Index Announcement

2025 Consultation Results Update on Bloomberg Fixed Income Indices

On September 18, 2025, Bloomberg Index Services Limited ("BISL") opened a consultation to solicit client feedback on a range of topics related to the Bloomberg Fixed Income Indices. As part of this consultation, BISL also collected feedback at Index Advisory Councils ("IACs") conducted in the U.S., Europe and Asia in October and November 2025. Further information on the IACs can be found in BISL's Benchmark Procedures Handbook. The consultation concluded on November 30, 2025.

This announcement provides an update on the various topics covered in the consultation.

PREVIOUS CONSULTATION UPDATE

EXPANSION OF THE BLOOMBERG FIXED INCOME CLASSIFICATION SYSTEM (BCLASS)

As announced on September 18, 2025, the Bloomberg Classifications team will broaden the Corporate and Government-Related classifications of the Bloomberg Fixed Income Index Classification System in 2026. The BCLASS changes will be implemented on Saturday, July 11, 2026, and will be reflected in the index production run on Monday, July 13, 2026.

Full details are set out in the initial announcement. Further updates and reminders will follow ahead of implementation.

CONSULTATION UPDATE

The following sections announce the results of the Bloomberg Fixed Income Index consultation topics and questions published on September 18, 2025.

G2 CUSTOM POOLS IN MBS INDEX COHORTS

In February 2020, G2 custom pools were removed from the Bloomberg U.S. MBS Index due to their modest size and the fact that they are not TBA-eligible. Over the past five years, issuance in G2 custom pools has increased significantly, with the total balance now exceeding USD 500 billion. Between 2020-2025, over USD 450 billion in G2 custom pools were issued.

Question 1: Should G2 custom pools be included in the Bloomberg U.S. MBS Index?

1. Yes, their inclusion makes sense given their size and relevance.
2. No, they should not be included. *Please specify reasoning*.

Result: G2 custom pools will not be added to the U.S. MBS Index at this time. A majority of respondents to the consultation cited concerns such as non-TBA deliverability, a relative lack of liquidity, and concerns of replicability among other reasons. BISL believes the next appropriate step is to create an index tracking the G2 custom pool sector to provide greater market transparency and to re-evaluate index inclusion at a future date. BISL will provide future updates on the timing of this index creation.

POTENTIAL INCLUSION OF INDIA FAR BONDS IN THE GLOBAL AGGREGATE INDEX

The inclusion of India FAR bonds in the EM Local Currency Indices began in January 2025. The bonds were phased in at 10% monthly increments, with full inclusion completed in November 2025. As of August 20, 2025, there were 41 FAR bonds with a total amount outstanding of USD 490 billion. If all 41 FAR bonds were included in the Global Aggregate as of August 2025, these bonds would represent approximately USD 502 billion in market value, a weight of 0.7%, and would be the ninth-largest currency by market value among the 26 currencies in the index.

Question 2: Which of the following best represents your view about India FAR bonds in the Global Aggregate Index? Please also provide details behind your comments.

1. We are comfortable with the accessibility of the India government bond market and India should be included in the Global Aggregate with sufficient lead time for preparation.

2. India should eventually be included, but we have current concerns on investability and scale to be included in the flagship Global Aggregate at this time.
3. India is not ready for inclusion, and more time is needed for inclusion.

Result: BISL issued a separate announcement regarding this topic on January 13, 2026. In summary, feedback regarding eventual inclusion of India FAR bonds in the Global Aggregate Index was generally positive but market participants cited certain operational hurdles. BISL will continue to monitor market developments and publish an update by mid-year 2026.

SIDE-OF-MARKET PRICING FOR ALL BLOOMBERG FIXED INCOME INDICES

Bloomberg Fixed Income Indices currently price constituents using a mix of bid and mid prices depending on characteristics such as currency, region, or asset class. In addition, a subset of new issue bonds are priced at the ask upon index entry, while others remain priced at bid.

Question 3: BISL is proposing to price all securities in the indices on the bid-side and to price all new issues on the ask-side, regardless of which currency, sector or region they are and to remove any exceptions that currently exist. Do you agree with the proposal? Please specify reasons.

1. Yes
2. No

Result: BISL plans to proceed with pricing all new issues at the ask-side and all existing index securities on the bid-side without exception. This decision also takes into account feedback received, and the change is targeted for the end-of-month rebalance on July 31, 2026, impacting August 2026 returns universes.

INCLUSION OF BULGARIA IN THE EURO TREASURY INDEX[1]

In July 2025, the European Union formally approved Bulgaria becoming the 21st member of the Eurozone on January 1, 2026. Bulgaria joined the single currency at a conversion rate of 1.95583 Bulgarian lev ("BGN") per euro, and the BGN-denominated bonds were redenominated in EUR on January 1, 2026.

BGN-denominated local currency treasury bonds (Ticker: BULGGB) are not currently eligible for inclusion in the Bloomberg Fixed Income Indices. However, EUR denominated sovereign bonds (Ticker: BGARIA) issued by Bulgaria are currently included in the Euro Aggregate Index.

BISL proposed that Bulgarian sovereign bonds be treated similarly to Croatian sovereign bonds following Croatia's adoption of the euro in 2023:

1. EUR-denominated sovereign bonds issued by Bulgaria (Ticker: BGARIA), currently included in the Euro Aggregate Index, will be reclassified in BCLASS from Government Related -> Sovereigns to: Treasuries in early March 2026. As a result of this reclassification, the bonds will enter the projected universes of the Euro Treasury and Global Treasury (and related Treasury indices) in early March 2026, impacting returns universes in April 2026.
2. BGN-denominated local currency treasury bonds (Ticker: BULGGB), which were redenominated into EUR on January 1, 2026, will enter the projected universes of the Global Aggregate, Global Treasury, Euro Aggregate and Euro Treasury (and related indices) in early March 2026, impacting returns universes in April 2026.

Question 4: Do you agree with the above proposal from BISL regarding the treatment of the Bulgarian sovereign bonds?

1. Yes
2. No, please specify the reason

Result: The EUR-denominated Bulgarian sovereign bonds (Ticker: BGARIA) will move from Government-Related to Treasury BCLASS at the end of March 2026. These bonds will enter the projected universe of the Euro Treasury and Global Treasury (and related Treasury indices) at that time. Local currency treasury bonds (Ticker: BULGGB), that were redenominated into EUR on January 1, 2026, will not be added to indices at this time; BISL will assess the potential inclusion of these local currency bonds at a later date. The pro forma of the Euro Treasury Index is shown in Figure 1.

[1] This consultation topic was published on August 1, 2025. This consultation concluded on August 31, 2025.

Figure 1
Before and After Adding Bulgaria to the Euro Treasury Index

	Euro Treasury				Euro Treasury + Bulgaria			
Country	#Bonds	Amt Outst(€bn)	Mkt Val(€bn)	Mkt Val%	#Bonds	Amt Outst(€bn)	Mkt Val(€bn)	Mkt Val%
France	50	2079.8	1887.9	23.7	50	2079.8	1887.9	23.6
Italy	93	1779.4	1771.9	22.2	93	1779.4	1771.9	22.2
Germany	65	1613.8	1495.9	18.8	65	1613.8	1495.9	18.7
Spain	51	1177.4	1136.1	14.2	51	1177.4	1136.1	14.2
Belgium	34	434.2	395.4	5.0	34	434.2	395.4	4.9
Netherlands	23	363.2	331.4	4.2	23	363.2	331.4	4.1
Austria	30	313.1	280.2	3.5	30	313.1	280.2	3.5
Portugal	20	161.4	154.2	1.9	20	161.4	154.2	1.9
Finland	25	152.4	136.0	1.7	25	152.4	136.0	1.7
Ireland	17	125.8	111.7	1.4	17	125.8	111.7	1.4
Greece	17	83.6	84.6	1.1	17	83.6	84.6	1.1
Slovakia	25	69.0	64.8	0.8	25	69.0	64.8	0.8
Slovenia	18	34.2	30.9	0.4	18	34.2	30.9	0.4
Croatia	24	30.7	30.4	0.4	24	30.7	30.4	0.4
Bulgaria					16	21.5	21.6	0.3
Lithuania	17	20.5	18.4	0.2	17	20.5	18.4	0.2
Luxembourg	12	18.3	17.2	0.2	12	18.3	17.2	0.2
Latvia	14	15.0	14.2	0.2	14	15.0	14.2	0.2
Cyprus	10	10.5	9.9	0.1	10	10.5	9.9	0.1
Estonia	3	4.5	4.4	0.1	3	4.5	4.4	0.1
Malta	3	1.1	1.2	0.0	3	1.1	1.2	0.0
Total	**551**	**8487.8**	**7976.9**	**100.0**	**567**	**8509.3**	**7998.5**	**100.0**

As of December 31, 2025
Source: Bloomberg

EUROPEAN GOVERNMENT MARKETS OUTSTANDING THRESHOLDS

Euro-denominated bonds currently require a minimum amount outstanding of EUR 300 million for index eligibility across all sectors (Treasury, Government-Related, Corporate and Securitized) of the Euro Aggregate and Global Aggregate Index.

BISL sought feedback on raising the minimum amount outstanding of Euro-denominated Treasury Bonds.

Question 5: Should there be an adjustment to the minimum amount outstanding thresholds for Euro-denominated Treasury bonds?

1. Yes, via bond-level minimum amount outstanding, increased from EUR 300 million to EUR 1 billion.
2. Yes, via a total country-level minimum amount outstanding threshold.
3. Yes, via both a higher bond-level minimum amount outstanding and a country-level minimum amount outstanding threshold.
4. No change.

Question 6: What threshold is appropriate for a potential country-level minimum amount outstanding for Euro-denominated Treasuries?

1. EUR 5bn
2. EUR 10bn
3. EUR 20bn
4. None

Result: BISL will increase the bond-level minimum amount outstanding threshold for Euro-denominated Treasury bonds from EUR 300 million to EUR 1 billion, and add a country-level minimum amount outstanding entry level of EUR 10 billion and exit level of EUR 5 billion. Eligibility will be assessed annually as of June 30, with entry or exit requiring six consecutive months above or below the relevant threshold. Any resulting changes will be implemented at the subsequent end-of-September rebalance, effective September 30, 2026.

The pro formas of these changes are shown in Figure 2 below. As the Euro Treasury Index is a sub-component of the Euro Aggregate Index, these changes to the Euro Treasury bonds will also affect the Euro Aggregate Index as well as the Global Treasury and Global Aggregate and related indices.

Figure 2
Before and After Changing the Minimum Amount Outstanding for Euro-denominated Treasury Bonds Including the Addition of Bulgaria

	Euro Treasury				Euro Treasury + Bulgaria				Euro Treasury + Bulgaria- Min Market AO 10bn, Min Bond AO 1bn			
Country	#Bonds	Amt Outst(€bn)	Mkt Val(€bn)	Mkt Val%	#Bonds	Amt Outst(€bn)	Mkt Val(€bn)	Mkt Val%	#Bonds	Amt Outst(€bn)	Mkt Val(€bn)	Mkt Val%
France	50	2079.8	1887.9	23.7	50	2079.8	1887.9	23.6	50	2079.8	1887.9	23.7
Italy	93	1779.4	1771.9	22.2	93	1779.4	1771.9	22.2	93	1779.4	1771.9	22.2
Germany	65	1613.8	1495.9	18.8	65	1613.8	1495.9	18.7	65	1613.8	1495.9	18.8
Spain	51	1177.4	1136.1	14.2	51	1177.4	1136.1	14.2	51	1177.4	1136.1	14.2
Belgium	34	434.2	395.4	5.0	34	434.2	395.4	4.9	34	434.2	395.4	5.0
Netherlands	23	363.2	331.4	4.2	23	363.2	331.4	4.1	23	363.2	331.4	4.2
Austria	30	313.1	280.2	3.5	30	313.1	280.2	3.5	30	313.1	280.2	3.5
Portugal	20	161.4	154.2	1.9	20	161.4	154.2	1.9	20	161.4	154.2	1.9
Finland	25	152.4	136.0	1.7	25	152.4	136.0	1.7	25	152.4	136.0	1.7
Ireland	17	125.8	111.7	1.4	17	125.8	111.7	1.4	17	125.8	111.7	1.4
Greece	17	83.6	84.6	1.1	17	83.6	84.6	1.1	17	83.6	84.6	1.1
Slovakia	25	69.0	64.8	0.8	25	69.0	64.8	0.8	22	67.0	63.0	0.8
Slovenia	18	34.2	30.9	0.4	18	34.2	30.9	0.4	16	33.2	30.5	0.4
Croatia	24	30.7	30.4	0.4	24	30.7	30.4	0.4	21	28.4	28.0	0.4
Bulgaria					16	21.5	21.6	0.3	13	19.0	19.0	0.2
Lithuania	17	20.5	18.4	0.2	17	20.5	18.4	0.2	12	16.7	15.6	0.2
Luxembourg	12	18.3	17.2	0.2	12	18.3	17.2	0.2	11	17.5	16.4	0.2
Latvia	14	15.0	14.2	0.2	14	15.0	14.2	0.2	8	9.9	9.3	0.1
Cyprus	10	10.5	9.9	0.1	10	10.5	9.9	0.1	9	10.0	9.5	0.1
Estonia	3	4.5	4.4	0.1	3	4.5	4.4	0.1				
Malta	3	1.1	1.2	0.0	3	1.1	1.2	0.0				
Total	**551**	**8487.8**	**7976.9**	**100.0**	**567**	**8509.3**	**7998.5**	**100.0**	**537**	**8485.6**	**7976.9**	**100.0**

As of December 31, 2025
Source: Bloomberg

EMERGING MARKET TOPICS

Emerging Market Local Law Eligibility

USD-denominated Emerging Market ("EM") bonds issued domestically (domestic market of issue), and governed by local law, are currently eligible for Bloomberg Fixed Income Indices. These bonds are subject to the issuer's domestic law, but they are issued directly in the onshore domestic market. Key features include:

- **Placement & Distribution**: Securities are primarily sold to local banks and domestic investors seeking USD exposure, with limited availability to offshore investors.
- **Accessibility**: Foreign investors may face barriers such as onshore account requirements, local custody rules, or foreign investor quotas.
- **Settlement & Infrastructure**: Settlement often occurs through domestic clearing systems, which may involve additional frictions for global investors.
- **Replicability**: Replicability in global indices can be more challenging, as access restrictions, tax treatment, or capital controls can hinder seamless inclusion.

BISL sought feedback on whether these securities should remain eligible given accessibility, settlement and replicability concerns.

Question 7: Which of the below represents your view of the eligibility of domestic local law bonds for EM Hard Currency indices?

1. Keep domestic local-law EM debt in the Bloomberg EM Hard Currency Index and related indices.
2. Remove domestic local-law EM debt from the Bloomberg EM Hard Currency Index and related indices.

Result: BISL has decided to remove domestically issued local-law EM debt from Bloomberg EM Hard Currency Indices. These securities will be removed from projected universes in early June 2026 and will officially exit the indices at the end-of-June 2026 rebalance, impacting July 2026 returns universes. To reduce turnover, newly issued domestic local-law EM debt will not be permitted to enter the indices prior to June 2026.

See Figure 3 for a list of affected domestically issued local-law EM debt securities.

Figure 3
Domestically Issued Local-Law EM Debt Currently Included in Bloomberg USD EM Hard Currency Indices

Isin	Ticker	Maturity	Sector	Market of Issue	Country	Amount Outstanding	Weight % in EM USD Agg
AR0314171247	BOPREA	10/31/2027	FOA	DOMESTIC	Argentina	6,921,932	0.282
AR0772251226	BOPREA	10/31/2027	FOA	DOMESTIC	Argentina	1,000,261	0.042
AR0868821510	BOPREA	10/31/2028	FOA	DOMESTIC	Argentina	563,452	0.020
AR0684877571	BOPREA	10/31/2027	FOA	DOMESTIC	Argentina	1,000,261	0.042
AR0763285209	BOPREA	10/31/2027	FOA	DOMESTIC	Argentina	1,500,391	0.062
ARARGE3209S6	ARGBON	7/9/2030	SOV	DOMESTIC	Argentina	9,742,619	0.332
ARARGE3209U2	ARGBON	1/9/2038	SOV	DOMESTIC	Argentina	10,063,292	0.326
ARARGE3209T4	ARGBON	7/9/2035	SOV	DOMESTIC	Argentina	15,853,669	0.494
ARARGE3209Y4	ARGBON	7/9/2029	SOV	DOMESTIC	Argentina	1,114,740	0.039
ARARGE3209V0	ARGBON	7/9/2041	SOV	DOMESTIC	Argentina	1,512,738	0.044
PAL63444B5A9	PABONT	7/25/2033	SOV	DOMESTIC	Panama	700,000	0.032

As of January 22, 2026
Source: Bloomberg

Saudi Arabia Local Currency Debt

Saudi Arabia's SAR-denominated government borrowing has increased significantly since 2017 to support infrastructure and development projects under Vision 2030. As of the end of June 2025, Saudi Arabia's total outstanding direct indebtedness amounted to SAR 1,386.4 billion (USD 324.2 billion), comprising SAR 738.3 billion (USD 232.3 billion) of domestic indebtedness and SAR 477.7 billion (USD 137.0 billion) of external indebtedness.[2] Sukuk instruments have become increasingly favored over conventional bonds, with more than 95% of outstanding SAR-denominated treasury debt being in Sukuk format as of June 2025.

BISL sought feedback on whether SAR-denominated government bonds should be considered for eligibility in the EM Local Currency Government Index.

Question 8: Should Saudi Arabia SAR-denominated Government bonds be considered for eligibility in the EM Local Currency Government Index?

1. Yes, the securities are sufficiently liquid and accessible
2. No, there are accessibility concerns

Result: BISL will continue to collect feedback regarding Saudi Arabia SAR-denominated debt's potential eligibility for the EM Local Currency Government Index as announced in the recent Emerging Markets Index Consultation. This consultation ends in mid-February 2026.

Emerging Market Hard Currency Pricing Snapshot

Emerging market hard currency pricing follows a unique approach for price snap timing by currency compared with other sectors. BISL sought feedback on alternative approaches to pricing snapshot timing for EM hard currency bonds, including currency-based and regional pricing models.

Current Approach

- EUR and GBP: Priced at 4:15 London.
- USD Bonds: Priced at 4:00 PM New York, except for High Yield bonds from GCC or Asia.
- USD Bonds from Gulf Corporation Council ("GCC") Countries: Priced at 4:15 PM London.
- High Yield USD Bonds from Asia: Priced at 5:00 PM Tokyo.

[2] https://ndmc.gov.sa/en/stats/Pages/default.aspx

Potential Alternative Solutions

- Uniform Pricing by Currency
  - USD bonds: Priced at 4:00 PM New York.
  - EUR and GBP: Priced at 4:15PM London.
- Regional Pricing by Country
  - Asia: Priced at Tokyo 5:00PM.
  - Central & Eastern Europe + Middle East + Africa ("CEEMEA"): Priced at London 4:15PM.
  - Americas: Priced at New York 4:00PM.

Question 9: Which approach would you prefer for EM Hard Currency Pricing?

1. Utilize a currency-based pricing model.
2. Utilize a regional pricing model based on country.

Result: BISL will continue to review the pricing methodology, as no strong market consensus emerged during the consultation period.

POTENTIAL BDC CLASSIFICATION FOR BUSINESS DEVELOPMENT COMPANIES

Debt issued by Business Development Companies ("BDCs") is a growing segment of the financial institution bond market but lacks a classification within the BCLASS Financial Institutions sector.

Question 10: Should a new Class 4 "BDCs" classification be added to Class 3 "Finance Companies" in order to separately classify Business Development Companies (BDCs) within the Bloomberg Fixed Income Classification System (BCLASS)?

1. Yes
2. No

Result: Taking the index consultation into consideration, the Bloomberg Classifications team intends to add a Class 4 "BDCs" classification under Class 3 "Finance Companies" along with the additional planned changes to BCLASS in 2026 announced on September 18, 2025. The BCLASS changes will be made on Saturday, July 11, 2026, as outlined above.

POTENTIAL INCLUSION OF SPECIAL CHINA GOVERNMENT BONDS

On October 8,2025, BISL opened an additional consultation topic to the broader fixed income consultation announced on September 18,2025, pertaining to the potential inclusion of Special China Government Bonds ("CGBs") in Bloomberg Fixed Income indices. BISL intends to announce the results of this consultation later in the first quarter of 2026.

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