

# New SIX Bond taxonomy: categories and definitions

### **Overview**

Following the communication<sup>1</sup> issued on July 15, 2024, concerning the introduction of new Equity taxonomy and Bond taxonomy for SIX Swiss indices, SIX communicates today the details about the taxonomy definitions and how the new taxonomies will affect SIX' index offering.

SIX provides the following documents, available on https://indexdata.six-group.com/index\_messages.html:

- New SIX Equity taxonomy: categories and definitions
- New SIX Bond taxonomy: categories and definitions
- SIX Equity indices: effects of the new SIX Equity taxonomy
- SIX Bond indices: effects of the new SIX Bond taxonomy
- Detailed Appendices
- New Index Taxonomy Sample Files

The changes are planned to enter into effect between October and November 2024: the exact dates for each event are disclosed in the respective documents.

## SIX Bond taxonomy

**Simplified Classification:** SIX will introduce a proprietary bond taxonomy that streamlines complexity and eliminates overlaps between categories by enhancing the current "Guarantee and Collateral Scheme". At the same time, the new taxonomy will also embed the "Segment Classification Scheme", which will cease to exist on a stand-alone basis.

**Alignment with Equity taxonomy:** The corporate bond classification will be extended and its Level 2 and Level 3 will match the SIX Equity taxonomy, ensuring consistency across asset classes.

Appendix B.1: New SIX Bond taxonomy and Appendix B.2 Transition from current to new categories of the new SIX Bond taxonomy provide further details.

The above changes will enter into effect on 11 November 2024.

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<sup>&</sup>lt;sup>1</sup> https://indexdata.six-group.com/download/online/index-messages/2024\_07\_15\_New\_SIX\_Swiss\_Index\_Taxonomy.pdf



# **Appendix B.1: New SIX Bond taxonomy**

The SIX Bond taxonomy is based on the warranty of the bond. A three-level, eight-digit code is assigned to categorize the bonds: this Appendix provides an overview of the available combinations.

Please refer to file **Detailed\_Appendices.xlsx** available on <a href="https://indexdata.six-group.com/index">https://indexdata.six-group.com/index</a> messages.html for full details.

On the first level, a differentiation between public sector bonds, secured/collateralized bonds and corporate bonds is made and each bond is assigned the first digit of the SIX Bond taxonomy.

#### Public Sector (SIX code: 50000000)

Issuer or guarantor are governments of sovereign nations as well as government-related entities, such as supranational organizations or sub-national government entities, such as agencies or local authorities.

At the second and third levels, the bonds are more granularly categorized based on their issuer or guarantor.

#### Securitized / Collateralized (SIX code: 60000000)

Instruments in which the interest and principal amounts are backed by a separate pool of assets.

At the second and third levels, the bonds are more granularly categorized based on the securitization or collateralization that covers the bond.

#### Corporate (SIX code: 70000000)

Instruments issued by a company and the instrument is neither guaranteed by a guarantor in the public sector nor securitized / collateralized. At the second and third levels, the bonds are further subdivided into more granular sectors based on the issuer's business activity.

Level 1 name	Level 1 code	Level 2 name	Level 2 code	Level 3 name	Level 3 code (Senior, Subordinated)
Public Sector	50000000	Government	51000000	Government	51010100, 51010200
		Supranational	51500000	UN Organization	51510100, 51510200
				Supranational Organization	51515100, 51515200
		Agency and Semi- Government	52000000	guaranteed	52010100, 52010200
				not guaranteed	52015100, 52015200
		Local Authorities - Regional	52500000	guaranteed	52510100, 52510200
				not guaranteed	52515100, 52515200
		Local Authorities - Cities	53000000	guaranteed	53010100, 53010200
				not guaranteed	53015100, 53015200
Securitized / Collateralized	60000000	Pfandbrief	61000000	Pfandbrief	61010100, 61010200
		Covered bonds	61500000	Public Sector Loans	61510100, 61510200
				Mortgage (ex Pfandbrief)	61515100, 61515200
				Mixed Assets	61520100, 61520200
		Asset backed	62000000	Asset backed	62010100, 62010200
		GICs / Funding Agreement	62500000	GICs / Funding Agreement	62510100, 62510200
Corporate	70000000	Energy	71000000	Energy	71010100, 71010200



Materials	71500000	Materials	71510100, 71510200
la disatriala	7000000	Producer and manufacturer goods	72010100, 72010200
Industrials	72000000	Non-retail services	72015100, 72015200
		Transportation	72020100, 72020200
		Automotive	72510100, 72510200
	y 72500000	Retail goods	72515100, 72515200
Retail discretionary		Retail services	72520100, 72520200
retail discretionary		Non-essential retail goods distributors and retailers	72525100, 72525200
·		Essential retail goods distributors and retailers	73010100, 73010200
Retail staples	73000000	Food, beverage and tobacco	73015100, 73015200
		Home and personal care products	73020100, 73020200
Health care	73500000	Equipment and services for health care	73510100, 73510200
		Pharma and biotech	73515100, 73515200
		Banks	74010100, 74010200
Financials	74000000	Financial services	74015100, 74015200
		Insurance	74020100, 74020200
Technology for		Software	74510100, 74510200
information and	74500000	Hardware	74515100, 74515200
communication	00000	Semiconductors and equipment	74520100, 74520200
Communications,		Telecommunications	75010100, 75010200
media and entertainment	75000000	Media and entertainment	75015100, 75015200
Utilities	75500000	Utilities	75510100, 75510200
		REITs	76010100, 76010200
Real Estate	76000000	Property development and management	76015100, 76015200



# Appendix B.2: Transition from current to new categories of the new SIX Bond taxonomy

The below overview suggests an indicative transition mapping from the current to the new categories.

The suggested mapping considers both the similarity of the economic realities captured by the categories, as well as the typical distribution of Swiss Bonds categories.

Please refer to file **Detailed\_Appendices.xlsx** available on <a href="https://indexdata.six-group.com/index\_messages.html">https://indexdata.six-group.com/index\_messages.html</a> for full details.

Current category			New category (SIX bond taxonomy)		
Level 1	Level 2		Level 1	Level 2	Level 3
	Treasury			Government	Government
	Sovereign				
Governme	Supranation al			Supranational	UN Organization Supranational Organization
nt &	Agency	guaranteed	Public Sector	Agency and Semi- Government	guaranteed
Government- Related		ex guaranteed			not guaranteed
	Local	guaranteed		Local Authorities -	guaranteed
	Authority			Regional	not guaranteed
	(Regional & Cities)	ex		Local Authorities -	guaranteed
	Cities)	guaranteed		Cities	not guaranteed
Securitized / Collateralize d	n.a.			Pfandbrief	Pfandbrief
	Covered bonds backed by Public Sector Loans				Public Sector Loans
	Covered bonds backed by Private Mortgages		Securitized / Collateralized	Covered bonds	Mortgage (ex Pfandbrief)
	Covered bonds backed by Mixed Assets		- Conacoranzoa		Mixed Assets
	Asset backed			Asset backed	Asset backed
	GICs / Funding Agreement			GICs / Funding Agreement	GICs / Funding Agreement
Unsecured	Industrials		_	Energy	Energy
/ Corporate			Corporate	Materials	Materials



Financials
Industrials

Utilities

Financials
Services

Utilities

Retail discretionary  Retail discretionary  Retail goods Retail services Non-essential retail goods distributors and retailers  Food, beverage and tobacco Home and personal care products  Equipment and services for health care  Pharma and biotech Banks  Financials  Financial services  Software Hardware Semiconductors and equipment  Communication  Communications, media and entertainment  Utilities  Non-retail services  Retail services  Food, beverage and tobacco  Home and personal care products  Equipment and services for health care  Pharma and biotech Banks  Financial services  Software Hardware Semiconductors and equipment  Telecommunicatio ns  Media and entertainment  Utilities  REITS Property development and	Industrials	Producer and manufacturer goods		
Retail discretionary  Retail goods Retail services Non-essential retail goods distributors and retailers  Food, beverage and tobacco Home and personal care products  Equipment and services for health care  Pharma and biotech Banks  Financials  Technology for information and communication  Communications, media and entertainment  Utilities  Automotive Retail goods Retail services  Food, beverage and tobacco  Home and personal care products  Equipment and services for health care  Pharma and biotech Banks  Financial services  Software Hardware Semiconductors and equipment  Telecommunicatio ns  Media and entertainment  Utilities  REITS Property	musmais			
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Retail discretionary  Retail services  Non-essential retail goods distributors and retailers  Food, beverage and tobacco  Home and personal care products  Equipment and services for health care  Pharma and biotech  Banks  Financials  Technology for information and communication  Communications, media and entertainment  Utilities  Real Estate  Retail services  Food, beverage and tobacco  Home and personal care products  Equipment and services for health care  Services for health care  Hardware  Semiconductors and equipment  Telecommunication ns  Media and entertainment  REITS  Property		Automotive		
Retail discretionary  Non-essential retail goods distributors and retailers  Food, beverage and tobacco Home and personal care products  Equipment and services for health care  Pharma and biotech  Banks  Financials  Technology for information and communication  Communications, media and entertainment  Utilities  Real Estate  Non-essential retail goods distributors and retail goods  Food, beverage and tobacco  Home and personal care products  Equipment and services  Software  Hardware  Semiconductors and equipment  Telecommunication ins  Media and entertainment  REITS  Property		Retail goods		
Retail staples  Retail staples  Retail staples  Retail staples  Food, beverage and tobacco Home and personal care products  Equipment and services for health care Pharma and biotech Banks  Financials  Financial services  Technology for information and communication  Communications, media and entertainment  Utilities  Real Estate  Food, beverage and tobacco  Home and personal care products  Equipment and services  Software Hardware Semiconductors and equipment  Telecommunication ns  Media and entertainment  REITS Property		Retail services		
Retail staples  Food, beverage and tobacco  Home and personal care products  Equipment and services for health care  Pharma and biotech  Banks  Financial services  Software  Hardware  Semiconductors and equipment  Telecommunication ns  Media and entertainment  Utilities  Retail Estate  Retail State	Retail discretionary	Non-essential		
Retail staples  Retail staples  Retail staples  Retail staples  Food, beverage and tobacco  Home and personal care products  Equipment and services for health care  Pharma and biotech  Banks  Financials  Financial services  Software  Hardware  Semiconductors and equipment  Communication Semiconductors and equipment  Telecommunication ns  Media and entertainment  Utilities  Utilities  Real Estate  REITS  Property		· ·		
Retail staples  Retail staples  Home and personal care products  Equipment and services for health care  Pharma and biotech  Banks  Financials  Technology for information and communication  Communications, media and entertainment  Utilities  Food, beverage and tobacco  Home and personal care products  Equipment and services  Software  Hardware  Semiconductors and equipment  Telecommunication ns  Media and entertainment  Utilities  Utilities  REITS  Property				
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Health care  Equipment and services for health care  Pharma and biotech  Banks  Financials  Financial services  Software  Hardware  Semiconductors and equipment  Communications, media and entertainment  Utilities  Equipment and services  Banks  Financial services  Software  Hardware  Semiconductors and equipment  Telecommunication ns  Media and entertainment  Utilities  REITS  Property				
Health care    Services for health care				
Health care    Care				
Pharma and biotech  Banks  Financials  Financials  Financial services  Software  Hardware  Semiconductors and equipment  Communications, media and entertainment  Utilities  Pharma and biotech  Banks  Financial services  Software  Hardware  Semiconductors and equipment  Telecommunications, Media and entertainment  Utilities  REITS  Property	11-10			
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