

# **Bloomberg Europe Real Estate Fixed Selection Index Methodology**

February 2024

## Table of Contents

Introduction.....	3
Section 1: Overview .....	3
Section 2: Eligibility .....	4
Equity Universe .....	4
Sectors .....	4
Section 3: Selection.....	4
Section 4: Index Calculation.....	4
Section 5: Weighting.....	4
Section 6: Maintenance .....	4
Index Review .....	5
Quarterly Index Rebalancing .....	5
Corporate Actions .....	5
Spin-off.....	5
IPO.....	5
Replacement Policy .....	5
Appendix I: Governance and Disclosure .....	6
Methodology Book Changes .....	8
Accessing the Data.....	9
Disclaimer.....	10

## Introduction

The Bloomberg Europe Real Estate Fixed Selection Index represents an equal weighted fixed basket of the 10 largest companies by free float market capitalization as of January 2024 that are classified in the Real Estate sector<sup>1</sup> and part of the Bloomberg Europe 600 Index.

The Bloomberg Europe Real Estate Fixed Selection Decrement 50 Point Index and the Bloomberg Europe Real Estate Fixed Selection Decrement 5% Index are designed to represent the performance of the Bloomberg Europe Real Estate Fixed Selection Index from which a predetermined fee is withdrawn on daily basis. The predetermined fee is in the form of index points or index percentage deducted from the underlying Total Return Index and Net Return Index respectively.

## Section 1: Overview

Name	Bloomberg Europe Real Estate Fixed Selection Index			Bloomberg Europe Real Estate Fixed Selection Decrement Index	
Ticker	EUREASTP Index	EUREASTT Index	EUREASTN Index	EUREASTE Index	EUREAST Index
Return Type	Price Return	Total Return	Net Return	Decrement 5%	Decrement 50 Points
Currency	EUR				
Inception Date	January 2024				
Base Date	March 30, 2015				
Publication	Weekdays				

The below table shows the parameters applied to calculate the Bloomberg Europe Real Estate Fixed Selection Decrement 50 Point Index and the Bloomberg Europe Real Estate Fixed Selection Decrement 5% Index:

Decrement Index Ticker	Decrement Index Name	Decrement Type	Decrement Point	Index Base Date	Index Base Value	Underlying Index Ticker	Underlying Index	Underlying Index Currency	Day Count Convention
EUREAST Index	Bloomberg Europe Real Estate Fixed Selection Decrement 50 Point Index	Fixed Point	50	March 30, 2015	1048.85	EUREASTT Index	Bloomberg Europe Real Estate Fixed Selection Total Return Index	EURO	365
EUREASTE Index	Bloomberg Europe Real Estate Fixed Selection Decrement 5%	Percentage	5%	March 30, 2015	1000	EUREASTN Index	Bloomberg Europe Real Estate Fixed Selection Net Total Return Index	EURO	365

<sup>1</sup> As per the Bloomberg Industry Classification System (BICS)

## Section 2: Eligibility

### Equity Universe

In order to be eligible for the Bloomberg Europe Real Estate Fixed Selection Indices, a security must be as of January 2024 in the Bloomberg Europe 600 Index as defined in the [Bloomberg Europe Fixed Count Indices Methodology](#).

### Sectors

The Bloomberg Europe Real Estate Fixed Selection Indices are designed to seek exposure to the 10 largest companies by free float market capitalization as of January 2024 classified in the Real Estate sector (BICS Level 1).

## Section 3: Selection

Based on the eligible universes and the selection criterias above, the selected companies are as follows:

Company Name	Ticker	BICS Level 1
CASTELLUM AB	CAST SS Equity	Real Estate
GECINA SA	GFC FP Equity	Real Estate
KLEPIERRE	LI FP Equity	Real Estate
LAND SECURITIES GROUP PLC	LAND LN Equity	Real Estate
LEG IMMOBILIEN SE	LEG GY Equity	Real Estate
PSP SWISS PROPERTY AG-REG	PSPN SE Equity	Real Estate
SEGRO PLC	SGRO LN Equity	Real Estate
SWISS PRIME SITE-REG	SPSN SE Equity	Real Estate
UNIBAIL-RODAMCO-WESTFIELD	URW FP Equity	Real Estate
VONOVIA SE	VNA GY Equity	Real Estate

## Section 4: Index Calculation

This Methodology should be read in conjunction with the [Bloomberg Decrement Index Calculation Methodology](#) for details on index calculation, input data and exercise of discretion.

## Section 5: Weighting

The Index is equal weighted.

Index Members are all assigned an equal weight at Company level. The weights are reset quarterly and are determined as follows:

$$\text{Equal Weight \%} = \frac{100\%}{n_t}$$

Where:

n            Number of Company Index Member at t

## Section 6: Maintenance

As this Index is based a fixed selection, its members will not change as part of the regularly scheduled Index Reconstitutions. However, the index members' weights will be rebalanced periodically and maintained on a daily basis for corporate actions.

Index members and weights can be found using **<ticker> Index MEMB <GO>**

### Index Review

The indices are rebalanced quarterly in line with the Bloomberg Global Equity Index Index Review schedule in the months of March, June, September and December.

Each Index Rebalancing follows a weekday calendar. Should an Index Rebalancing fall on a NYSE exchange holiday, it will be postponed to the next business day.

### Quarterly Index Rebalancing

Index Shares, and Tilt factor are updated on a quarterly basis on the 2<sup>nd</sup> Wednesday of March, June, September and December (Effective Date), using data as of one day of the last week of January, April, July and October (Selection Date).

Changes are announced with 10 full business day advance notification (Announcement Date).

Weights are tilted using closing market prices as of one week prior to the Announcement Date.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Selection Date	Last Week			Last Week			Last Week			Last Week		
Announcement Date		Last Wed			Last Wed			Last Wed			Last Wed	
Effective Date			2 <sup>nd</sup> Wed			2 <sup>nd</sup> Wed			2 <sup>nd</sup> Wed			2 <sup>nd</sup> Wed

### Corporate Actions

Refer to the [Bloomberg Global Equity Non-Market Cap Weighted Indices - Corporate Action Methodology](#) for the general treatment of corporate actions, unless stated otherwise in the sections below.

Past and upcoming corporate actions at security level can be found using **<ticker> CACS <GO>** and **<ticker> DVD <GO>** functions on the Bloomberg Terminal.

### Spin-off

Child being spun-off from an Index member is added on the ex-date and is removed from the Index on the pay-date +1.

### IPO

Newly listed Securities are not eligible for fast-track addition to the Index.

### Replacement Policy

An Index member being acquired by a non-Index member is not replace at the time of the event or at a future Index Reconstitution.

## Appendix I: Governance and Disclosure

### Limitations of the Index

Although each Index is designed to be representative of the market it measures or otherwise align with its stated objective, it may not be representative in every case or achieve its stated objective in all instances. The Index is designed and calculated strictly to follow the rules of this methodology, and any Index Values or other output is limited in its usefulness to such design and calculation.

Markets can be volatile, including those market interests that the Index measures or upon which the Index is dependent to achieve its stated objective. For example, illiquidity can have an impact on the quality or amount of data available to the administrator for calculation and may cause the Index to produce unpredictable or unanticipated results.

In addition, market trends and changes to market structure may render the objective of the Index unachievable or to become impractical to replicate by investors.

In particular, the indices measure global equity markets. As with all equity investing, the indices are exposed to market risk. The value of equities fluctuate with the changes in economic forecasts, interest rate policies established by central banks and perceived geo-political risk. The indices do not take into account the cost of replication and as a result a tracking portfolio's returns will underperform the Index with all else equal. As the indices are designed to measure those markets, they could be materially impacted by market movements, thus significantly impacting the use or usefulness of the fixings for some or all users.

In addition, certain Sub-Indices may be designed to measure smaller subsets of the indices (e.g. such as specific styles, size, and sector). Some of these Sub-Indices have very few qualifying Index Member and may have none for a period of time. During such a period, the Sub-Index will continue to be published at its last value, effectively reporting a 0% return, until new securities qualify. If no securities are expected to qualify (due to changes in market structure and other factors), the Sub-Index may be discontinued. In such an event, this discontinuation will be announced to Index users.

### Benchmark and Governance

Please refer to the BISL Benchmark Procedures Handbook available [here](#).

### Index and Data Reviews

Please refer to the BISL Benchmark Procedures Handbook available [here](#).

### Expert Judgment and Discretion

Please refer to the BISL Benchmark Procedures Handbook available [here](#).

### Conflicts of Interest

Please refer to the BISL Benchmark Procedures Handbook available [here](#).

### Restatement Policy

Please refer to the BISL Benchmark Procedures Handbook available [here](#).

### Cessation Policy

Please refer to the BISL Benchmark Procedures Handbook available [here](#).

## Appendix 1:

<b>EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY</b>	
<b>Item 1.</b> Name of the benchmark administrator.	Bloomberg Index Services Limited ("BISL")
<b>Item 2.</b> Type of benchmark or family of benchmarks. <i>Choose the relevant underlying asset from the list provided in Annex II to Commission Delegated Regulation (EU)2020/1816.</i>	Equity
<b>Item 3.</b> Name of the benchmark or family of benchmarks.	Bloomberg Europe Real Estate Fixed Selection index
<b>Item 4.</b> Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	No
<p><b>Item 5.</b> 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.</p> <p>Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets. 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:	Not applicable
(b) List of social factors considered:	Not applicable
(c) List of governance factors considered	Not applicable
<p><b>Item 6.</b> Where the response to Item 4 is positive, please list below, for each benchmark, 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, depending on the relevant underlying asset concerned.</p> <p>Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets. The ESG factors shall not be disclosed for each constituent of the benchmark, but shall be disclosed at an aggregated weighted average value of the benchmark.</p> <p>Alternatively, all of this information may be provided in the form of a hyperlink to a website of the benchmark administrator included in this explanation. The information on the website shall be easily available and accessible. Benchmark administrators shall ensure that information published on their website remains available for five years.</p>	
(a) List of environmental factors considered:	As above
(b) List of social factors considered:	As above
(c) List of governance factors considered:	As above
<b>Item 7.</b> Data and standards used	
(a) Data input. <i>(i) Describe whether the data are reported, modelled or sourced internally or externally.</i> <i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i>	Not Applicable
(b) Verification and quality of data. <i>Describe how data are verified and how the quality of those data is ensured.</i>	Not Applicable
(c) Reference standards <i>Describe the international standards used in the benchmark methodology.</i>	N/A
<b>Date on which information has been last updated and reason for the update:</b>	February 2024, creation of Bloomberg Europe Real Estate Fixed Selection Decrement 50 Point Index

## Methodology Book Changes

<b>Date</b>	<b>Update</b>
January 2024	Index creation
February 2024	Index creation of the Bloomberg Europe Real Estate Fixed Selection Decrement 50 Point Index



## Accessing the Data

Bloomberg Terminal®	<p>Bloomberg indices are the benchmarks of choice for capital markets investors.</p> <ul style="list-style-type: none"> <li>• IN &lt;GO&gt; - The Bloomberg Index Browser displays the latest performance results and statistics for the indices as well as history. IN presents the indices that make up Bloomberg's global, multi-asset class Index families into a hierarchical view, facilitating navigation and comparisons. The "My Indices" tab allows a user to focus on a set of favorite indices.</li> <li>• PORT &lt;GO&gt; - Bloomberg's Portfolio &amp; Risk Analytics solution includes tools to analyze the risk, return, and current structure of indices. PORT includes tools to analyze performance of a portfolio versus a benchmark as well as models for performance attribution, tracking error analysis, value-at-risk, scenario analysis, and optimization.</li> <li>• DES &lt;GO&gt; - The Index description page provides transparency into the current and projected Index universe including membership information, aggregated characteristics and returns, and historical data.</li> </ul>
Bloomberg Indices Website <a href="https://www.bloomberg.com/bloombergindices">bloomberg.com/bloombergindices</a>	<p>The index website makes available limited Index information including:</p> <ul style="list-style-type: none"> <li>• Index methodology and factsheets</li> <li>• Current performance numbers for select indices</li> </ul>
Index Licensing	<p>Bloomberg requires an index data license for services and products linked to the indices. Examples include:</p> <ul style="list-style-type: none"> <li>• Exchange-traded index products</li> <li>• OTC products</li> <li>• Index or constituent-level redistribution</li> <li>• Custom index solutions</li> </ul>

**Take the next step.**

For additional information, press the <HELP> key twice on the Bloomberg Terminal™.

[bloomberg.com/professional/product/indices/](https://www.bloomberg.com/professional/product/indices/)

**New York**

+1-212-318-2000

**London**

+44-20-7330-7500

**Singapore**

+65-6212-1000

**Hong Kong**

+852-2977-6000

**Tokyo**

+81-3-3201-8900

**Sydney**

+61-2-9777-8600

indexhelp@bloomberg.net

**Disclaimer**

BLOOMBERG, BLOOMBERG INDICES and Bloomberg Decrement Index (the "Indices") are trademarks or service marks of Bloomberg Finance L.P. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited, the administrator of the Indices (collectively, "Bloomberg") or Bloomberg's licensors own all proprietary rights in the Indices. Bloomberg does not guarantee the timeliness, accuracy or completeness of any data or information relating to the Indices. Bloomberg makes no warranty, express or implied, as to the Indices or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. It is not possible to invest directly in an Index. Back-tested performance is not actual performance. Past performance is not an indication of future results. To the maximum extent allowed by law, Bloomberg, its licensors, and its and their respective employees, contractors, agents, suppliers and vendors shall have no liability or responsibility whatsoever for any injury or damages - whether direct, indirect, consequential, incidental, punitive or otherwise - arising in connection with the Indices or any data or values relating thereto - whether arising from their negligence or otherwise. This document constitutes the provision of factual information, rather than financial product advice. Nothing in the Indices shall constitute or be construed as an offering of financial instruments or as investment advice or investment recommendations (i.e., recommendations as to whether or not to "buy", "sell", "hold", or to enter or not to enter into any other transaction involving any specific interest or interests) by Bloomberg or a recommendation as to an investment or other strategy by Bloomberg. Data and other information available via the Indices should not be considered as information sufficient upon which to base an investment decision. All information provided by the Indices is impersonal and not tailored to the needs of any person, entity or group of persons. Bloomberg does not express an opinion on the future or expected value of any security or other interest and do not explicitly or implicitly recommend or suggest an investment strategy of any kind. Customers should consider obtaining independent advice before making any financial decisions. © 2024 Bloomberg. All rights reserved. This document and its contents may not be forwarded or redistributed without the prior consent of Bloomberg.

The BLOOMBERG TERMINAL service and Bloomberg data products (the "Services") are owned and distributed by Bloomberg Finance L.P. ("BFLP") except (i) in Argentina, Australia and certain jurisdictions in the Pacific islands, Bermuda, China, India, Japan, Korea and New Zealand, where Bloomberg L.P. and its subsidiaries distribute these products, and (ii) in Singapore and the jurisdictions serviced by Bloomberg's Singapore office, where a subsidiary of BFLP distributes these products.

Bloomberg Index Services Limited is registered in England and Wales under registered number 08934023 and has its registered office at 3 Queen Victoria Street, London, England, EC4N 4TQ. Bloomberg Index Services Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.