

# INDEX GUIDELINE

*Solactive EMU Sovereign Bond TR Index*

*Version 1.0*

*08 December 2023*



## TABLE OF CONTENTS

Introduction .....	3
1. Index Specifications .....	3
1.1. Scope of the Index .....	3
1.2. Identifiers and Publication .....	3
1.3. Initial Level of the Index .....	4
1.4. Prices and calculation frequency .....	4
2. Index Selection .....	4
2.1. Selection of the Index Components .....	5
2.2. Weighting of the Index Components.....	5
3. Ordinary Rebalance .....	5
4. CORPORATE ACTIONS.....	6
5. Definitions.....	7
6. History of Index Changes .....	8
Contact.....	9



## INTRODUCTION

This document (the "GUIDELINE") is to be used as a guideline with regard to the composition, calculation and maintenance of the Solactive EMU Sovereign Bond TR 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 broad-based European Economic and Monetary Union member countries Sovereign Bonds, Bills, Commercial Papers and Certificate of Deposits denominated in EUR with maximum time to maturity of 6 months.

### 1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker	Calculation Formula
Solactive EMU Sovereign Bond TR Index	DE000SLODSL7	EUR	TR	.SOLEMUS	SOLEMUS	BMV

\*BMV means that the Index is calculated as base market value as described in the Bond Index Methodology, which is available on the Solactive website: <https://www.solactive.com/documents/bond-index-methodology/>



\*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/>

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 7<sup>th</sup> Dec 2023 is 1000. Historical values from the 8<sup>th</sup> Dec 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 PRICE CONVENTION of the INDEX COMPONENTS. Bonds added in a rebalancing are included in the INDEX at the LAST EVALUATED ASK PRICE on the relevant REBALANCE DAY. Bonds which are excluded from the INDEX in a rebalance are reflected in the calculation of the INDEX level 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 MID PRICE based on FIXING TIME. Prices of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the WM Fixing by Reuters.

## 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 each INDEX, as well as any selection for a rebalance (as specified in Section 3) is determined using the following rules:

- Sovereign Bonds, Bills, Commercial Papers and Certificate of Deposits denominated in EUR.
- European Union issuer Bonds, Bills, Commercial Papers and Certificate of Deposits are also the part of the index components.
- Country of risk should be the European Economic and Monetary member countries.
- The minimum Amount outstanding should be of at least EUR 100 million.
- The maximum time to maturity should be 6 months from the REBALANCE DAY.
- Country Risk Ratings from Sustainalytics (that Identify ESG risks that affect countries' prosperity) should be available for the issuers.
- A price of the PRICING PROVIDER must be available on SELECTION DAY.

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

## 2.2. WEIGHTING OF THE INDEX COMPONENTS

On each SELECTION DAY each INDEX COMPONENT is market value weighted as given below which is based on the PRICE CONVENTION FOR WEIGHTING and accrued interest as on the SELECTION DAY in order to achieve the aim of the INDEX.

## 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.

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

“BMR” shall have the meaning as defined in Section “Introduction”.

“BUSINESS DAY” is with respect to the INDEX each day Monday to Friday except the following common European banking holidays.

“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 8<sup>th</sup> December 2023.

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

“PRICING PROVIDER” is Intercontinental Exchange.

“PRICE CONVENTION FOR WEIGHTING” is Bid Price.

“REBALANCE DAY” is last BUSINESS DAY of the month.

“SELECTION DAY” is 7 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”.

“START DATE” is 7<sup>th</sup> December 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>08 December 2023</i>	Index Guideline creation ( <i>initial version</i> )



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