Scholarly/Technical Text:

Securities Lending Returns in iBoxx Global Government Index

IHS Markit iBoxx Global Government Index is designed to reflect the performance of global local currency denominated investment grade sovereign debt. The index rules aim to offer a broad coverage of the investment grade global sovereign bond universe whilst upholding minimum standards of investability and liquidity. IHS Markit Securities Finance provides the securities lending return made from the bonds in the index since 2015 and further provides a break down by fee categories, ratings & years to maturity as well as the level of Utilization in the index constituents. There are currently 923 bonds on loan out of the 1731 bonds in the index.

SL Returns to Lendable : Jul 21 to Jun 22

SL Revenue Contribution by Fee Categories

Annual Contribution by Fee Categories: Jul 21 to Jun 22

SL Returns to Lendable_Low (bps) | SL Return to Lendable_Mid (bps) | SL Return to Lendable_High (bps)
--- | --- | ---
Jul 21 | 4.5 | 6.5 | 7.5
Aug 21 | 4.3 | 6.4 | 7.4
Sep 21 | 4.2 | 6.3 | 7.3
Oct 21 | 4.1 | 6.2 | 7.2
Nov 21 | 4.0 | 6.1 | 7.1
Dec 21 | 3.9 | 6.0 | 7.0
Jan 22 | 3.8 | 5.9 | 6.9
Feb 22 | 3.7 | 5.8 | 6.8
Mar 22 | 3.6 | 5.7 | 6.7
Apr 22 | 3.5 | 5.6 | 6.6
May 22 | 3.4 | 5.5 | 6.5
Jun 22 | 3.3 | 5.4 | 6.4
Jul 22 | 3.2 | 5.3 | 6.3
Aug 22 | 3.1 | 5.2 | 6.2
Sep 22 | 3.0 | 5.1 | 6.1
Oct 22 | 2.9 | 5.0 | 6.0
Nov 22 | 2.8 | 4.9 | 5.9
Dec 22 | 2.7 | 4.8 | 5.8

SL Revenue and SL Return to Lendable by Years to Maturity and Ratings for Jun 2022

<table>
<thead>
<tr>
<th>Ratings</th>
<th>SL Return to Lendable_Low</th>
<th>SL Return to Lendable_Mid</th>
<th>SL Return to Lendable_High</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>5.1</td>
<td>7.9%</td>
<td></td>
</tr>
<tr>
<td>AA</td>
<td>5.7</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>1.7</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>BBB</td>
<td>2.8</td>
<td>2%</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

SL Return to Lendable_Low
Returns from securities lending relative to lendable value from all the lender funds who are part of the IHS Markit Securities Finance group. Finance trades are removed from our calculation.

SL Return to Lendable_Mid
Returns from securities lending relative to lendable value from only those lender funds with active loans in respective market areas that are part of the index. Funds are classified as active on a daily basis for individual market areas. Finance trades are removed from our calculation. This metric is used in the report unless stated otherwise.

SL Return to Lendable_High
Returns from securities lending relative to lendable value from only those lender funds with the highest loan value that represent 80% of the cumulative loan value in respective market areas that are part of the index. Funds are classified on a daily basis for individual market areas with an index base date of 1st Jan 2015 where the index is set to a base value of 100.

Indexed Utilization
Indexed Utilization tracks the daily change in loan value relative to lendable value calculated for the iBoxx index with the index base date of 1st Jan 2015.

Fee Classification
Securities with value weighted average securities lending fee of <= 35 bps are classified as GC, > 35 bps & <= 150 bps are classified as Warm and > 150 bps are classified as Special. This fee classification is done on a daily basis.