

**S&P Dow Jones
Indices**

A Division of **S&P Global**

iBoxx Global Developed Markets High Yield Index Methodology

March 2025

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1 Markit iBoxx Global Developed Markets High Yield Index

The Markit iBoxx Global Developed Markets High Yield Index is designed to reflect the performance of global developed corporate high yield debt market. The index rules aim to offer a broad coverage of the global developed corporate high yield liquid bond universe and have been The indices are an integral part of the global iBoxx index families, which provide the marketplace with accurate and objective indices by which to assess the performance of bond markets and investments. The index is market-value weighted with an issuer cap of 3%.

As of April 2012 the Markit iBoxx Global Developed Markets High Yield Index consists of sub-investment grade rated CAD, EUR, GBP and USD denominated bonds issued by corporate issuers and rated by at least one of three rating services: Fitch Ratings, Moody's Investors Service, or Standard & Poor's Rating Services.

The bonds in the Markit iBoxx Global Developed Markets High Yield Index must meet all the criteria described below as of the close of business two business days prior to the rebalancing date provided that the relevant bond data can be verified, at S&P DJI's sole discretion, as of such date ("bond selection cut-off date"). The new index composition becomes effective on the first business day of the next month.

All iBoxx indices are priced based on multiple data inputs. The Markit iBoxx Global Developed Markets High Yield Index index follows the pricing methodology as described in the document 'iBoxx Pricing Methodology' publicly available on <https://www.spglobal.com/spdji/en/> under *Methodology*.

This document covers the index selection rules and calculation methodology.

2 Bonds selection rules

The following selection criteria are applied to select the constituents for the Markit iBoxx Global Developed Markets High Yield Index:

- Bond type
- Credit rating
- Time to maturity
- Amount outstanding
- Classification
- Lockout period

2.1 Bond type

The Markit iBoxx Global Developed Markets High Yield Index includes only EUR, GBP and USD denominated fixed rate bonds whose cash flow can be determined in advance. T-Bills and other money market instruments are not eligible. The issuer's domicile is not relevant.

In particular, bonds with the following characteristics are included:

- Fixed coupon bonds (“plain vanilla bonds”)
- Step-up bonds with coupon schedules known at issuance (or as functions of the issuer's rating)
- Sinking funds and amortizing bonds
- Medium term notes (“MTNs”)
- Rule 144A offerings (“144A”) are eligible for CAD and USD, and Regulation S offerings (“RegS”) for EUR and GBP
- Callable bonds
- Puttable bonds
- Pay-in kind bonds (only USD and EURO Currency bond)

The following bond types are specifically excluded from the index:

- Preferred shares
- Optionally and mandatorily convertible bonds
- Subordinated bank or insurance debt with mandatory contingent conversion features or with any conversion options before the first call date is ineligible for the index
- Bonds with other equity features attached (e.g., options/warrants)
- Private placements. The list of private placements is updated every month and published on <https://www.spglobal.com/spdji/en/> under Indices News. Partial private placements where information on the specific amounts publicly placed and privately placed can be ascertained are included in the indices with the amount publicly placed. If the amount publicly placed is below the cut-off, the bond is not included in the indices. For private placements publicly available information is not always conclusive. The iBoxx Technical Committees reviews potential private placements and these bonds may be added to the list of excluded securities as a consequence
- Perpetual bonds
- Floating rate notes
- GBP and CAD Pay-in Kind Bonds (during the pay-in-kind period)

- Zero coupon bonds
- Zero step-ups (GAINS)
- Bonds with differences between accrual and coupon payment periods and monthly-paying bonds
- Regulation S offerings for CAD and USD, and Rule 144A offerings for EUR and GBP
- Extended bonds as defined under section 'Maturity extension' in this document

For retail bonds and private placements, publicly available information is not always conclusive and the classification of a bond as a retail bond or a private placement will be made at S&P DJI's discretion based on the information available at the time of determination. S&P DJI may consult with the specific Index Committees to review potential retail bonds or private placements. Any bond classified as retail or private placement is added to the list of excluded private placements and retail bonds. The list is published on <https://www.spglobal.com/spdji/en/> under News & Information for future reference and to ensure decision's consistency.

In instances where a new bond type is not specifically excluded or included according to the published index rules, S&P DJI will analyze the features of such securities in line with the principles set out in 2.1 of this methodology. S&P DJI may consult the specific Index Committees. Any decision as to the eligibility or ineligibility of a new bond type will be published and the index rules will be updated accordingly.

2.1.1 Tender offers and calls

Any bond subject to a firm call or tender offer, with the exception of exchange offers, in the month immediately following the rebalancing date will be excluded from the index, provided that S&P DJI is aware of such tender offer or call as of the Bond selection cut-off date.

2.2 Credit Rating

All bonds in the Markit iBoxx Global Developed Markets High Yield Index must have an iBoxx Rating of sub investment grade.

Ratings from the following three credit rating agencies are considered for the calculation of the iBoxx Rating:

- Fitch Ratings
- Moody's Investor Service
- S&P Global Ratings

Sub-investment grade is defined as BB+ or lower from Fitch Ratings or S&P Global Ratings and Ba1 or lower from Moody's Investor Service, but not in default.

If a bond is rated by more than one of the above agencies, then the iBoxx rating is the average of the provided ratings. The rating is consolidated to the nearest rating grade. Rating notches are not used. For more information on how the average rating is determined, please refer to the iBoxx Rating Methodology document. The methodology can be found on <https://www.spglobal.com/spdji/en/> under *Methodology*.

Defaulted bonds are ineligible for the index. Bonds that are in default or that trade flat of accrued are removed from the index at the first rebalancing following the default/start of trading flat of accrued. Issues rated D by Fitch Ratings or S&P Global Ratings or that have been subject to a default press release by Moody's Investor Service cannot enter the index; those issues in the index that are subsequently downgraded to D by S&P Global Ratings or Fitch or are subject to a default press release by Moody's Investor Service (as of the bond selection cut-off date) will be taken out of the index on the next rebalancing date. In case of an ID change or exchange of a 144A/RegS version into a registered bond the ratings from the 144A/RegS bond are also used for the registered bond.

2.3 Time to maturity

2.3.1 Expected remaining life

All bonds must have at the rebalancing day an expected remaining life:

- of at least one year, and
- all new insertions must have an expected remaining life of at least one year and 6 months.

The expected remaining life is calculated from the rebalancing date to the assumed workout date of the bond, by using the day count convention of the bond. The workout date for a bond is determined based on the bond features as follows:

- For plain vanilla bonds, the expected workout date is the final maturity date
- For dated and undated callable financial hybrid capital bonds, the workout date is assumed to be the first call date
- For non-financial hybrid capital bonds with an interest rate reset, the workout date is assumed to be the first reset date
- For soft bullets, the expected workout date is determined using the first call date

2.3.2 Expected remaining life at issuance

All bonds must have at issuance an expected remaining life of 15 years or less.

2.4 Amount outstanding

2.4.1 Issue amount outstanding

The outstanding face value of a bond as of the bond selection cut-off date must be greater than or equal to:

- CAD 100 million for CAD denominated bonds,
- EUR 250 million for EUR denominated bonds,
- GBP 250 million for GBP denominated bonds, and
- USD 400 million for USD denominated bonds

S&P DJI considers changes to the outstanding face value of a candidate bond as a result of partial or full buybacks or increases, provided that S&P DJI is aware of such changes as of the bond selection cut-off date.

2.4.2 Issuer amount outstanding

The outstanding face value of all bonds denominated in USD from the issuer must be greater than or equal to USD 1 billion as of the bond selection cut-off date

3 Bond classification

All bonds are classified based on the principal activities of the issuer and the main sources of the cash flows used to pay coupons and redemptions. In addition, a bond's specific collateral type or legal provisions are evaluated. Hence, it is possible that bonds issued from different subsidiaries of the same issuer carry different classifications.

The issuer classification is reviewed regularly based on updated information received by S&P DJI, and status changes are included in the index at the next rebalancing if necessary.

Where the sector classification of a specific entity is not clear due to the diversified business of the entity, a decision is made at S&P DJI's discretion. S&P DJI assigns the classification according to its evaluation of the business risk presented in the security prospectus and annual reports, if available. S&P DJI also compares the classification to peers in the potential sectors. Membership lists including classification are published on the FTP server and in the *Indices* section of the webpage for registered users.

3.1 Denomination

Bond must be denominated in CAD, EUR, GBP or USD.

3.2 Issuer

The bond must be corporate credit, i.e., debt instruments backed by corporate issuers that are not secured by specific assets. Debt issued by governments, sovereigns, quasi-sovereigns, and government-backed or guaranteed entities is excluded. For the purposes of selecting candidates for the index, an "issuer" is defined by the Bloomberg ticker (i.e., all bonds sharing a ticker are attributed to the same issuer).

3.3 Issuer country

Bonds from countries classified as developed markets based on the "S&P Global iBoxx Global Economic Development Classification Methodology" are eligible for the index.

The issuer or, in the case of a finance subsidiary, the issuer's guarantor, must be domiciled, incorporated and the country of risk must be in the countries listed as developed markets in "S&P iBoxx Country Classifications". The classification is available at: <https://www.spglobal.com/spdji/en/> under *Methodology*.

3.4 Inclusion and exclusion of countries

A new country is added to the index if it is classified as developed market based on the "S&P Global iBoxx Global Economic Development Classification Methodology".

A country is no longer eligible for the index if it is classified as emerging market based on the "S&P Global iBoxx Global Economic Development Classification Methodology". The "S&P Global iBoxx Global Economic Development Classification Methodology" is updated once per year. The results are published at the end of July. The inclusion/exclusion of a country becomes effective at the end of October.

3.5 Inclusion of a new currency

Bonds denominated in a developed market currency become eligible, if the number of eligible bonds is greater or equal to 15 and the number of eligible issuer is greater or equal to 10 for two consecutive years. The new eligibility of a new currency will be determined once per year in July and will become effective at the end of October.

3.6 Exclusion of a currency

Bonds denominated in a developed market currency are excluded from the index, if the number of eligible bonds is less than 10 or the number of eligible issuer is less than 5 for two consecutive years.

Bonds denominated in an emerging market currency are excluded from the index at the end of October, after the market is classified as emerging market based on the yearly updated “S&P Global iBoxx Global Economic Development Classification Methodology”.

3.7 Sector classification

Each bond in the Markit iBoxx Global Developed Markets High Yield Index is assigned to one of the following sectors: Consumer Goods, Consumer Services, Financials, Industrials & Materials, Telecommunication & Technology and Utilities & Energy.

3.8 Lockout period

A bond that drops out of the Markit iBoxx Global Developed Markets High Yield Index at the rebalancing day is excluded from re-entering the index for a three-month period.

4 Index calculation

4.1 Static data

Information used in the index calculation is sourced from offering circulars and checked against standard data providers.

4.2 Bond prices

For more details, please refer to the *iBoxx Pricing Methodology* document, available in the *Methodology* section of the webpage at <https://www.spglobal.com/spdji/en/>.

4.3 Rebalancing process

The index is rebalanced monthly on the last business day of the month after the close of business. Changes to outstanding amounts are only taken into account if they are publicly known three business days before the end of the month. Changes in ratings are only taken into account if they are publicly known two business days before the end of the month. New bonds issued are taken into account if they are publicly known to settle until the last calendar day of the month, inclusive, and if their rating has become known at least three trading days before the end of the month.

Preview lists of eligible bonds is published on a weekly basis starting on the first Friday that is three Business days after the previous month-end rebalance.

In addition, a membership forward file is published from 6th calendar day of the month (or the next index publication day if the 6th calendar day falls on a non-business day).

Four business days before the end of each month a preliminary membership list is published on the FTP server and in the Indices section on <https://www.spglobal.com/spdji/en/> for registered users.

Three business days before the end of each month, a membership list with final amount outstanding for each bond is published.

Two business days before the end of each month, the rating information for the constituents is updated and the list is adjusted for all rating changes which are known to have taken place two trading days before the end of the month. Bonds which are known to have been downgraded to sub-investment grade two trading days before the end of the month are not included in the membership, but bonds which are known to have been upgraded to investment grade two trading days before the end of the month do get excluded from the membership. However, if bonds which are part of broader indices become eligible for the Index two business days prior to rebalancing because of rating and/or amount changes, will be included in the index.

On the last business day of each month, S&P DJI publishes the final membership with closing prices for the bonds, and various bonds analytics based on the index prices of the bonds.

4.3.1 Rebalancing procedure

In a first step the selection criteria set out in chapter 2 are applied to the universe of CAD, EUR, GBP and USD denominated bonds.

- Bond ratings and amount outstanding are used as of the Bond selection cut-off date
- Maturity dates remain fixed for the life of the bond
- Only bonds with a first settlement date on or before the rebalancing are included in the selection process

4.4 Index data

The calculation of the index is based on bid prices. New securities are included in the index at their respective ask prices when they enter the index family. If no price can be established for a particular security, the index continues to be calculated based on the last available price. This might be the case in periods of market stress, or disruption as well as in illiquid or fragmented markets. If the required inputs become impossible to obtain, S&P DJI may consult market participants prior to the next rebalancing date. Decisions are made publicly available on a timely basis and S&P DJI may refer back to previous cases.

The rebalancing takes place after close of market on the last trading day of a rebalancing month.

4.5 Index weights

Once the eligible bond universe has been defined, the weight for each bond is determined and if necessary capped; applying an issuer cap of 3%. The weights and capping factors are determined on the last business day of each month using the end-of-month unhedged USD market values of each security.

4.6 Index calculus

The components of the total return are price changes, accrued interest, coupon payments, cash flows received during the composition month and the FX movements.

$$TR_t^{USD} = TR_{t-s}^{USD} \frac{\sum_{i=1}^n (P_{i,t} + A_{i,t} + XD_{i,t-s}(CP_{i,t} + G_{i,t})N_{i,t-s} + CASH_{t-1})FX_{i,t}^{CurrencyUSD}}{\sum_{i=1}^n (P_{i,t-s} + A_{i,t-s} + (XD_{i,t-s}CP_{i,t-s})N_{i,t-s})FX_{i,t-s}^{CurrencyUSD}}$$

For specific index formulae please refer to *iBoxx Bond Index Calculus* document, available on <https://www.spglobal.com/spdji/en/> under *Methodology*.

4.7 Treatment of the special intra-month events

Data for the application of corporate actions in the index may not be fully or timely available at all times, e.g. the final call prices for make-whole calls or the actual pay-in-kind percentage for PIK-payment options. In such cases, S&P DJI will estimate the approximate value based on the available data at the time of calculation.

4.7.1 Full redemptions: exercised calls, puts and buybacks

If a bond is fully redeemed intra-month, the bond effectively ceases to exist. In all calculations, the redeemed bond is treated as cash based on the last price, the call price or repurchase price, as applicable. The redemption factor, redemption and the redemption price are used to treat these events in

the index and analytics calculation. In addition, the clean price of the bond is set to the redemption price, and the interest accrued until the redemption date is treated as an irregular coupon payment.

4.7.2 Cash

Cash from coupon payments and redemptions is held as cash in the Index and reinvested into the Index at the rebalancing day. During the month the cash component is not earning any interest.

4.7.3 Bonds trading flat of accrued

If a bond is identified as trading flat of accrued, the accrued interest of the bond is set to 0 in the total return index calculation and is excluded from the calculation of all bond and index analytical values.

Bonds will be considered trading flat of accrued in any of the following situations:

- a bond has been assigned a default rating and/or
- issuer has announced a failure to pay a coupon and/or
- issuer has announced an intention not to make a payment on an upcoming coupon (grace period).

4.7.4 Multi-coupon bonds

Some bonds have pre-defined coupon changes that lead to a change in the annual coupon over the life of the bond. In all instances, the coupon change must be a fixed amount on top of a fixed coupon, i.e. floating coupon bonds are not eligible for the indices. The two main categories of bonds are step-up bonds and event-driven bonds.

- **Step-up bonds:** These are bonds with a pre-defined coupon schedule that cannot change during the life of the bond. The coupon schedule is used in all bond calculations.
- **Event-driven bonds:** These are bonds whose coupon may change upon occurrence (or non-occurrence) of pre-specified events, such as rating changes, e.g. rating-driven bonds, failure to register (register-driven bonds), or failure to complete a merger (merger-driven bonds). In the calculation of the indices and the analytics, the coupon schedule as of the calculation date is used. That is to say, any events occurring after the calculation date are ignored in the determination of the applicable coupon schedule. *Example of an event-driven bond:* A bond's rating changes on 31 December 2003 from A- to BBB+ and the coupon steps up from 6% to 6.25% from 1 March 2004 onward. The coupon dates are 1 October and 1 April each year. The correct coupon schedule for the bond and index calculations is date dependent. The index calculation on 20 December 2003 uses the 6% coupon for the whole life of the bond, while the calculation on 31 January 2004 uses a 6% coupon for the current coupon period to 29 February 2004, and a 6.25% coupon for all later interest payments. The index calculation on 20 March uses a 6% coupon until 29 February, a 6.25% coupon for the remainder of the current coupon period and a 6.25% coupon for all future coupon payments. The index calculation after 1 April uses a 6.25% coupon.

4.7.5 Maturity extension

4.7.5.1 Maturity extension for dated fixed-to-fixed bonds with a reset date

Maturity	Coupon/Call structure	Workout Date at issuance	Updated Workout date if not called
Dated	Reset/Callable	Assume reset date as workout date	Extend workout date until the end of the next reset date or final maturity date*

*Assumes the bond terms allow for a redemption at the new assumed maturity date

4.7.5.2 Maturity extension for perpetuals & dated fixed-to-fixed bonds with a reset date

Maturity	Coupon/Call structure	Workout Date at issuance	Updated Workout date if not called
Perpetual	Reset*/Callable	Assume first call date as workout date	Extend workout date until the end of the next reset date*
Dated	Reset/Callable	Assume reset date as workout date	Extend workout date until the end of the next reset date or final maturity date*

*Assumes the bond terms allow for a redemption at the new assumed maturity date

4.8 Index history

The Index history starts on December 31, 2011. The index has a base value of 100 on that date.

4.9 Settlement conventions

All iBoxx indices calculate using the assumption of T+0 settlement days.

4.10 FX rates

FX spot rates are sourced from WMR. The index calculation uses the FX rates from 4:00 PM London Time. If the rebalancing day is a non-business day, the index calculation uses the 4:00 PM London Time FX rates from the previous business day.

4.11 Calendar

S&P DJI publishes an index calculation calendar available on <https://www.spglobal.com/spdji/en/> under *iBoxx Indices Calendars*. This calendar provides an overview of the index calculation holidays of the iBoxx bond index families each year.

4.12 Publication of the index

All indices are calculated as end-of-day and distributed once daily. The indices are calculated every day where one of the CAD, EUR, GBP and USD bond markets is open. In addition, the indices are calculated with the previous trading day's close on the last calendar day of each month if that day is not a trading day. S&P DJI publishes an index calculation calendar which is available in the indices section on <https://www.spglobal.com/spdji/en/> under Calendar for registered users. Index data and bond price information is also available from the main information vendors.

Bond and index analytical values are calculated each trading day using the daily closing prices. Closing index values and key statistics are published at the end of each business day in the indices section on <https://www.spglobal.com/spdji/en/> for registered users.

4.13 Data publication and access

The table below summarizes the publication of Markit iBoxx Global Developed Markets High Yield Index at <https://www.spglobal.com/spdji/en/> for registered users and on the FTP server.

In addition to the indices detailed in this methodology, other indices covered by this document may be available. For a list of available indices, please refer [here](#).

Table 1: Frequency, File type and Access

Frequency	File Type	Access
Daily	Underlying file – Bond level	FTP Server
	Indices file – Index level	FTP Server / website / Bloomberg for index levels only
Daily from the 6th calendar day of the month (or the next index publication day if the 6th calendar day falls on a non-business day)	Forwards	FTP Server
Monthly	End of Month Components	FTP Server / website
	XREF files	FTP Server

Below is a summary of the IDs for each publication channel:

Index Name	Return type	ISIN	Reuters RIC	BBG Ticker
Markit iBoxx Global Developed Markets High Yield Index	TRI	GB00B6SMSH21	.IBXXGH01	IBOAMZDB
	CPI	GB00B76C1496	.IBXXGH03	IBOBMZAM
Markit iBoxx Global Developed Markets High Yield Index in CAD Sub-Index	TRI	GB00B7KTHK45		
	CPI	GB00B4LYTP66		
Markit iBoxx Global Developed Markets High Yield Index in EUR Sub-Index	TRI	GB00B7852K97		
	CPI	GB00B56CT634		
Markit iBoxx Global Developed Markets High Yield Index in GBP Sub-Index	TRI	GB00B76DPW86		
	CPI	GB00B77GXT95		
Markit iBoxx Global Developed Markets High Yield USD Sub-Index	TRI	GB00B7KTH044		
	CPI	GB00B7KTHH16		

4.14 Index review

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

5 Index Governance

Index Committee

An S&P Dow Jones Indices Index Committee maintains the indices. All committee members are full-time professionals at S&P Dow Jones Indices. Meetings are held regularly. The Index Committee oversees the management of the indices, including determinations of intra-rebalancing changes, maintenance and inclusion policies, and other matters affecting the maintenance and calculation of the indices.

In fulfilling its responsibilities, the Index Committee has full and complete discretion to (i) amend, apply, or exempt the application of index rules and policies as circumstances may require and (ii) add, remove, or by-pass any bond in determining the composition of an index.

The Index Committee may rely on any information or documentation submitted to it or gathered by it that the Index Committee believes to be accurate. The Index Committee reserves the right to reinterpret publicly available information and to make changes to the indices based on a new interpretation of that information at its sole discretion. All Index Committee discussions are confidential.

The Index Committee is separate from and independent of other analytical groups at S&P Global. In particular, the Index Committee has no access to or influence on decisions by S&P Global Ratings analysts.

S&P Dow Jones Indices' Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

For more information on index governance policies, please refer [here](#).

6 Appendix

6.1 Changes to the Index effective from April 30, 2012

Age	
Before April 30, 2012	After April 30, 2012
As of a rebalancing date, bonds must be less than five years old.	No restrictions.

Credit Rating	
Before April 30, 2012	After April 30, 2012
<p>Bonds must be rated below investment grade – but not in default – at BB+ or lower by S&P or Fitch or Ba1 or lower by Moody’s as of the Bond Selection Cut-off Date to qualify.</p> <p>The average iBoxx rating determines the index rating for CAD, GBP denominated bonds. For EUR denominated bonds the highest rating determines the index rating.</p> <p>Split-rated (e.g., Baa3/BB+ or Ba1/BBB) issues are excluded from the index. A split-rated issue is an issue that is rated investment grade by one rating agency and non-investment grade by another rating agency. Issues rated D by S&P or Fitch, or that have been subject to a default press release by Moody’s cannot enter the index; those issues in the index that are subsequently downgraded to D by Fitch or S&P or subject to a default press release by Moody’s (as of the Bond Selection Cut-off Date) will be taken out of the index on the next rebalancing date.</p> <p>After a bond has migrated into high yield from investment grade status, it must retain that status for three months (the “stabilization period”) before it can be included in the index.</p> <p>In case of an ID change or changes of a 144A version into a registered bond the ratings from the 144A bond are also used for the registered bond.</p>	<p>All bonds in the Markit iBoxx Global Developed Markets High Yield Index must have a iBoxx Rating of sub-investment grade. Ratings from the following three credit rating agencies are considered for the calculation of the iBoxx Rating:</p> <ul style="list-style-type: none"> • Fitch Ratings • Moody’s Investor Service • S&P Global Ratings <p>Sub-investment grade is defined as BB+ or lower from Fitch and S&P and Ba1 or lower from Moody’s, but not in default.</p> <p>If a bond is rated by more than one of the above agencies, then the iBoxx rating is the average of the provided ratings. The rating is consolidated to the nearest rating grade. Rating notches are not used. For more information on how the average rating is determined, please refer to the iBoxx Rating Methodology. The Methodology can be found on https://www.spglobal.com/spdji/en/ under <i>Methodology</i>.</p> <p>Issues rated D by Fitch or S&P, or that have been subject to a default press release by Moody’s cannot enter the index; those issues in the index that are subsequently downgraded to D by S&P or Fitch or are subject to a default press release by Moody’s (as of the bond selection cut-off date) will be taken out of the index on the next rebalancing date.</p> <p>After a bond has migrated into high yield from investment grade status, it must retain that status for three months (the “stabilization period”) before it can be included in the index.</p> <p>In case of an ID change or exchange of a 144A/RegS version into a registered bond the ratings from the 144A/RegS bond are also used for the registered bond.</p>

Bond Type	
Before April 30, 2012	After April 30, 2012
<p>Fixed coupon bonds, step-up bonds with coupon schedules known at issuance (or as functions of the issuer's rating), bonds with sinking funds, medium term notes ("MTNs"), and callable bonds are candidates for inclusion.</p> <p>The following instruments are excluded from the index: preferred shares, convertible bonds, bonds with other equity features attached (e.g., options/warrants), perpetual bonds, floating rate notes, pay-in kind bonds, putables, zero coupon bonds and zero step-ups (GAINS) and RegS offerings.</p> <p>For CAD and GBP bonds 144A offerings are eligible for the index, where possible; the registered version of the bond will be eligible for the index. For CAD and GBP RegS offerings are not eligible</p> <p>For EUR RegS offerings are eligible for the index, where possible; the registered version of the bond will be eligible for the index. For EUR 144A offerings are not eligible.</p>	<p>Fixed coupon bonds, step-up bonds with coupon schedules known at issuance (or as functions of the issuer's rating), bonds with sinking funds, medium term notes ("MTNs"), callable and putable bonds are candidates for inclusion.</p> <p>The following instruments are excluded from the index: preferred shares, convertible bonds, bonds with other equity features attached (e.g., options/warrants), perpetual bonds, floating rate notes, pay-in kind bonds (during the pay-in-kind period), zero coupon bonds and zero step-ups (GAINS) and RegS offerings.</p> <p>For CAD and GBP bonds 144A offerings are eligible for the index, where possible; the registered version of the bond will be eligible for the index. For CAD and GBP RegS offerings are not eligible.</p> <p>For EUR RegS offerings are eligible for the index, where possible; the registered version of the bond will be eligible for the index. For EUR 144A offerings are not eligible.</p>

First Settlement Date	
Before April 30, 2012	After April 30, 2012
<p>New issues must have a first settlement date on or before the Bond selection cut-off date to be included in the index for the next period.</p>	<p>New issues must have a first settlement date on or before the Rebalancing Date to be included in the index for the next period.</p>

Issuer Country	
Before April 30, 2012	After April 30, 2012
<p>The issuer or, in the case of a finance subsidiary, the issuer's guarantor, must be domiciled in the US, Bermuda, Cayman Islands, Canada, Japan, Andorra, Austria, Belgium, Cyprus, Denmark, Faeroe Islands, Finland, France, Germany, Gibraltar, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom.</p> <p>The country of risk for the issue needs to be one of the eligible countries.</p>	<p>Bonds from countries classified as developed markets based on the "S&P Global iBoxx Global Economic Development Classification" are eligible for the index.</p> <p>As of March 2012 the issuer or, in the case of a finance subsidiary, the issuer's guarantor, must be domiciled and the country of risk must be in Andorra, Australia, Austria, Belgium, Bermuda, Canada, Cayman Islands, Cyprus, Denmark, Faeroe Islands, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Spain, Sweden, Switzerland, United States, United Kingdom</p>

Time to Maturity	
Before April 30, 2012	After April 30, 2012
<p>To qualify for the Markit iBoxx Global Developed Markets High Yield Index bonds need to have:</p> <ul style="list-style-type: none"> at least 18 months remaining time to maturity when joining the index for CAD denominated bonds, at least 18 months remaining time to maturity when joining the index for EUR denominated bonds, at least 18 months remaining time to maturity when joining the index for GBP denominated bonds, and at least three years and six months remaining time to maturity when joining the index for USD denominated bonds. <p>Bonds in the index</p> <ul style="list-style-type: none"> that are CAD denominated need to have at one year remaining time to maturity at the rebalancing date, that are EUR denominated need to have at one year remaining time to maturity at the rebalancing date, that are GBP denominated need to have at one year remaining time to maturity at the rebalancing date, and that are USD denominated need to have at least three years remaining time to maturity at the rebalancing date. <p>All bonds must have at the re-balancing day an expected remaining life of 15 years or less.</p>	<p>All bonds must have at the rebalancing day an expected remaining life:</p> <ul style="list-style-type: none"> of at least one year, and all new insertions must have an expected remaining life of at least one year and 6 months. <p>The expected remaining life is expressed in years and calculated as follows:</p> <ul style="list-style-type: none"> For plain vanilla bonds, the expected remaining life of the bond is its time to maturity, calculated as the number of days between the last calendar day of the current month and its maturity. For dated and undated callable hybrid capital bonds, the first call date is always assumed to be the expected redemption date. The expected remaining life is calculated as the number of days between the last calendar day of the month and the expected redemption date. For soft bullets, the expected remaining life of the bond is its time to the expected maturity and not to its final maturity date. <p>All bonds must have at issuance an expected remaining life of 15 years or less.</p>

6.2 iBoxx Average Rating Methodology

Ratings from the following three credit rating agencies are considered for the calculation of the iBoxx Rating:

- Fitch Ratings
- Moody's Investor Service
- S&P Global Ratings

The iBoxx average rating derives from the average of the ratings from three credit rating agencies. In some cases, S&P DJI assigns expected ratings to obligors or obligations until receiving final documentation and legal opinions. For EUR-, GBP-, or USD-denominated bonds, S&P DJI uses expected ratings when a final rating is not available.

If a bond is rated by several agencies, then the average rating is attached to the bond. If a tranche is not rated, the rating of its parent is applied. The rating is consolidated to the nearest rating grade.

Defaulted bonds are ineligible for the index. Bonds that are in default or that trade flat of accrued are removed from the index at the first rebalancing following the default/start of trading flat of accrued. Issues rated D by Fitch Ratings or S&P Global Ratings or that have been subject to a default press release by Moody's Investor Service cannot enter the index; those issues in the index that are subsequently downgraded to D by S&P Global Ratings or Fitch or are subject to a default press release by Moody's Investor Service (as of the bond selection cut-off date) will be taken out of the index on the next rebalancing date. In case of an ID change or exchange of a 144A/RegS version into a registered bond the ratings from the 144A/RegS bond are also used for the registered bond.

The following table provides the numerical translation for the three agencies currently considered:

Fitch	Moody's	S&P	Score
AAA	Aaa	AAA	1

Fitch	Moody's	S&P	Score
AA+	Aa1	AA+	2
AA	Aa2	AA	3
AA-	Aa3	AA-	4
A+	A1	A+	5
A	A2	A	6
A-	A3	A-	7
BBB+	Baa1	BBB+	8
BBB	Baa2	BBB	9
BBB-	Baa3	BBB-	10
BB+	Ba1	BB+	11
BB	Ba2	BB	12
BB-	Ba3	BB-	13
B+	B1	B+	14
B	B2	B	15
B-	B3	B-	16
CCC+	Caa1	CCC+	17
CCC	Caa2	CCC	18
CCC-	Caa3	CCC-	19
CC	Ca	CC	20
C	C	C	21
D/RD		D	22

Where more than one rating is available, the numerical average of all scores will be calculated and rounded to the nearest integer (e.g. 4.33 is rounded down to 4, while 4.5 is rounded up to 5). The resulting score is converted back to the iBoxx index rating (iBoxx only publishes rating grades without notches):

Score	iBoxx Rating
1	AAA
2	AA
3	
4	
5	A
6	
7	
8	BBB
9	
10	BB
11	

Score	iBoxx Rating
12	
13	
14	B
15	
16	
17	CCC
18	
19	
20	CC
21	C
22	D

6.3 Annotations

$A_{i,t}$	Accrued interest of bond i at calculation day t
$A_{i,t-s}$	Accrued interest of bond i on the previous rebalancing day t-s
$CASH_{t-1}$	Cash at the previous business day
$CP_{i,t}$	Value of the next coupon payment of bond i during an ex-dividend period. Outside the ex-dividend period, this value is 0
$CP_{i,t-s}$	Value of the next coupon payment of bond i (at the previous rebalancing day) during an ex-dividend period. Outside the ex-dividend period this value is 0
$FX_{i,t}^{CurrencyUSD}$	Spot rate between the specific base currency of security i and USD at day t
$FX_{i,t-s}^{CurrencyUSD}$	Spot rate between the specific base currency of security i and USD at the previous rebalancing day t-s
$G_{i,t}$	Value of any coupon payment received from bond i at time t. If none the value is 0
$N_{i,t-s}$	Amount outstanding of bond i at the previous rebalancing day t-s
$P_{i,t}$	Clean price of bond i at time t
$P_{i,t-s}$	Closing price of bond i on the last business day on or before the previous rebalancing day
TR_t	Total return index level at time t
TR_{t-s}	Closing total return index level on the previous rebalancing day
$XD_{i,t-s}$	The value is 0, if the bond enters the index at the ex-dividend period. The value is 1, if (a) coupon payments are not ex-dividend, (b) has not entered the index during an ex-dividend period, or (c) entered the index during a previous ex-dividend period

7 Changes to the Markit iBoxx Global Developed Markets High Yield Index

31-Mar-2025	Annual Index Review 2024 <ul style="list-style-type: none"> • Removal of the minimum run rule
01-Mar-2024	Annual Index Review 2023 <ul style="list-style-type: none"> • Inclusion of payment-in-kind (PIK) bonds
30-Jun-2023	Annual Index Review 2022 <ul style="list-style-type: none"> • Treatment of distressed debt exchanges • Introduction of 'Maturity extension' section • Index eligibility of bonds with extended workout dates
01-Jul-2022	<ul style="list-style-type: none"> • Monthly forward start date updated from 10th calendar day to 6th calendar day
01-Sep-2021	<ul style="list-style-type: none"> • Monthly forward start date updated from 12th calendar day to 10th calendar day
01-Mar-2021	<ul style="list-style-type: none"> • Governance and Regulatory Compliance section added
28-Feb-2021	Annual Index Review 2020 <ul style="list-style-type: none"> • Removed Rating Stabilization Rule
31-Jul-2020	Annual Index Review 2019 <ul style="list-style-type: none"> • Introduction of updated corporate classification schema • Implementation of updated Bank Tier Classification • Updates as part of the changes in definition and treatment of hybrid bonds
01-Oct-2014	<ul style="list-style-type: none"> • Index restatement, complaints sections added, additional clarifications on bond eligibility, classification and corporate actions
30-Jun-2014	<ul style="list-style-type: none"> • Replacement of 144A GBP bonds with RegS GBP bonds
31-Mar-2013	<ul style="list-style-type: none"> • Markit iBoxx Global Developed Markets High Yield Indices will be based on the pricing methodology described in the document 'Markit iBoxx Pricing Rules'
31-Aug-2012	<ul style="list-style-type: none"> • Exclusion of bonds where the issuer is not incorporated in the list of developed countries (2.5.3 Issuer Country) and the FX rate time changed from 9pm London to 4pm London time (3.8 FX Rates)
30-Apr-2012	<ul style="list-style-type: none"> • Extension of the Markit iBoxx Global Developed Markets High Yield Index (Appendix I)
20-Jan-2012	<ul style="list-style-type: none"> • Launch of Markit iBoxx Global Developed Markets High Yield Index

8 Further information

Client support

For client support please contact index_services@spglobal.com.

Formal complaints

Formal complaints should be emailed to spdji_compliance@spglobal.com.

Please note: spdji_compliance@spglobal.com should only be used to log formal complaints.

General index inquiries

For general index inquiries, please contact index_services@spglobal.com.

A ESG Disclosures

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY [1]		
1	Name of the benchmark administrator.	IHS Markit Benchmark Administration Limited (IMBA)
2	Underlying asset class of the ESG benchmark. [2]	N/A
3	Name of the S&P Dow Jones Indices benchmark or family of benchmarks.	iBoxx Benchmark Statement
4	Do any of the indices maintained by this methodology take into account ESG factors?	No
Appendix latest update:		May 2023
Appendix first publication:		May 2023

[1] The information contained in this Appendix is intended to meet the requirements of the European Union Commission Delegated Regulation (EU) 2020/1817 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the minimum content of the explanation of how environmental, social and governance factors are reflected in the benchmark methodology and the retained EU law in the UK (The Benchmarks (amendment and Transitional Provision) (EU Exit) Regulations 2019).

[2] The 'underlying assets' are defined in European Union Commission Delegated Regulation (EU) 2020/1816 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

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Where applicable, S&P Dow Jones Indices and its index-related affiliates (“S&P DJI”) defines various dates to assist our clients by providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index’s Launch Date are considered back-tested. S&P DJI defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company’s public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed “Date of introduction”) is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index’s public release date.

Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations.

Information presented prior to an index’s launch date is hypothetical back-tested performance, not actual performance, and is based on the index methodology in effect on the launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Also, the treatment of corporate actions in back-tested performance may differ from treatment for live indices due to limitations in replicating index management decisions. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

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