

iBoxx GBP Collateralized & Corporates ex-T1&UT2 10+ (1.5% Issuer Cap/25% Sector Cap) Index Consultation

LONDON, JUNE 25, 2024: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with market participants on potential changes to the iBoxx GBP Collateralized & Corporates ex-T1&UT2 10+ (1.5% Issuer Cap/25% Sector Cap).

PROPOSAL

In order to enhance bond issuer representation and promote a more comprehensive approach to index construction, S&P DJI proposes to incorporate Tier 1 (T1) and Upper Tier 2 (UT2) issuers into the index and eliminate the 1.5% issuer capping. By removing the 1.5% issuer capping, S&P DJI seeks to eliminate potential constraints on the representation of certain issuers within the index, fostering a more inclusive and representative index composition. These adjustments are designed to ensure that the index accurately reflects the diversity of the fixed income market.

If S&P DJI decides to implement these changes, the index name will change to: iBoxx GBP Collateralized & Corporates 10+ (25% Sector Cap).

IMPACT ANALYSIS

S&P DJI conducted an analysis to assess the impact of the proposed changes based on the April 2024 month-end rebalancing. The proposed methodology changes had no impact on constituent selection and inclusion, but removing the 1.5% capping did impact constituent weights. Please see [here](#) for a detailed impact analysis.

Additional data and analysis may be made available in the Client Resource Center www.spglobal.com/spdji/en/client-services/, which may be updated from time to time throughout the consultation without notice. Additional data and analysis may also be made available upon request.

IMPLEMENTATION TIMING

S&P DJI proposes to implement the previously described methodology changes, if adopted, in conjunction with the July 2024 month-end rebalancing, which takes effect prior to the market open on **Thursday, August 1, 2024**.

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

- 1. Do you agree with the proposal to include bonds from Tier 1 and Upper Tier 2 issuers in the index?**
- 2. Do you agree with the proposal to remove the 1.5% issuer cap from the index?**

3. **Should these proposed methodology changes be adopted, do you agree with the proposed implementation date?**
4. **Do you have any other comments or feedback regarding the proposed changes outlined above?**

Participation in this consultation is important as S&P DJI gathers information from various market participants in order to properly evaluate market participants' views and preferences on the proposal herein and the suggested timetable for its implementation. Please respond to this survey by **Friday, July 12, 2024**, as S&P DJI does not accept survey responses post the survey closure date. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

To participate in this consultation, please visit the online survey available [here](#).

Please be advised that S&P DJI reviews and considers all feedback before a final decision is made. However, S&P DJI makes no guarantees and is under no obligation to comply with any of the responses. The consultation may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, the change(s) will be announced to clients and posted on the S&P DJI website with prior notice ahead of the effective date.

Thank you for taking the time to complete this survey.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

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CONSULTATION