

# INDEX GUIDELINE

*Solactive Eurozone Government Bond 60 Index*

*Version 1.1*

*29 January 2024*



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## INTRODUCTION

This document (the "GUIDELINE") is to be used as a guideline with regard to the composition, calculation and maintenance of the SOLACTIVE EUROZONE GOVERNMENT BOND 60 INDEX (the "INDEX"). Any amendments to the rules made to the GUIDELINE are approved by the OVERSIGHT COMMITTEE as specified in the Bond Index Methodology. The INDEX is owned, calculated, administered and published by Solactive AG ("SOLACTIVE") assuming the role as administrator (the "INDEX ADMINISTRATOR") under the Regulation (EU) 2016/1011 (the "BENCHMARK REGULATION" or "BMR"). The name "Solactive" is trademarked.

The GUIDELINE and the policies and methodology documents referenced herein contain the underlying principles and rules regarding the structure and operation of the INDEX. SOLACTIVE does not offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the INDEX nor the level of the INDEX at any certain point in time nor in any other respect. SOLACTIVE strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for SOLACTIVE – irrespective of possible obligations to issuers of financial instruments or investment funds referencing the INDEX under a valid license – to advise third parties, including investors and/or financial intermediaries, of any errors in the INDEX. The publication of the INDEX by SOLACTIVE does not constitute a recommendation for capital investment and does not contain any assurance or opinion of SOLACTIVE regarding a possible investment in a financial instrument based on this INDEX.



# 1. INDEX SPECIFICATIONS

## 1.1. SCOPE OF THE INDEX

The INDEX aims to track the performance of Solactive Eurozone Government Bond Index TR (SOLEUSOV) with a subset of 60 bonds.

- The INDEX aims to track the performance of Solactive Eurozone Government Bond Index TR (SOLEUSOV) index with a subset of 60 sovereign bonds from the SOLEUSOV index. The bonds are investment grade rated and EUR denominated, issued by countries in the Eurozone.
- Index Currency is euro.

## 1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker
Solactive Eurozone Government Bond 60 Index	SOLEUS60	EUR	TR*	.SOLEUS60	SOLEUS60

TR means that the INDEX is calculated as Total Return index as described in the Bond Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/bond-index-methodology/>

\*[FORMULA] means that the INDEX is calculated as [Index Formula] as described in the Bond Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/bond-index-methodology/>

The INDEX is published on the website of the INDEX ADMINISTRATOR ([www.solactive.com](http://www.solactive.com)) and is, in addition, available via the price marketing services of Boerse Stuttgart GmbH and may be distributed to all of its affiliated vendors. Each vendor decides on an individual basis as to whether it will distribute or display the INDEX via its information systems.

Any publication in relation to the INDEX (e.g. notices, amendments to the GUIDELINE) will be available at the website of the INDEX ADMINISTRATOR: <https://www.solactive.com/news/announcements/>.

## 1.3. INITIAL LEVEL OF THE INDEX

The initial level of the INDEX on the 11<sup>th</sup> September 2023 is 1000. Historical values from the 11<sup>th</sup> September 2023 will be recorded in accordance with Article 8 of the BMR. Levels of the INDEX published for a period prior to the LIVE DATE have been back-tested.



## 1.4. PRICES AND CALCULATION FREQUENCY

The INDEX is calculated and distributed once every BUSINESS DAY based on the Last Evaluated Bid Price of the INDEX COMPONENTS. Bonds added in a rebalancing (see Section 3) are included the INDEX at the Last Evaluated Ask Price on the relevant REBALANCE DAY (as specified in Section 3.3). Bonds which are excluded from the INDEX in a rebalance are reflected in the calculation of the level of the INDEX for the REBALANCE DAY at the Last Evaluated Bid Price on the relevant REBALANCE DAY. INDEX analytical values are calculated each BUSINESS DAY using the Last Evaluated Bid Price based on FIXING TIME. Prices of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using 4 pm London Time WM Fixing quoted by Reuters.

Should there be no current 4 PM London WM Fixing available on Reuters the most recent 4 PM London WM Fixing on Reuters for the preceding BUSINESS DAY is used in the calculation.

## 2. INDEX SELECTION

On each SELECTION DAY, all bonds which meet the INDEX COMPONENT REQUIREMENTS are eligible for inclusion in the INDEX and will be added as INDEX COMPONENT on the REBALANCE DAY. Additionally, on each SELECTION DAY, it will be evaluated whether all current INDEX COMPONENTS still meet the INDEX COMPONENT REQUIREMENTS. Each INDEX COMPONENT that does not meet the INDEX COMPONENT REQUIREMENTS will be removed from the INDEX on the next REBALANCE DAY.

### 2.1. SELECTION OF THE INDEX COMPONENTS

The initial composition of the INDEX, as well as any selection for a rebalance (as specified in Section 3) is determined using the following rules:

- The Solactive Eurozone Government Bond Index TR (SOLEUSOV) is the starting bond universe for the index.
- The bonds should be in the list of ECB eligible marketable assets.

Only 60 bonds are included in the index. The 60 bonds are selected based on the following criteria:

- Calculate the total weight per country.
- Calculate the number of bonds to select from each country of risk.
- Iterate over each group, select all bonds from the country of risk. If there are enough bonds in the country of risk, select the top bonds based on highest Amount Outstanding.
- If the selected bonds count is less than 60, fill the remaining slots with additional bonds from other country of risk from which the bonds are not selected yet and repeat till the count is 60.



The determination of the INDEX COMPONENTS is fully rule-based and the INDEX ADMINISTRATOR SELECTION PARTY has no discretion.

## 2.2. WEIGHTING OF THE INDEX COMPONENTS

On each REBALANCE DAY each INDEX COMPONENT is weighted using the market value based on the LAST EVALUATED BID and accrued interest as on the REBALANCE DAY in order to achieve the aim of the INDEX. The weighting of the INDEX COMPONENTS will be as follows:

The index follows the market value weighted weighting.

## 3. ORDINARY REBALANCE

In order to reflect the new selection of the INDEX COMPONENTS determined on the SELECTION DAY (in accordance with Section 2.1) the INDEX is adjusted on the REBALANCE DAY after CLOSE OF BUSINESS of January, April, July and October.

For more information on the rebalance procedure please refer to the Bond Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/bond-index-methodology/>.

SOLACTIVE will publish any changes made to the INDEX COMPONENTS with sufficient notice before the REBALANCE DAY on the SOLACTIVE webpage.

## 4. CORPORATE ACTIONS

As part of the INDEX maintenance SOLACTIVE will consider various events – also referred to as corporate actions – which result in an adjustment to the INDEX between two regular REBALANCE DAYS. Such events have a material impact on the price, weighting or overall integrity of INDEX COMPONENTS. Therefore, they need to be accounted for in the calculation of the INDEX. Adjustments to the INDEX to account for corporate actions will be made in compliance with the Bond Index Methodology.



## 5. DEFINITIONS

"BENCHMARK INDEX" Solactive Eurozone Government Bond Index Index TR (SOLEUSOV)

"BENCHMARK REGULATION" shall have the meaning as defined in Section "Introduction".

"BMR" shall have the meaning as defined in Section "Introduction".

"BUSINESS DAY" is with respect to the INDEX each day Monday to Friday except common European banking holidays. 24<sup>th</sup> and 31<sup>st</sup> December, and Good Friday are not considered Business Days.

"CLOSE OF BUSINESS" is a time stamp when an INDEX is calculated.

"GUIDELINE" shall have the meaning as defined in Section "Introduction".

"INDEX" shall have the meaning as defined in Section "Introduction".

"INDEX ADMINISTRATOR" shall have the meaning as defined in Section "Introduction".

"INDEX CALCULATOR" is SOLACTIVE or any other appropriately appointed successor in this function.

"INDEX COMPONENT" is each bond reflected in the INDEX.

"INDEX COMPONENT REQUIREMENTS" shall have the meaning as defined in Section 2.1.

"INDEX CURRENCY" is the currency specified in the column "Currency" in the table in Section 1.2.

"ISSUER" is the issuing entity of the respective bond.

"LIVE DATE" is 11<sup>th</sup> September 2023.

"OVERSIGHT COMMITTEE" shall have the meaning as defined in the Bond Index Methodology.

"PRICING PROVIDER" is Intercontinental Exchange (ICE).

"REBALANCE DAY" is the last BUSINESS DAY of January, April, July and October month.

"SELECTION DAY" is 6 BUSINESS DAYS before the scheduled REBALANCE DAY, disregarding any potential change of the REBALANCE DAY

"SOLACTIVE" shall have the meaning as defined in Section "Introduction".

SPOT" is the spot foreign exchange rate to convert the currency of the INDEX COMPONENT into the denomination of the INDEX CURRENCY.

"START DATE" is 11<sup>th</sup> September 2023.

Please note that the definitions included in the Bond Index Methodology apply to this guideline. In case of a discrepancy, the definition presented in the guidelines should prevail.



## 6. HISTORY OF INDEX CHANGES

Version	Date	Description
1.0	<i>11 September 2023</i>	Index Guideline creation ( <i>initial version</i> )
1.1	<i>29 January 2024</i>	Removed the 10 year maturity from issuance date rule.



# CONTACT

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