



iBoxx® Contingent Convertible Indices

The iBoxx Contingent Convertible Indices represent the developed and emerging market Contingent Convertible (CoCo) fixed income market for EUR, GBP and USD denominated bonds.

The iBoxx Contingent Convertible index family tracks the performance and emergent issuance of Basel III compliant Additional Tier 1 (AT1) and Tier 2 (T2) CoCos by banks, and of Restricted Tier 1 capital (RT1) by insurance companies, which as of June 2019 stands at more than \$225 billion outstanding.

The European Commission's Capital Requirements Directive IV is the EU implementation of Basel III. This implementation and those by other regulatory bodies worldwide have led to an increase in the issuance of CoCos which are designed to satisfy the loss absorbing capital requirements of banks and insurance companies under Basel III.

Sub indices for AT1, T2 and RT1 capital tiers allow for detailed multi dimensional analysis of the underlying market.

The index family is part of the global iBoxx index families, fuelled by multi-source pricing. iBoxx indices offer representative and objective benchmarks for assessing the performance of bond markets and investments.

KEY STATS

\$5trn+

Total Value of Derivative Trades Outstanding*

\$120bn+

AUM in ETFs

15,000+

Indices

20,000+

Bonds

500+

Clients

CUSTOMERS

Asset managers

ETF issuers

Hedge funds

Insurers

Investment banks

Pensions

Transparency

Publicly available documentation on our rules based methodology for constituent selection, monthly rebalancing and daily total return calculations.

Independence

Multi-source and independent pricing and reference data used subject to rigorous quality testing with a fully documented price challenge process. IHS Markit is committed to administering all financial benchmarks in compliance with IOSCO principles and is an authorized benchmark administrator under the European Benchmark Regulation (BMR).

Multi-dimensional analysis

Wide range of analytical values is published to support risk, performance measurement and attribution analysis.

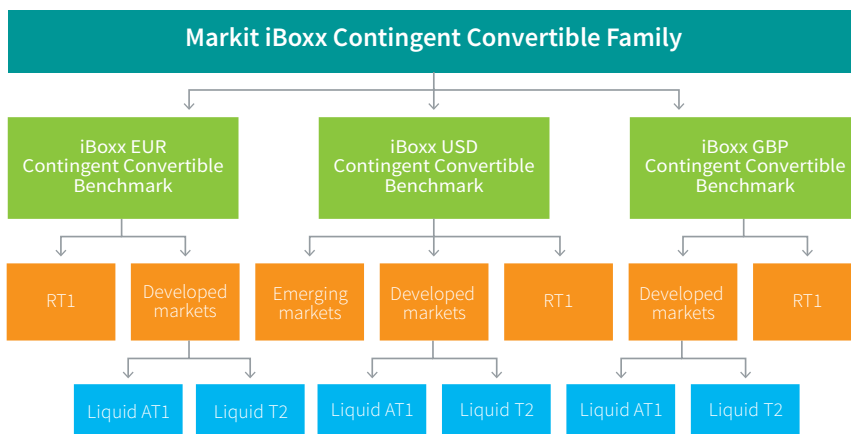
Flexibility

Ability to customise and deliver indices to meet specific investment criteria.

Depth of data

History of Index Returns available and wealth of analytics data and related sub-indices are published to support index analysis.

INDEX STRUCTURE



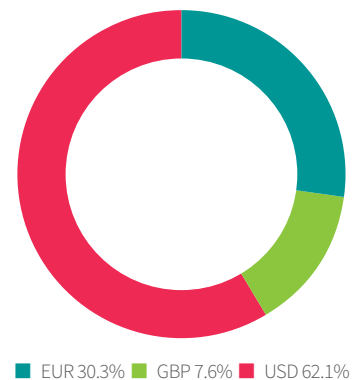
INDEX ELIGIBILITY CRITERIA

Issuer type	Banks, Insurance Companies
Bond types	Eligible: Contingent Convertibles classified as eligible under Basel III, such as Additional Tier 1, Tier 2 and Restricted Tier 1 issued after January 1st 2013 Excluded: Basel III compliant contingent convertibles that do not have an objective prespecified trigger point or write-down mechanism, Certificates of Deposit, zero coupon bonds, private placements and retail bonds, PIKs and structured notes
Time to maturity	Minimum 1 year
Amount outstanding	EUR: 150 million Liquid EUR: 500 million GBP: 250 million Liquid GBP: 400 million USD: 400 million Liquid USD: 750 million
Rating	Rated contingent convertibles by at least one of the three credit rating agencies: Moody's, S&P or Fitch
Currency	EUR, GBP, USD

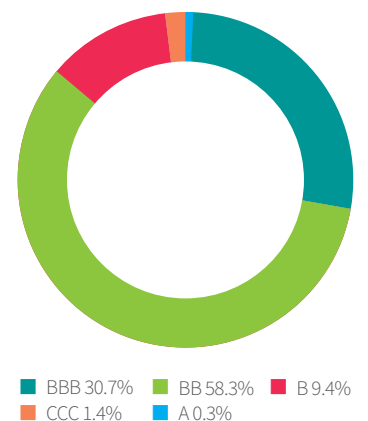
INDEX DETAILS

Pricing sources	Bonds are priced using multi-source pricing
Calculation	Daily
Rebalancing	Monthly
Snap time	16:15 London (UK) time for EUR & GBP 15:00 ET time for USD
History start date	31 December 2013
Weighting	Market capitalisation

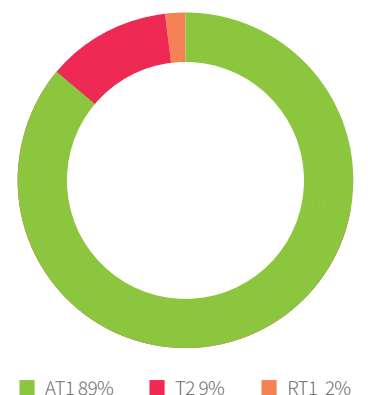
Sector Composition



Rating Breakdown



Seniority Breakdown



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