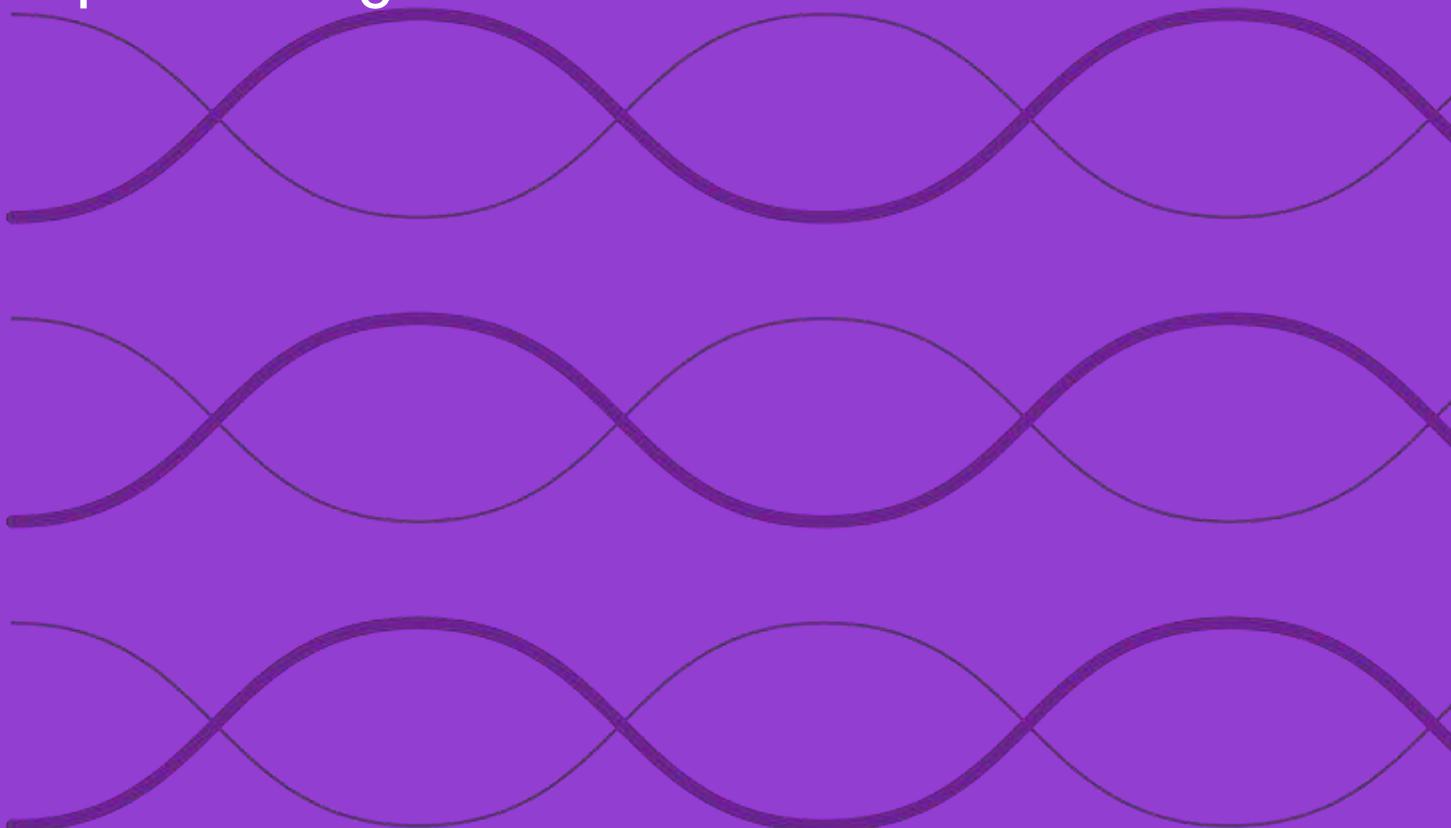


Construction Rules for the Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight Index



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Overview

The Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight Index seeks exposure to a static basket of 15 stocks from the Morningstar Transatlantic Semiconductors Select 15 Index as of December 22, 2025.

The Index constituents do not change, outside of changes derived from corporate actions.

This index does not incorporate environmental, social, or governance criteria.

Index Inception and Performance Start Date

The index inception date is January 28, 2026, and the performance start date, when the first back-tested index value was calculated, is June 20, 2008.

Index Construction

The Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight Index is comprised, as of the index inception date, of 15 securities from the US and Eurozone regions that are listed below:

Name	ISIN	Index Weight
Advanced Micro Devices	US0079031078	0.067
Applied Materials	US0382221051	0.067
ASM International NV Common Stock	NL0000334118	0.067
ASML Holding NV Common Stock Bearer Form	NL0010273215	0.067
BE Semiconductor Industries	NL0012866412	0.067
Broadcom Inc Shares	US11135F1012	0.067
Infineon Technologies	DE0006231004	0.067
Intel Corporation Common Stock	US4581401001	0.067
KLA Corp	US4824801009	0.067
Lam Research Corporation	US5128073062	0.067
Micron Technology, Inc.	US5951121038	0.067
NVIDIA Corporation	US67066G1040	0.067
Qualcomm, Inc.	US7475251036	0.067
STMicroelectronics NV.	NL0000226223	0.067
Texas Instruments, Inc.	US8825081040	0.067

Number of Stocks

The number of stocks is fixed to 15 at the time of launch.

For back-testing purposes, among the 15 stocks listed under the Index Construction section, if a stock did not have data available or was not inceptioned at that time in history, the weight on the constituent was rescaled proportionally to the other index constituents. No additional index constituents should be added on a go-forward basis. If one of the 15 fixed constituents were to delist, the index would be reweighted, and the constituent would not be replaced. The weights of existing constituents in the index will be adjusted along with TOS and float changes to achieve equal weights for constituents in the index.

Index Weighting

The index targets the weights outlined in the table under the Index Construction section at initial constitution and each rebalance.

For more details, refer to the [Morningstar Indexes Calculation Methodology rulebook](#).

Index Maintenance and Calculation

Rebalancing

Because this is a static index, constituents are chosen as of December 22, 2025, and from this point forward do not change outside of corporate actions. Therefore, this index does not reconstitute.

The index is rebalanced quarterly on the third Friday of March, June, September, and December. Adjustments to achieve the target weights, which are given in the table under Index Construction section, are implemented after Friday's market close and reflected the following Monday. If Monday is an index holiday, the rebalance is reflected the next business day. The market 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 rulebook](#).

Index Calculation and Price Data

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

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

Data Correction and Precision

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

Incorrect pricing and corporate action data for individual issues in the database will generally be corrected upon detection. In addition, an incorrect divisor of an index, if discovered within two days of its occurrence, will be fixed retroactively on the day it is discovered to prevent an error from being carried forward. Commercially reasonable efforts are made to correct an older error subject to its significance and feasibility.

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.

Appendices

Appendix 1: Glossary

Term	Description
Reconstitution	During each reconstitution, the steps mentioned in the index construction process are performed, resulting in membership reset.
Rebalance	During each rebalance, the weights are adjusted for updated free-float and shares outstanding data.

Appendix 2: Decrement Indexes

Index Name	Underlying Index	Base value	Base Date	Performance Inception Date	Inception Date
Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight Decrement 50 Point GR	Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight GR	910	Feb. 2, 2026	Jun. 20, 2008	Jan. 28, 2026
Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight Decrement 5% NR	Morningstar Transatlantic Semiconductors Static Select 15 Equal Weight NR	1000	Jun. 20, 2008	Jun. 20, 2008	Jan. 28, 2026

Appendix 3: Decrement Levels

The index levels are adjusted by deducting a predetermined value of index points from the gross return, or GR, or fixed percentage point from the net return, or NR, levels of the base index. These constant markdowns are applied to the base index daily.

Return Variant of the Base Index	Base Currency	Decrement Type	Decrement Frequency	Decrement Application	Decrement Value	Day Count Convention
Net Total Return	EUR	Fixed Percentage Decrement or Fixed Point Decrement based on the index version.	Daily	Geometric application for both decrement types.	5% decrement based on the Net Total Return	*ACT/365

*ACT is the number of calendar days between two calculation days.

Formula for Fixed Point Decrement Geometric Decrement Calculation

$$IV_t = (IV_{t-1} \times (U_t \div U_{t-1})) - (D \times (Act(t-1,t) \div DayCount))$$

Where:

IV_t = The value of the Fixed Point Decrement Index for calculation day t

IV_{t-1} = The value of the Fixed Point Decrement Index for day $t-1$

U_t = The value of the base Index for calculation day t

U_{t-1} = The value of the base Index for calculation day $t-1$

$Act(t-1,t)$ = Number of calendar days between calculation day $t-1$ and calculation day t

D = The Decrement value expressed in Index points

DayCount = Set to 365

Formula for Fixed Percentage Decrement

Geometric Decrement Calculation

$$IV_t = IV_{t-1} \times ((U_t \div U_{t-1}) - (c \times (Act(t-1,t) \div DayCount)))$$

Where:

IV_t = The value of the Fixed Percentage Decrement Index for calculation day t

IV_{t-1} = The value of the Fixed Percentage Decrement Index for day $t-1$

U_t = The value of the base Index for calculation day t

U_{t-1} = The value of the base Index for calculation day $t-1$

$Act(t-1,t)$ = Number of calendar days between calculation day $t-1$ and calculation day t

c = The Decrement value expressed in Fixed Percentage

DayCount = Set to 365

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 Benchmarks Regulation (“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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