

MORNINGSTAR SUSTAINALYTICS COVERAGE UNIVERSE INFORMATION DOCUMENT

Effective Date: October 31, 2025
Owner: Morningstar Sustainalytics Product Team
Applies to: Relevant Morningstar Sustainalytics products

I. Purpose and Scope

The Coverage Universe Information Document outlines Morningstar Sustainalytics' approach to defining coverage universes across its products. It provides a common foundation, while noting product-specific considerations where relevant.

This document should be read together with the Methodology documents for each product. For more information, please visit www.sustainalytics.com

Capitalized terms are defined herein, in the Glossary, or in the respective referenced document.

II. Overview

Coverage universes define the set of issuers that may be eligible for research for any given Morningstar Sustainalytics product.

The size and composition of each coverage universe may vary by product, depending on factors such as

- the product's relevance to an issuer, and
- the typical client use case.

Although the universes vary by product, they share a common structure of being based on entities that are constituents in a certain entity group which are then combined to form the overall product universe. Exhibit 1 depicts a simplified representation of how the ESG Risk Ratings Product Universe is formed by three Entity Groups which are each composed of individual entities.

Exhibit 1: Formulation of the ESG Risk Ratings Product Universe



Source: Morningstar Sustainalytics

III. Entities

Entities comprise the issuers, funds and portfolios for which research is conducted for all products offered by Morningstar Sustainalytics. For universe construction, the aim is to only include entities that are relevant, as suggested through market activity or investor interest. While portfolios and funds are considered entities, their specific universe considerations are outside the scope of this document.

Notably, inclusion in a product universe does not guarantee that research coverage for any individual issuing entity. Research coverage remains subject to Morningstar Sustainalytics Entity Eligibility Rules and may be limited by conditions including but not limited to:

- an analyst's determination that the issuer is not suitable for a product
- insufficient data to support reliable analysis
- research that is ongoing but incomplete
- a real or potential conflict of interest that may affect objectivity

IV. Entity Groups

Morningstar Sustainalytics coverage universes are defined by entity inclusion in at least one of the following three corporate entity groups: Key-Index Entities, Flow-Through Entities and Supplemental Product Entities and one government entity group: Sovereign Entities.

(i) Key Index Entities Group

The Key Index Entities Group is sourced from six Morningstar Indexes and the Morningstar Equity Data coverage universe. The Morningstar Indexes are:

- **Morningstar Developed Market Investable Universe**
- **Morningstar Developed Market Large-Mid Cap**
- **Morningstar Emerging Markets All Cap Target Market Exposure**
- **Morningstar Emerging Market Target Market Exposure**
- **Morningstar Global Corporate Bonds**
- **Morningstar Eurozone Corporate Bonds**

The Key Index Entities Group also includes all entities in the **Morningstar Equity Data Coverage Universe** that exceed a Market Capitalization of USD 2 billion OR those flagged as being a Limited Partnership (LP). Although the Morningstar Equity Data Coverage Universe is not an index itself, it is comparable insofar as it has a defined set of constituents that is largely static and adjusts on a regular schedule.

For entities in this group that are considered a "child" of another entity, the parent entity is added to this group (if it is not already included) to ensure that flow-through research coverage can be provided for the child entity.

The list of entities is updated twice a year to coincide with Morningstar Index reconstitutions.

(ii) Flow-Through Entities Group

Flow-through entities are sourced from Morningstar Sustainalytics' internal identification of the relationships between entities. Flow-through entities, specifically, are those that are identified as "child entities" of other entities already included in another entity group.

Flow-through entities typically do not undergo separate research and instead inherit the research of their parent entity. For some products, applying parent research to the child entity is appropriate, while for others it is not. This is reflected in each product universe. For example, Morningstar Sustainalytics does not consider it appropriate to assume that a child entity's GHG emissions are identical to its parent's and therefore flow-through entities are not included in the Carbon Emissions Product Universe.

(iii) Supplemental Product Entity Groups

The product-specific entity groups are different than Key Index Entities, insofar as they are not a fixed set of entities that are standardized across products. Instead, the product specific group's constituents change depending on the product. The product-specific entities have two sources:

- **Key Market Entities:** Key market entities are issuers that are deemed important to the broader market, given their presence in many investor portfolios. For example, it could contain constituents of an index that is not already covered by Key Index Coverage but is particularly relevant for a certain product.
- **Research-Driven Entities:** Research-driven entities are issuers where past and current research drive the constituent list. Typical reasons for being designated a research-driven entity is that the entity has been noted to report data on certain topics or those that have been noted to have ongoing involvement in certain activities or controversies.

(iv) Sovereign Entities Group

The Sovereign Entities Group includes all entities corresponding to national governments, as defined by Morningstar's Reference & Entity Data team.

V. Product Universes

The Product Universes are composed of the Key Index Entities Group, Flow-Through Entities Group, Supplemental Product Entity Group, and the Sovereign Entity Group. Each product universe includes a combination of these groups, as described in the following sections.

For clarity, products are organized into three classifications: Ratings and Related products, Regulatory Reporting products and Screening products.

A. Ratings and Related Products

(i) Carbon Emissions Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: Key market entities, and GHG emissions reporters.

The Carbon Emissions product universe includes coverage of issuers that have previously been included in a

Morningstar Sustainalytics universe, whereby the issuer was identified as having reported on its GHG emissions. Issuers that are designated as GHG emissions reporters and continue to report on GHG emissions are included in the coverage universe, regardless of whether the issuer is part of any other entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities considered to be GHG emissions reporters is updated annually.

(ii) Carbon Risk Ratings Product Universe

Entity Group Coverage: Key Index Entities

(iii) Country Risk Ratings Product Universe

Entity Group Coverage: Sovereign Entities

(iv) ESG Data Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: ESG data reporters.

The ESG Data product universe includes coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby the issuer was identified as having reported on any item of ESG Data. Issuers that are designated as ESG data reporters and continue to report on any item of ESG Data are included in the coverage universe, regardless of whether the issuer is part of any other entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities considered to be ESG Data reporters is updated annually.

(v) ESG Risk Ratings Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities, Flow Through Entities

Supplemental Product Entities Coverage Details: Key Market Entities, and ESG Risk Ratings solicited ratings.

The ESG Risk Rating product universe includes coverage of issuers that have active contracts for solicited ratings.

Supplemental Product Entities Coverage Update Frequency: The list of entities covered by active solicited ratings is updated on an ongoing basis, as solicited rating requests are made and contracts for solicited ratings end.

(vi) Impact Metrics Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: EU Taxonomy reporters

The Impact Metrics product universe includes coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby the issuer was identified as having reported according to the specifications of the EU Taxonomy. Issuers that are designated as EU Taxonomy reporters and continue to report on EU Taxonomy items are included in the coverage universe, regardless of whether the issuer is part of any other entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(vii) Low Carbon Transition Ratings Product Universe

Entity Group Coverage: Key Index Entities.

(viii) Nature Data Package Product Universe

Entity Group Coverage: Key Index Entities

(ix) Physical Climate Risk Metrics Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: Physical Climate Risk Metrics reporters.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

B. Regulatory Reporting Products Coverage

(i) Corporate Sustainability Reporting Directive (CSRD) Aligned Data product-specific coverage

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: Key market entities and CSRD reporters.

The CSRD Aligned Data product includes product-specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having reported under the CSRD regulations. This coverage applies regardless of whether the issuer remains part of any entity group, as long as the issuer continues to file a corporate sustainability report.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(ii) EU Benchmarks (BMR) Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities, Sovereign Entities

Supplemental Product Entities Coverage Details: Key market entities.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(iii) EU Taxonomy Solution Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities, Flow-Through Entities

Supplemental Product Entities Coverage Details: Key market entities, and EU Taxonomy reporters

The EU Taxonomy Solution product includes product-specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having reported under the EU Taxonomy regulations. This coverage applies regardless of whether the issuer remains part of any entity group, as long as the issuer continues to file an EU Taxonomy report.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(iv) Sustainable Finance Disclosure Regulation (SFDR) Principal Adverse Impact (PAI) Data Solution Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities, Sovereign Entities

Supplemental Product Entities Coverage Details: Key market entities

The SFDR PAI Data Solution product also includes specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having reported under the SFDR. This coverage applies regardless of whether the issuer remains part of any entity group, as long as the issuer continues to file an SFDR report.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

C. Screening Products Coverage

(i) Controversial Weapons Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities, Flow-Through Entities

Supplemental Product Entities Coverage Details: Key market entities

The Controversial Weapons product also includes product-specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having any level of ongoing involvement in Controversial Weapons, as defined within the Morningstar Sustainalytics Controversial Weapons Methodology. This coverage applies regardless of whether the issuer remains part of any entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(ii) Controversies Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: Key market entities, entities with high controversy involvement

The Controversies product also includes product-specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having an ongoing Category 4 or Category 5 controversy, as defined within the Morningstar Sustainalytics Controversies Methodology. This coverage applies regardless of whether the issuer remains part of any entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(iii) Global Standards Screening Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities, Flow-Through Entities

Supplemental Product Entities Coverage Details: Key market entities, entities with ongoing GSS concerns

The Global Standards Screening (GSS) product also includes product-specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having an ongoing Watchlist or Non-Compliant status in the GSS product, as defined within the Morningstar Sustainalytics Global Standards Screening Methodology. This coverage applies regardless of whether the issuer remains part of any entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

(iv) Product Involvement Product Universe

Entity Group Coverage: Key Index Entities, Supplemental Product Entities

Supplemental Product Entities Coverage Details: Key market entities, ongoing product involvement

The Product Involvement product also includes product-specific coverage of issuers that have previously been included in a Morningstar Sustainalytics universe and whereby that entity is identified as having any level of ongoing involvement in a Product Involvement theme, as defined within the Morningstar Sustainalytics Product Involvement Methodology. This coverage applies regardless of whether the issuer remains part of any entity group.

Supplemental Product Entities Coverage Update Frequency: The list of entities is updated quarterly.

ANNEX I – Glossary

Morningstar Equity Data coverage universe	A Morningstar research universe comprising publicly listed entities traded on over 130 exchanges worldwide, representing those entities for which Morningstar seeks to conduct equity data research.
Morningstar Developed Market Investable Universe	A Morningstar Index that includes large, mid, small and micro-cap stocks of developed market companies from the Global Investable Universe.
Morningstar Developed Market Large-Mid Cap	A Morningstar Index that measures the performance of large- and mid-cap stocks in developed markets, representing the top 90% of the investable universe by market capitalization.
Morningstar Emerging Markets All Cap Target Market Exposure	A Morningstar Index that measures the performance of large-, mid-, and small-cap stocks in emerging markets around the world, representing the top 99% of the investable universe by float-adjusted market capitalization.
Morningstar Emerging Market Target Market Exposure	A Morningstar Index that measures the performance of large- and mid-cap stocks in emerging markets, representing the top 85% of the investable universe by float-adjusted market capitalization.
Morningstar Eurozone Corporate Bonds	A Morningstar Index that measures the performance of fixed-rate, investment-grade EUR-denominated corporate bonds with maturities greater than one year. It is market-capitalization weighted.
Morningstar Global Corporate Bonds	A Morningstar Index that measures the performance of global fixed-rate, investment-grade corporate bonds with maturities greater than one year. It is market-capitalization weighted.

ANNEX II - Product Universes

Product	Key Index Entities	Supplemental Product Entity Groups	Flow-Through Entities	Sovereign Entities
BMR (corporate entities)	✓	✓		
BMR (government entities)				✓
Carbon Emissions	✓	✓		
Carbon Risk Ratings	✓			
Controversial Weapons Radar	✓	✓	✓	
Controversies	✓	✓		
Country Risk Ratings				✓
CSRD Aligned Data	✓	✓		
ESG Data	✓	✓		
ESG Risk Ratings	✓	✓	✓	
EU Taxonomy Solutions	✓	✓	✓	
Global Standards Screening	✓	✓	✓	
Impact Metrics	✓	✓		
Low Carbon Transition Ratings	✓			
Nature Data Package	✓			
Physical Climate Risk Metrics	✓	✓		
Product Involvement	✓	✓		
SFDR PAI Data Solution (corporate entities)	✓	✓		
SFDR PAI Data Solution (government entities)				✓