



# ECPI GLOBAL DEVELOPED EX EMU GOVERNANCE GOVERNMENT BOND INDEX

RULE BOOK

June 2023  
Version 3.0.1

**ECPI Srl is a member of Confluence**

# MARKET REALTY

The ECPI Global Developed ex EMU Governance Government Bond Index selects bonds in the ECPI Global Developed Governance Government Bond Index (ECAPDGB) issued by non-EMU countries which are eligible investments according to ECPI Government Governance Rating Methodology.

# INDEX FAMILY IDENTIFIERS

BLOOMBERG TICKER	REFINITIV RIC	INDEX NAME
ECAPGGXE Index	---	ECPI Global Developed ex EMU Governance Government Bond Index
ECAPGXEH Index	---	ECPI Global Developed ex EMU Governance Government Hedged Bond Index

# INDEX REBALANCING

The Index is reviewed and rebalanced on a monthly basis. Within the Index, each bond is weighted according to its market value.

# INDEX SELECTION

## BOND TYPE

- Fixed coupon bonds
- Zero coupon bonds
- Step-ups
- Event-driven bonds, such as rating- or tax-driven bonds with a maximum of one coupon change per period
- Dated and undated callable corporate bonds, including fixed-to-floater bonds that change to a floating rate note at or after the first call date. Undated bonds must be callable. In the index calculation, these bonds are always assumed to redeem at the first call date

## BOND CLASSIFICATION

- Sovereigns: bonds issued by a central government

## CREDIT RATING

Investment Grade

## TIME TO MATURITY

All bonds must have a minimum remaining time to maturity of at least one year at the

[confluence.com](https://www.confluence.com)

rebalancing date. For callable 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 rebalancing date and the expected redemption date.

**AMOUNT OUTSTANDING**

- AUD, CAD, GBP, SEK, USD: 2bn
- CHF, DKK, ILS, NOK, NZD: 1bn
- JPY: 150bn

**ELIGIBLE COUNTRIES**

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Australia</li> <li>• Canada</li> <li>• Denmark</li> <li>• Israel</li> </ul> | <ul style="list-style-type: none"> <li>• Japan</li> <li>• New Zealand</li> <li>• Norway</li> <li>• Sweden</li> </ul> | <ul style="list-style-type: none"> <li>• Switzerland</li> <li>• United Kingdom</li> <li>• United States</li> </ul> |
|--|--|--|

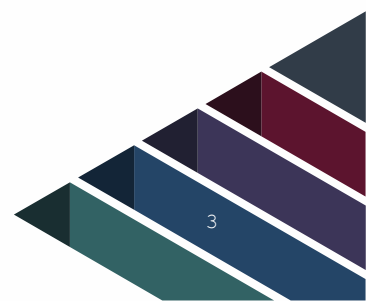
**ELIGIBLE CURRENCIES**

- |   |   |   |  |
|---|---|---|--|
| <ul style="list-style-type: none"> <li>• AUD</li> <li>• CAD</li> <li>• CHF</li> </ul> | <ul style="list-style-type: none"> <li>• DKK</li> <li>• GBP</li> <li>• ILS</li> </ul> | <ul style="list-style-type: none"> <li>• JPY</li> <li>• NOK</li> <li>• NZD</li> </ul> | <ul style="list-style-type: none"> <li>• SEK</li> <li>• USD</li> </ul> |
|---|---|---|--|

**SUSTAINABILITY**

Instruments issued by entities that are:

- eligible according to ECPI Government Governance Rating Methodology (ECPI ESG rating equal to or greater than E-)



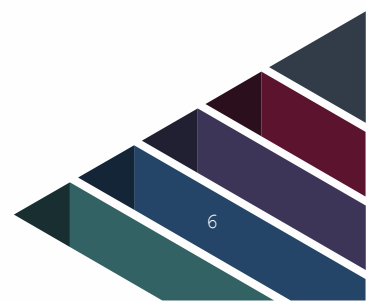
# Versions

VERSION	EFFECTIVE DATE	CHANGES
3.0.1	30 June 2023	Ungrouping Index Family

## EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY

Item 1. Name of the benchmark administrator.	StatPro
Item 2. Type of benchmark or family of benchmarks.	Fixed Income
Item 3. Name of the benchmark or family of benchmarks.	ECPI Global Developed ex EMU Governance Government Bond Index
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	<input checked="" type="checkbox"/> <b>YES</b> <span style="margin-left: 200px;"><input type="checkbox"/> <b>NO</b></span>
<p>Item 5. Where the response to Item 4 is positive, please list below, for each family of benchmarks, those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816. Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets.</p> <p>The ESG factors shall be disclosed at an aggregated weighted average value at the level of the family of benchmarks.</p>	
(a) List of environmental factors considered:	<p><u>Selection:</u></p> <ul style="list-style-type: none"> <li>• Environmental Rights Conventions</li> <li>• Environmental Performance</li> </ul>
(b) List of social factors considered:	<p><u>Selection:</u></p> <ul style="list-style-type: none"> <li>• Human Rights Conventions</li> <li>• Labor Rights Conventions</li> <li>• Controversial Weapons Conventions</li> <li>• Death Penalty</li> <li>• Civil Liberties and Political Rights</li> <li>• Gender Diversity</li> <li>• Innovation</li> </ul>
(c) List of governance factors considered:	<p><u>Selection:</u></p> <ul style="list-style-type: none"> <li>• Easiness of Doing Business</li> <li>• Corruption</li> <li>• Economic Freedom</li> <li>• Democracy</li> <li>• Competitiveness</li> </ul>
Hyperlink to the information on ESG factors for each benchmark:	<a href="https://ecpigroup.com/wp-content/uploads/rules/ECAPGGXE_Benchmark_Statement.pdf">https://ecpigroup.com/wp-content/uploads/rules/ECAPGGXE_Benchmark_Statement.pdf</a>
Item 7. Data and standards used	
<p>(a) Data input.</p> <p>(i) Describe whether the data are reported, modelled or sourced internally or externally.</p> <p>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</p>	<p>Government analysis draws on a range of reliable and publicly available sources to create a transferable, equitable and auditable approach. Where possible, ECPI aims to use objective information that is easily measured and quantified and less subject to bias and opinion. In cases where an indicator is important to capture, but not easily quantifiable, ECPI process works to reduce bias, by identifying clear and unambiguous rules for assigning scores.</p> <p>Sources include international treaties, conventions and best practices, which represent the international standard in each of the three areas and key performance indicators that measure the effectiveness of a Government in implementing national legislation compliant with international standards and in enforcing it efficiently.</p>
<p>(b) Verification and quality of data.</p> <p>Describe how data are verified and how the quality of those data is ensured.</p>	<p>The ECPI ESG methodology combines an academic and scientific approach to appraise and monitor a Government adherence to principles and to practices in aspects such as the principles behind the UN Global Compact: respect for human and labour rights; respect for the environment and fight against corruption.</p> <p>The ESG Evaluation covers three categories, Environmental, Social and Governance, each one addressing two different aspects: Regulation and Implementation.</p>

	<p>ECPI analysis based on non-traditional, quantitative and qualitative non-financial indicators has the goal to develop a synthetic measure of the non-financial risk-opportunity profile of a country: the ECPI ESG Rating Assessments are based on the review of a broad range of publicly available sources, including international treaties, conventions and best practices, which represent the international standard in each of the three areas and key performance indicators that measure the effectiveness of a Government in implementing national legislation compliant with international standards and in enforcing it efficiently.</p> <p>Quality of the assessment is ensured by a rule-based approach, thereby reducing analyst's discretionary reading of the assessed dimension.</p> <p>The quality of the assessment is also insured by a two-tier validation mechanism (<i>maker-checker</i>).</p>
<p><b>(c) Reference standards</b>  <i>Describe the international standards used in the benchmark methodology.</i></p>	<p>The rating criteria have been developed in accordance with ICCR's "Principles for Global Corporate Responsibility: Benchmarks for Measuring Business Performance" and is inspired by the principles developed by International Bodies dedicated to Responsible Investment such as UN Global Compact (<a href="http://www.unglobalcompact.org">www.unglobalcompact.org</a>), the Global Reporting Initiative (<a href="http://www.globalreporting.org">www.globalreporting.org</a>) and UN PRI (<a href="http://www.unpri.org">www.unpri.org</a>).</p>
<p><b>Date on which information has been last updated and reason for the update:</b></p>	<p>30 June 2023</p>



# CONTACTS

Index Dept.

[ecpi.indices@confluence.com](mailto:ecpi.indices@confluence.com)

[www.ecpigroup.com](http://www.ecpigroup.com)

Bloomberg: ECPS

Reuters: ECAPITAL

## Disclaimer

This document has been prepared ECPI S.r.l., a company organized and existing under the laws of Italy, with registered office at Piazzale Biancamano, 8 - 20121 Milan, Italy ("ECPI") as part of their internal research activity. ECPI Srl is a member of Confluence.

The information provided herein and, in particular, the data contained in this document are taken from information available to the public. All information contained herein is obtained from sources believed by it to be accurate and reliable. While the opinions and information contained in this document are based on public sources believed to be reliable and in good faith, ECPI have not independently verified the accuracy of such public sources. Because of the possibility of human, technical or whatsoever kind of similar error, however, such information is provided "as is" without warranty of any kind and ECPI, in particular, makes no representation or warranty, whether express or implicit, as to the fairness, accuracy, timeliness, completeness, merchantability and/or fitness of any such information and opinions contained in this document.

Accordingly, neither ECPI nor any of their respective directors, managers, officers or employees shall be held liable for whatever reason (including, without limitation, liability in negligence) for any loss (including consequential loss), expense, consequential, special, incidental, direct or indirect or similar damage, whether or not advised of the possibility of such damage, in connection with the fairness, accuracy, timeliness, completeness, merchantability and/or fitness of the information and opinions contained in this document and/or arising from any use or performance of this document or its contents or otherwise arising in connection with this document.

Any opinions, forecasts or estimates contained herein constitute a high-level information statement only valid as at the date of its release. There can be no assurance that the evolution of the information contained herein and/or any future events will be consistent with such opinions, forecasts or estimates. Any information herein is at any time subject to change, update or amendment subsequently to the date of this document, with no undertaking by ECPI to notify such change, update or amendment.

This document is not, nor may it be construed as to constitute a recommendation to make any kind of investment decision or an offer for sale or subscription of or a solicitation of any offer to buy or subscribe for any financial instrument. Accordingly, this document may not be used as a solicitation or an offer for sale or subscription, and any solicitation or offer shall be made only in accordance with all applicable laws and regulation, including, whenever applicable, the filing of a prospectus with the relevant authorities. ECPI is not a financial advisor subject to special authorization and thus do not provide formal financial advice in the area of investment nor perform any asset management activity. ECPI recommends to potential investors wishing to be provided with formal financial advice in the area of investment to contact a financial advisor duly authorized by the competent regulatory authority of its country. ECPI publishes researches on a regular basis. This publication has been prepared on behalf of ECPI solely for information purposes. All the information contained herein is copyrighted in the name of ECPI, and none of such information may be copied or otherwise reproduced, except for personal use only, further transmitted, transferred, published, disseminated, redistributed or resold, in whole or in part, in any form or manner or by any means whatsoever, by any person without ECPI's prior written consent.