(g), DR 1(3)

External events may impact sources of pricing data. While the Administrator will seek to apply the method described in the Index Methodology, 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.

Review and update of Benchmark Statements

3.1 Review and update of benchmark statement – DR 6

This benchmark statement will be reviewed regularly (at least once every two years) or whenever there are material changes to the information provided.

Disclosures

4.1 Interest rate benchmarks disclosure – DR 1(1)(d), DR 3

Not applicable to this index.

4.2 Commodity benchmarks disclosure – DR 1(1)(d), DR 4

Not applicable to this index.

4.3 Critical benchmarks disclosure – DR 1(1)(d), DR 5

Not applicable to this index.

4.4 EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks – A19a, A19b

Not applicable to this index.

4.5 ESG factors disclosure – A13(1)(d), A27 (2a)

Certain indexes within the Morningstar Fixed Income Indexes will seek to reflect certain ESG factors as explained in the specific related documentation for a particular index. Disclosures in respect of these ESG factors are provided together with other documents governing a specific index and these can be accessed on the Morningstar Indexes [website](#). In addition, the [Morningstar ESG Index Glossary](#) is available and outlines the various metrics used by Morningstar Indexes.

4.6 Carbon Emission Reductions – DR 1(1)(d), DR 5

This index does not use any temperature scenario, does not align with the target of carbon emission reductions and does not attain the objectives of the Paris Agreement unless specifically stated in an index rulebook.

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 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 BMR, providing independent oversight of all aspects of the governance of benchmark administration as required by 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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