

Morningstar Indexes

April 16, 2024

Index Cessation: Morningstar Sustainable Environment Index Family

Dear Client,

Morningstar Indexes will retire the Morningstar Sustainable Environment Index family as a result of the newly released Morningstar Low Carbon Transition Leaders (LCTL) Index family. The new LCTL indexes will act as a replacement.

The [Morningstar Low Carbon Transition Leaders Indexes](#) are designed to provide diversified, broad market exposure to companies leading their sector peers in their readiness for—and action towards—climate transition. Eligible companies from the large-mid cap parent index are grouped by sector and ranked according to their composite Low Carbon Transition Leaders Score, which is based on a combination of a company's current carbon intensity and its Management Score, as measured by Sustainalytics' Low Carbon Transition Rating. The indexes target the best-scoring 50% of companies from each sector (by market cap). The indexes also seek to emphasize companies that report carbon emissions and are reducing their carbon intensity, as well as those whose business activities contribute positively to the environment.

Implementation

This change will be implemented on July 19th, 2024, and will be effective July 31st, 2024.

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

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