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European Primary Dealers Handbook

Updated 2026



About AFME

The Association for Financial Markets in Europe (AFME) is the voice of the leading banks in Europe's financial markets (EEA/UK), providing expertise across a broad range of regulatory and capital markets issues. We represent over 150 leading global and European banks and other significant market players. Our members play a vital role in Europe's financial ecosystem, underwriting around 90% of European sovereign and corporate debt, and 85% of European listed equity capital issuances. Importantly, AFME members consist of committed market makers, providing liquidity and facilitating trading which is essential for ensuring financial markets can function efficiently. AFME also represent law firms and other associate members which advise market participants and support AFME's legal and regulatory initiatives. For more information, please visit the AFME website: www.afme.eu

About AFME/Primary Dealers

AFME/Primary Dealers advocates on behalf of European government bond Primary Dealers with relevant government and regulatory bodies through dialogue and market best-practices recommendations. AFME/Primary Dealers is a division, which promotes integration and efficiency within the European government bond market.

The AFME Primary Dealers board addresses developments affecting the European government bond market. The board aims to build consensus within the industry and acts as a bridge between financial market participants and policymakers. AFME advocates with relevant stakeholders in the European debt markets, including institutions such as the European Commission, the European Central Bank, ESMA, European sovereign debt management offices and ministries of Finance.

The board consists of the heads of government bond trading, or their representatives, of Europe's top Primary Dealers in sovereign debt.

Disclaimer

This handbook has been compiled from public information, including that available on the various Debt Management Agencies' websites and information submitted by the AFME European Primary Dealers members and other interested third parties. It is intended to be used only as a general guide to better understand the different Primary Dealership systems in place in Europe.

Whilst all reasonable care has been taken in the preparation of this guide, AFME and the author do not accept any responsibility for any omissions or errors that it may contain. Nothing in this guide should be construed as legal, investment, tax, regulatory or business advice and AFME does not accept any responsibility for any consequence or use of the data provided in it.

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Introduction and thanks

Welcome to our latest edition of the AFME Primary Dealers Handbook. Since it was first published in 2008, this handbook has proved to be an invaluable source of reference for European government bond market participants, dealers, brokers, DMOs, investors, policymakers, academics and journalists.

Primary Dealers fulfil a key role by providing liquidity in the markets for government debt. The fiscal and monetary policies adopted in response to the European sovereign debt crisis, the Covid-19 pandemic, and the surge in inflation that began in 2022 have all emphasised the importance of Primary Dealers within the structure of the government debt markets.

Since the last publication of the handbook we have witnessed a number of significant regulatory changes including the review of MiFIR/MiFID rulebook resulting in a revised bond post-trade transparency framework and the ongoing work in the UK towards establishing a new post-Brexit regulatory framework. In addition, with the UK consolidated tape having recently become operational and the EU tape set to go-live soon, these developments are expected to enhance market transparency, including in the trading of sovereign bonds.

We have also seen the EU issuing debt through NextGenerationEU (NGEU), a groundbreaking temporary recovery instrument to support Europe's economic recovery from the coronavirus pandemic and build a greener, more digital and more resilient future[1]. In this respect, an EU-wide Primary Dealer Network has been established to facilitate the efficient execution of auctions and syndicated transactions, support liquidity in the secondary markets, and ensure the placement of EU debt with the widest possible investor base[2].

The appendices of the handbook offer cross country overviews of certain organisational aspects of sovereign bond trading, including the electronic trading environment. Following the initial rise in sovereign green bond issuance, the handbook also includes an ESG government bonds annex which provides further information on the issuance of sovereign ESG bonds throughout the EU.

This European Primary Dealers Handbook would not have been possible without the active cooperation of the European Debt Management Offices and the European Stability Mechanism (ESM) and the European Commission whose comments and overall feedback are much appreciated.

We would also like to thank our members who actively trade in the European Government bond markets and particularly the members of the AFME Primary Dealers Board, for their cooperation and valuable feedback.

We hope that this handbook provides a convenient and user-friendly source of information on the structure and functioning of the various Primary Dealership systems in Europe and can act as a useful educational tool for everyone interested in the European government bond markets.

We welcome any feedback, suggestions or comments you might have.

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1 *See here for further information*

2 *Further information can be found here*

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Foreword

We aim to put information contained within this handbook into context, by explaining how the government bond market is structured. A useful starting point is to explain how trading in the bond market differs from trading in the equities market.

1. Structure of the Government Bonds Market

In the equity market, issuers generally have one instrument which is subject to a single initial public offering – with the possibility of additional rights issues at later stages in a company's development. As a share has no redemption date, an investor must sell it in the secondary market in order to realise its value. In the past, equity trading was concentrated on the national exchanges where all participants would do the bulk of their trading (at least the trading in smaller sizes). Since the implementation of MiFID II, exchange monopolies have been subject to competition from Multilateral Trading Facilities (MTFs) and Organised Trading Facilities (OTFs) as well as bilateral trading through Systematic Internalisers (SIs). Nevertheless, exchanges remain dominant players in equities trading.

By contrast, bonds usually trade over the counter (OTC); both electronically and via voice brokers. Whereas equities only have a single issue, government bond issuers have many outstanding issues of varying maturity; currency and type (e.g. bullets, linkers). Furthermore, a good proportion of the market is "buy and hold", because bonds can be held to redemption. Once those bonds are purchased, they are simply redeemed at maturity by the investor and often will not be traded again.

Therefore, government bonds are inherently less liquid than equities, which has resulted in a different type of market. It is characterised by a Primary Dealer system.

2. Price Transparency

The decentralised structure of fixed income markets, including the government bond market, results in the fragmentation of sources of price information. However, there exists a large and competitive industry of financial services providers whose business is to collect, aggregate, consolidate or evaluate price information for use by dealers and investors. They compete, amongst other things, on data availability, user friendliness, speed and analytical soundness. This dynamic market-driven process reacts to changing market conditions and investor needs, thereby helping to determine optimal price transparency in the markets.

The implementation of MiFID II expanded the scope of the existing transparency regime under MiFID I to include a calibrated pre- and post-trade transparency regime for non-equity instruments such as bonds and derivatives.

The publication of post-trade information (price, volume and time of execution, available free of charge within 15 minutes of publication of the trade) aimed to improve price discovery for market participants by providing information around trades executed/submitted on a trading venue or OTC/voice trading. The transparency obligations under MiFID II do not apply to primary market transactions.

As part of the EU MiFIR/MiFID review and the UK Wholesale Markets Review, the pre- and post-trade transparency regime for non-equity instruments has been subject to a major overhaul.

3. The Primary Dealer System

Primary Dealers are financial institutions that are appointed by sovereign or supranational issuers to buy, promote and distribute government securities.

Once a bond or other form of government security instrument is issued, issuers rely on their Primary Dealers to make a market and support the liquidity in the product. Market participants benefit from this liquidity. It allows market makers to be more aggressive in their pricing for clients because they know that they can unwind positions taken from clients in this market.

Quoting in the interdealer market can also take the form of a quoting obligation. Under this obligation, which forms part of most Primary Dealer contracts, banks are obliged to quote two-way prices to each other within a certain spread and for a specified number of hours per day. Prices that are formed here, serve as an important benchmark throughout the market. As this can create a cost to the Primary Dealer, the issuers can in turn provide them with certain incentives; such as access to auctions, consideration for syndications, and access to a non-competitive bidding facility after an auction, or the possibility to compete for derivatives contracts.

This type of market making is concentrated on certain recognised electronic trading platforms. This provides a liquid and transparent interdealer market. The interdealer systems generally operate via cross-matching methods. This means customers are able to enter anonymous buy and sell orders that are automatically executed when another party's buy and sell orders are entered at the same price, or when the bid is "hit", or the offer "lifted."

In spite of the market making requirements within the electronic interdealer market, electronic trading encompasses only half of the executed trades. Dealers prefer to do transactions in large sizes of "off the run" bonds (where liquidity is at its thinnest) with voice brokers, to prevent the market from moving against them.

As well as the interdealer market there is also the dealer-to-customer market which, in the wholesale market, is defined as the trades between dealer and institutional investor. This market can be multidealer oriented, in which case it is centred on a trading platform. The end investor then has a choice between the quotes of several dealers. The market can also be single dealer oriented. In this case, the investor receives quotes during one-on-one contact with the bank. This contact can be via email, phone or via an electronic trading system.

Certain dealer-to-customer platforms operate through a request for quote system (RFQ). The request for quote system enables an investor to send a request for aprice, having seen and selected from the best indicative prices for a specific trade, simultaneously to multiple dealers (of which it is a customer). Prices from those dealers that choose to respond are firm for a specified period of time. They typically are unilateral offers to buy or sell. The investor can then choose to execute the trade with any of the responding dealers. In the request for quote, only the requesting party sees the quotations for the trade provided by the dealers. However, there are also dealer-to- customer platforms that use firm/ executable prices.

In general, indicative quotes are very close to, or the same as, executable or firm quotes. Typically, over 75% of trades are executed within the indicative bid/offer spreads. Trades executed outside the indicative range are mostly the larger ones.

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A. List of Primary Dealers[1]

FIRM	Austria (AT)	Firm's location
BofA Securities Europe SA	X	Paris
Barclays Bank Ireland PLC	X	Dublin
BAWAG (RAGBs only)	X	Vienna
BNP Paribas S.A.	X	Paris
BRED Banque Populaire (ATBs only)	X	Paris
Citigroup Europe plc	X	Dublin
Commerzbank AG	X	Frankfurt
Deutsche Bank Aktiengesellschaft	X	Frankfurt
DZ Bank	X	Frankfurt
Erste Group Bank AG	X	Vienna
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe	X	Paris
J.P. Morgan SE	X	Frankfurt
Landesbank Baden-Wuerttemberg	X	Stuttgart
Morgan Stanley Europe SE	X	Frankfurt
Natixis	X	Paris
Nomura Financial Products Europe GmbH	X	Frankfurt
Oberbank AG	X	Linz
Raiffeisen Bank International AG	X	Vienna
Société Générale	X	Paris
UniCredit Bank S.p.A	X	Milan
Volksbank Wien AG (RAGBs only)	X	Vienna
TOTAL	**22**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *List of the Primary Dealers operating in the Austrian government bond and bills market as of March 2026. Source: Austrian Treasury (full list available: https://www.oebfa.at/en/funding/primaerhaendler.html) / List of Dealers for ACPs can be found here: https://www.oebfa.at/en/financing-instruments/acp/acp-dealer.html*



B. Credit Rating

Austrian debt is currently rated as follows:[2]

- Standard & Poor's: AA+ (stable)
- Moody's: Aa1 (negative)
- Fitch Ratings: AA (stable)
- DBRS: AAA (negative)
- Scope Ratings: AA+ (negative)

C. Debt Instruments

Government Bonds	Government Bonds are issued through the Austrian Treasury (Oesterreichische Bundesfinanzierungsagentur - OeBFA) in the name of and for the account of the Republic of Austria. Under this programme, issuances in green format are also possible (in accordance with the Framework for the Issuance of Green Federal Securities of the Republic of Austria dated April 2022). Up-to-date information on prices of all outstanding Austrian Government Bonds (these are listed in the "Continuous Auction" format) can be found on the website of the Vienna Stock Exchange.
Austrian Treasury Bills (ATB)	The programme for issuing Austrian law based ATBs was launched in July 2021 with an unlimited maximum amount of bills outstanding. ATBs are issued solely in Euro and have maturities of up to 364 days. The bills are sold by auction or on a tap basis. Standard & Poor's has assigned a A-1+/ stable rating to the programme. Under this programme, issuances in green format are also possible (in accordance with the Framework for the Issuance of Green Federal Securities of the Republic of Austria dated April 2022).
Austrian Commercial Paper (ACP)	Unlike Austrian Treasury Bills, Austrian Commercial Papers are issued under English law and bilaterally via designated ACP Dealers in EUR or various other currencies. Due to their flexible design (with regards to tenors and currency) they are especially suitable for institutional money market investors. The programme was launched in March 1999 with an unlimited maximum amount of commercial papers outstanding. In August 2021 the programme was renamed from "Austrian Treasury Bill Programme" to "Austrian Commercial Paper Programme". Standard & Poor's has assigned a A-1+/stable rating to the programme. Under this programme, issuances in green format are also possible (in accordance with the Framework for the Issuance of Green Federal Securities of the Republic of Austria dated April 2022).

2 *Ratings as of March 2026. Source: Austrian Treasury*



Euro Medium Term Note (EMTN)	The EMTN programme of the Republic of Austria, established in March 1999, and last updated in December 2022, contains standardised documentation for the issuance of international, currency-hedged notes under Austrian (Austrian Law Bearer Notes) or English law (English Law Registered Notes). The maximum amount of notes outstanding is EUR 30 billion. The programme provides for a broad range of transaction types.. Standard & Poor's has assigned AA+ and A-1+ ratings (the latter for short-term funding) to the programme. Under this programme, issuances in green format are also possible (in accordance with the Framework for the Issuance of Green Federal Securities of the Republic of Austria dated April 2022).
Bundesschatz	Bundesschatz, the federal government's online savings product, allows retail customers to directly invest in securities of the Republic of Austria. Green format is also available to consumers.
Australian Dollar Medium Term Note (MTN)	The Australian Dollar MTN Programme, established in May 2004, is a master agreement to tap the market for Kangaroo Bonds. The programme is based on Australian law. Standard & Poor's has assigned the following ratings to the programme: AA+ for the long and A-1+ for the short maturity range.

Green Issuances:
Austria can issue in Green Format (Use of Proceeds) in a variety of instruments: Green Bonds (RAGB and EMTN Format), Green Austrian Treasury Bills, Green Commercial Paper and Green loans/deposits.

D. Primary Market

i. Government Bonds

a. Auctions

Government Bonds have been issued under an auction procedure since 1989. Bonds are offered to a defined group of financial institutions at regular intervals. The eligible institutions (21 at present) are called Primary Dealers.

The participants are obligated to place a bid for at least 1/21 of the issuance volume at the auction date. The institutions that are prepared to pay the highest price, i.e. that demand the lowest yield, are awarded the bonds for which they bid. The entire auction procedure has been carried out electronically since 1998 by means of the Austrian Direct Auction System (ADAS) by Oesterreichische Kontrollbank AG (OeKB). The auction platform was developed and is administered by OeKB. More details on the auction procedure can be found in the OeKB brochure: Auction procedure for Austrian Government Bonds.

The auction results are published on the website of the Austrian Treasury. According to international best practice standards, the planned annual issuance volume and the Auction Calendar are announced each December for the forthcoming year. Exactly one week prior to the auction date the Austrian Treasury publishes the planned issuance volume and maturity for the respective auction.



Maturities	Not more than 100 years
Currency	Euro (€)
Redemption Price	Par
Dealers	Participants in the Auction procedure (i.e. The list of Primary Dealers)
Interest Rate	Fixed interest rate (act./act.) payable annually in arrears or floating interest rate (act/360)
Denomination	€100
Form of the Notes	Bearer Global Notes
Green Use of Proceeds	Possible according to the Framework for the issuance of Green Government Securities of the Republic of Austria (as of April 2022)
Status of the Notes	Direct, unsecured, unconditional, unsubordinated, pari passu
Cross-Default	No
Taxation	Austrian Standard
Listing	At least on the Vienna Stock Exchange
Business Days	TARGET2
Principal Paying Agent	Oesterreichische Kontrollbank AG
Clearing System	OeKB CSD GmbH
Governing Law	Austrian law
Jurisdiction	Exclusively Vienna
Strips	Possible for fixed interest rate bonds

b. Debt Issuance Programme (DIP)

Since 1999, the Republic of Austria has been issuing Government Bonds under the DIP through a bank syndicate. Only participants in the auction procedure are permitted to act as lead managers and co-lead managers. The syndicate may change for each issue. DIP 144A allows for certain groups of investors in the United States of America to buy Government Bonds subject to the relevant selling restrictions. The Terms and Conditions of these Government Bonds remain unchanged except for necessary adjustments to these selling restrictions. This programme enables the Republic of Austria to react in a fast and flexible way to specific market situations and investor demands. The issue volume of individual issues of Government Bonds may be increased by way of tap issues.



Maturities	Not more than 100 years
Currency	Euro (€)
Redemption Price	Par
Interest Rate	Fixed interest rate (act./act.) payable annually in arrears or floating interest rate (act/360)
Denomination	€100
Form of the Notes	Bearer Global Notes
Green Use of Proceeds	Possible according to the Framework for the issuance of Green Government Securities of the Republic of Austria (as of April 2022)
Status of the Notes	Direct, unsecured, unconditional, unsubordinated, pari passu
Cross-Default	No
Taxation	Austrian Standard
Listing	At least on the Vienna Stock Exchange
Business Days	TARGET2
Principal Paying Agent	Oesterreichische Kontrollbank AG
Clearing System	OeKB CSD GmbH
Governing Law	Austrian law
Jurisdiction	Exclusively Vienna
Strips	Possible for fixed interest rate bonds

ii. Treasury Bills

Austrian Treasury Bills (ATBs) are issued under an auction procedure since August 2021. ATBs are offered to a defined group of financial institutions at regular intervals. Through auctions, new ATBs are issued and existing lines can be increased. The eligible institutions (20 at present) are called Primary Dealers for ATBs. Additionally, ATBs may be issued or tapped bilaterally outside the auctions with eligible dealers. The programme also includes an “ad hoc dealer” option (for buying ATBs on a bilateral basis), whereby these institutions (currently 2 – ABN Amro Bank NV and AFS Interst BV) are not eligible to participate in auctions.

The participants are obligated to place a bid for at least 1/20 of the issuance volume at the auction date. The institutions that demand the lowest yield are awarded the bill(s) for which they placed the bid(s). The competitive issuance volume is determined after the bid deadline, the own quota represents the difference between the planned issuance volume and the competitive issuance volume.

Analogous to Austrian Government Bonds, the entire auction procedure is carried out via the ADAS system developed by OeKB. More details on the auction procedure can be found in the OeKB brochure: Auction procedure for Austrian Treasury Bills

The auction results are published on the website of the Austrian Treasury. According to international best practice standards, the overall issuance volume and the auction calendar for ATBs are announced each December for the forthcoming year.



Maturities	7 to 364 days
Currency	EUR
Redemption Price	Par
Dealers	Dealers of Austrian Treasury Bills[3]
Interest Rate	Discount
Denomination	Euro 100
Form of the Notes	Bearer Global Bills
Green Use of Proceeds	Possible according to the Framework for the issuance of Green Government Securities of the Republic of Austria (as of April 2022)
Status of the Notes	Direct, unsecured, unconditional, unsubordinated, pari passu
Cross-Default	No
Taxation	Austrian Standard
Listing	None
ECB eligibility	Programme added to the list of tier one assets for monetary policy operations of the European System of Central Banks (see list of non-regulated markets accepted by ECB)
Business Days	Euro: TARGET"
Paying Agent	Republic of Austria, represented by the Austrian Treasury
Clearing System	OeKB CSD GmbH
Governing Law	Austrian law
Jurisdiction	Exclusively Vienna

iii. Austrian Commercial Papers

The programme was launched in March 1999 with an unlimited maximum amount of commercial papers outstanding. Settlement is usually T+2 (with T+1 also possible if investors request so). Commercial Papers are sold on a tap basis. The programme also includes an "ad hoc dealer" option.

3 *Available at https://www.oebfa.at/en/funding/primaerhaendler.html*



Maturities	7 to 364 days
Currency	Any currency (subject to compliance with any applicable legal and regulatory requirements)
Dealers	Designated Dealers of Austrian Commercial Paper and Ad Hoc Dealers[4]
Interest Rate	Discount
Minimum Denomination	Euro 500,000 (Euro 100,000 for Green Commercial Papers) and conventionally accepted min denominations in other currencies
Form of the Notes	Bearer Global Bills
Status of the Notes	Pari passu
Cross-Default	No
Taxation	Austrian Standard
Listing	None
ECB Eligibility	Programme added to the list of tier one assets for monetary policy operations of the European System of Central Banks (see https://www.ecb.europa.eu/paym/coll/standards/marketable/html/index.en.html)
Business Days	Euro: TARGET2; other currencies: relevant financial center of the currency
Principal Paying Agent	Citibank N.A., London
Clearing System	Euroclear, Clearstream
Governing Law	English law

iv. Issuing Frequency/Schedule for the Auction Procedure

The issuance of Government Bonds/Treasury Bills is carried out monthly. At the end of each year the issuer announces the auction dates projected for the coming year.[5]

Thursday prior to the auction (T-5)	Maturity recommendation of the participants (RAGBs only). Announcement of the auction parameters.
Tuesday (T) by CET 11.00	Submission of competitive bids and immediate announcement of competitive results once the issuer's consent has been given.
Wednesday (T+1) by CET 16.00	Submission of non-competitive bids and immediate announcement of the total results and individual allotments.
Thursday (T+2)	Settlement; Listing

4 *Available at https://www.oebfa.at/en/financing-instruments/acp/acp-dealer.html*

5 *For more information see the Republic of Austria's issuance calendar for Government Bonds and Treasury Bills*



v. *Announcement of Issues*

The parameters for the issue of the Government Bond/Treasury Bill (ISIN, maturity, accrued interest), its planned issue size and information on the submission of bids are submitted electronically via the Austrian Direct Auction System (ADAS), per e-mail to the auction participants and additionally published on the OeKB and OeBFA website on Thursdays prior to the auction. In case of multiple-securities Government Bond auctions ('parallel auction') the issuer may determine and announce only the total competitive issue volume to be auctioned. In this case the distribution of the total competitive issue volume to the respective Government Bonds is determined and announced after the deadline of the competitive bidding.

vi. *Submission of Competitive Bids*

The start time for the bidding process is at 10.00 a.m. CET on auction day and the deadline for the submission of competitive bids falls one hour later at 11.00 a.m. CET. The actual time is given by ADAS to guarantee equal opportunities for all bidders. Only those bids that have been submitted electronically before the deadline are accepted.

- The bids must be submitted in denominations of €1 million or a multiple thereof in round numbers containing the price or yield at which the issuer is prepared to accept the nominal amount.
- Multiple bids are allowed. Bids may be modified and submitted prior to the deadline as often as desired.
- The minimum total volume a bank is obliged to bid per auction date corresponds to the issue size announced by the issuer divided by the number of auction participants. The maximum volume a bank is allowed to bid for each bond/bill to be auctioned amounts to 100% of the announced issue size.
- Bids are subject to a real-time plausibility check to avoid erroneous bids and to guarantee the above-mentioned bidding limits.

vii. *Allotment of Competitive Bids*

The bids submitted are ranked in descending order, according to price/yield. The allotment of bonds/bills is carried out based on the corresponding prices/yields bid. Bids at the lowest price/yield accepted (the cut-off price/yield) may be subject to pro rata curtailments to provide for a precise representation of the scheduled competitive issue size. On the basis of the actual set of bids, all figures are calculated by the electronic system ADAS on a permanent basis.

Allotments per participant (nominal amount, price, amount payable, etc.) and the overall issue results are announced electronically via ADAS immediately after the expiration of the deadline for the submission of competitive bids and the confirmation of the issuer via ADAS.

viii. *Cancellation of an Issue*

The issuer may cancel an issue up to 12.00 p.m. CET on the day of the auction. In such a case, a new auction date is set for one week later. Since the introduction of the electronic auction system in 1998 only one auction has been cancelled by the issuer.

ix. *Submission of Non-Competitive Bids*

An additional 20% of the competitive issue amount for bonds and 15% of the announced issue amount for bills is made available to the participants for the submission of non- competitive bids. Each bank is entitled to submit a non-competitive bid at the average price/yield of competitive allotments via ADAS until 4.00 p.m. CET one business banking day after the announcement of competitive allotments.

The available amount is split among the participants as follows: 1/3 is based on predefined secondary market criteria, 2/3 is based on the individual weighted average of the competitive allotments of the two previous auctions.



x. *Determination of Coupon and Issue Price*

In the case of a new bond issue where a yield auction is employed, the coupon is calculated on the basis of the weighted average of the accepted yields and an issue price which shall be as close to par as possible. However, in practice new bonds have been generally issued via syndicated format over the past years. In case of a fungible tranche (where a price auction is employed) the issue price corresponds to the weighted average of the accepted prices.

xi. *Dissemination of Auction Results*

The announcement of the final results and the allotments per participant (amounts payable, prices, etc.) is carried out electronically by OeKB via ADAS, immediately after the auctions has been confirmed by the issuer.

xii. *Austrian Direct Auction System (ADAS)*

Since May 1998 the auction procedure has been carried out by ADAS, software developed for this purpose by OeKB. This software has been adjusted continuously to accommodate changing requirements, and as such, it covers a wide range of possibilities (different auction procedures, submission of competitive and non-competitive bids, parallel auctions, personalized reports etc.). Constant communication and feedback from both sides, the issuer as well as the banks, before, during and after the auction, has enhanced the development of ADAS.

Thus, ADAS was established as a reliable and user-friendly application with a high standard of security. In addition to technical support, OeKB assists all parties involved in dealing with questions concerning the auction procedure. All results may also be calculated using Excel-spreadsheets, in order to guarantee the participants maximum transparency and the possibility to arrive at the same results calculated by the system.

The essential advantage of the electronic auction-system may be found in its ability to respond quickly:

- The submission of bids is carried out electronically.
- The issuer confirms the issue electronically once the deadline for the submission of competitive bids has expired. In case of parallel auctions, the issuer determines the issue size per government bond/bill electronically.
- The total auction results are made available to the participants instantly.
- All information (total auction results, resulting parameters in case of a new issue as well as individual allotments per bank) is communicated electronically via ADAS and are also distributed automatically via email without delay.

E. Secondary Market[6]

i. *Interdealer Market*

a. *Multiplatform Environment*

According to the Master Agreement for the Issuance of Government Bonds of the Republic of Austria and the Master Agreement for the Issuance of Treasury Bills of the Republic of Austria, respectively, Primary Dealers are obliged to actively participate in the secondary market and ensure a high level of liquidity. The Republic of Austria doesn't have a firm quoting obligation in place but the Primary Dealers are required to submit data, which is closely monitored.

Austria encourages electronic trading for the sake of transparency and facilitating price discovery. Austria leaves the selection of a platform to its Primary Dealers and does not prescribe specific platform eligibility criteria.

Austria regularly receives data from all major platforms on a voluntary basis. This data is used to monitor secondary market activity and fulfilment of the Primary Dealers' obligation to actively participate in the secondary markets.

6 *Source: Austrian Treasury*





ii. Dealer to Customer Market

a. Direct Negotiation

Private Placements, Loans, Austrian Treasury Bills and Austrian Commercial Paper.

b. E-trading

Austrian Government Bonds (RAGB) and Austrian Treasury Bills (ATB) are actively traded on all major Dealer-to-customer platforms (e.g. Bloomberg, Bondvision and TradeWeb).

c. Bundesschatz

Bundesschatz, the federal government's online savings product, allows retail customers and certain public entities to directly invest in securities of the Republic of Austria. Green format is also available to retail customers.

F. Appraisal of the Activity of Primary Dealers

Austria uses a performance measurement system based on a broad range of criteria both quantitative and qualitative. Secondary market activity of Primary Dealers is monitored on a daily basis. Reports on the performance are sent to Primary Dealers monthly. A preliminary ranking including all performance aspects is published in December.

The performance ranking includes:

- Successful participation in the primary markets
- Active market making for all RAGB & ATB: providing narrow bid/offer prices with high bid/offer sizes during market hours.
- Share of electronic trading
- Turnover statistics: particularly turnover with real money investors
- Spread-to-peers: spreads versus peer countries with similar quality are taken into account.
- Qualitative factors: service quality, operational quality, reputational quality.

The final ranking's top ten dealers are made public via the website of OeBFA in January.



G. Contacts

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European Primary Dealers Handbook

2. Belgium

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A. List of Primary Dealers and Dealers (ECP)[1] [2]

FIRM	Belgium (BE)	Firm's location
ABN AMRO Bank N.V.	◆	Amsterdam
BofA Securities Europe S.A.	X	Paris
Barclays Bank Ireland plc	X ◆	Dublin
BNP Paribas Fortis S.A.	X	Brussels
BRED Banque Populaire	◆	Paris
Citigbank Europe plc	X ◆	Frankfurt
Crédit Agricole CIB	X	Paris
Deutsche Bank A.G.	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
ING Bank N.V.	◆	Amsterdam
J.P. Morgan S.E.	X	Frankfurt
KBC Bank NV	X	Brussels
Morgan Stanley Europe S.E.	X	Frankfurt
Natixis S.A.	X	Paris
Nomura Financial Products Europe GMBH	X	Frankfurt
Rabobank U.A.	◆	Utrecht
Société Générale S.A.	X	Paris
TOTAL	**X = 13, ◆ = 6**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

X Primary Dealers (PDs)

◆ Dealers in Euro Commercial Paper

1 *List of the Primary Dealers operating on the Belgian Government Bond Market as of August 2026. For complete information please refer to the website of the Belgian Debt Agency.*

2 *Please note that NatWest withdrew its PDship in Q4 2026*



B. Credit Rating

The Belgian debt is rated as follows:[3]

- Standard & Poor's: AA- (stable)
- Moody's: A1 (stable)
- Fitch Ratings: A+ (stable)
- DBRS: AA (negative)
- Rating and Investment Information, Inc: AA+ (stable)
- Japanese Credit Rating Agency: AAA (stable)
- Creditreform: AA (negative)

C. Debt Instruments

Linear Bonds (OLOs)	Medium, long and very long-term securities. Euro denominated.
Treasury Certificates (TCs)	Short-term bills with maturities up to a maximum of one year. Euro denominated.
Euro Commercial Paper (ECP)	Short-term financing instrument that is issued on tap with maturities between 3 days and 1 year. ECP can be denominated in foreign currencies for which the European Central Bank publishes reference rates against the EUR on a daily basis.
Euro Medium Term Note (EMTN)	Generally EMTNs have a maturity between one and 100 years, denominated in euro or in foreign currencies for which the ECB publishes reference rates again the EUR on a daily basis.
Schuldschein	Loan agreement, not a security, by which the borrower commits himself to the lender to reimburse him a fixed sum on a fixed date against a fixed remuneration. Euro denominated and governed by German law but the legal documentation complies with those of OLOs, in view of guaranteeing equal treatment of investors in Belgian State loans.

3 *Ratings correct as of August 2026. For up-to-date ratings please refer to the website of the Belgian Debt Agency: Rating | Belgian Debt Agency.*



D. Privileges and Duties of Primary Dealers[4]

i. Privileges

The Primary Dealers have the exclusive right to:

1. carry the title of "Primary Dealer in Belgian Government Securities";
2. be eligible as joint lead or co-lead managers in syndicated OLO transactions;
3. participate in the auctions of OLOs and Treasury Certificates;
4. ask for specific OLOs to be auctioned in the Optional Reverse Inquiry (ORI) facility;
5. submit after the auction non-competitive subscriptions;
6. participate in the issuance of EMTNs;
7. be the privileged counter-parties of the Kingdom of Belgium in its debt management operations;
8. strip and to reconstitute OLOs, and to convert into BE-strips;
9. participate in the buyback operations organised by the Belgian Debt Agency;
10. use the repo facility organised by the Belgian Debt Agency for OLO, Treasury Certificates and BE-strips.

ii. Duties

Primary Dealers
Participation in the primary market - regular and significant participation in auctions.
Participation in the secondary market - contribute significantly to the liquidity of OLOs, TCs and strips, including repos.
Quotation of firm rates or prices – must quote firm bid and offer rates or prices to customers for OLOs and TCs, as well as post indicative prices and rates. Participate as market maker in one or more of the selected e-trading platforms (Business to Business (B2B) quotations of OLOs and TCs).
Promotion and placement of Belgian Government securities – place OLOs, strips and TCs with final investors in Belgium and abroad.
Information and reporting - To report regularly on developments in the financial markets, and to provide general information to the Belgium Debt Agency. To submit a business plan and regularly report on their activity (according to the European Harmonised Reporting Format) and all their transactions per type (outright and/ or repo) in OLOs, strips and TCs.
Ethical Behaviour - PDs hold themselves to the highest standards in financial business practice. In particular, their activity in Belgian Government securities is consistent with the objective of the Belgian Debt Agency to maintain orderly, efficient and liquid markets.

4 *Source: Code of Duties for the Primary Dealers in Belgian Government Securities (January 2026).*

E. Primary Market

i. Auctions

a. Duties and Obligations

The Primary Dealers have the duty to participate regularly in the auctions of OLOs and TCs. In exchange for fulfilling this obligation, the Primary Dealers have the right to acquire after the auction of OLOs or TCs a certain amount of the corresponding securities at the weighted average price or rate auctioned (see below – non-competitive subscriptions section[5]).

At the end of the period for which the status of Primary Dealer has been granted, the amount of the Competitive Bids (CBs) accepted from each Primary Dealer, expressed as a percentage of the total amount allocated by the Belgian Debt Agency on a competitive basis, represents on average:

- At least 2% for TCs on a duration weighted basis;
- At least 2% for OLOs on a duration weighted basis.

The Belgian Debt Agency (BDA) has the right to publish a league table ranking the Primary Dealers according to their market share in the auctions.

Linear Bonds (OLOs)

In principle, auctions take place on the last but one Monday of every month with the exception of December when no auction takes place.

Before January 1st of each year, an indicative calendar of the auctions is published on the website of the BDA: http://www.debtagency.be

Auctions are based on the prices offered by bidders. The amount per bid should be a multiple of €1 million with a minimum of €10 million. All bids submitted at prices higher than the stop price are allotted for their full amount. Bids at the stop price may be proportionally scaled down with a minimum p/bid of €10 million and rounded up to the nearest €1 million.

5 *The Primary Dealers can submit ordinary non-competitive subscriptions and special non-competitive subscriptions, following the conditions contained in appendix 2 of the Code of Duties (or according to the conditions contained in the appendix 3 for the newly appointed Primary Dealers). Source: Code of Duties for the Primary Dealers in Belgian Government Securities (January 2026).*



Before the Auction (T= Day of the auction)	**T-4 (Tuesday preceding T): Auction announcement** Auctions are normally announced on the Tuesday preceding the auction after 5:00 p.m. (CET). The Debt Agency's pages on Thomson Reuters and Bloomberg (BEDA) mention the OLO lines - usually two or three - that will be reopened. **T-1 (Friday before T): Announcement of the range** Before 12 noon (CET) on the Friday morning before the auction, the Debt Agency announces the range of the competitive offers to be auctioned. Via BEDA pages on Bloomberg and Thomson Reuters.
During the Auction	**T: Submission of the bids and results** On the day of the auction, competitive bids are submitted on the Bloomberg Auction System (BAS) from 11:30a.m. (CET) onwards until 12 noon at the latest. The auction results are normally published a few minutes after cut-off time of the bidding process. **Rule:** The Primary Dealer whose accepted competitive bids total more than 40% of the amount issued in a line at an auction, informs the BDA of the amount it has taken for its own account and of the degree of concentration of its underlying customers' orders (with no name disclosure).
After the Auction	**T+2 (Wednesday following T): Settlement** Settlement of the competitive bids takes place until 4:00p.m. (CET) on the second Target operating day following the auction (T+2) through the National Bank of Belgium Securities Settlement System (NBB SSS). **T+3 (Thursday following T): Ordinary non-competitive subscriptions** Participating in ordinary non-competitive subscriptions is an advantage granted to Primary Dealers. Ordinary non-competitive subscriptions take place between 11:30a.m. until 12 noon (CET). Non-competitive bids are submitted at the weighted average price of the auction. Access is granted via the Bloomberg Auction System (BAS) from 11:30a.m. (CET) **T+5 (Monday following T): Special non-competitive subscriptions** The entitled Primary Dealers to Special non-competitive subscriptions have **the right** to submit their bids between 11:30a.m. and 12:00 noon (CET). Non-competitive bids are submitted at the weighted average price of the auction. To be considered for the SNCSs, a Primary dealer needs to be compliant in every month of the 2 months reference period for OLOs. A Primary Dealer is compliant on a monthly basis if his monthly compliance ratio is at least 85%. Settlement of the Ordinary and special non- competitive subscriptions take place on the day of their introduction (ordinary subscriptions on T+3 and special subscriptions on T+5). Rule: In the event of abnormal trading conditions in a specific line, the Belgian Debt Agency may require a Primary Dealer to disclose the size of the position taken for its own account in that line. If the size of the position is likely to cause market distortions, the Debt Agency may request the Primary Dealer to reduce the amount of their position.

Treasury Certificates (TCs)

The BDA issues, in principle, twice a month on a Tuesday, Treasury Certificates by means of competitive bidding. In odd months, typically, first 4 months and 6 months TCs and, in the second auction, 4 months and 12 months TCs are offered. In the even months, the same lines are reopened and 3 months TCs are auctioned in the first auction of that month, and 3 months and 11 months TCs in the second. Occasionally, the BDA can reopen TCs with shorter maturities at auctions in the light of its cash management.[6]

Auctions of Treasury Certificates are based on the rates offered by the bidders. Bids must be at least €10 million and a multiple of €1 million.

The BDA determines a limit rate. All bids submitted at rates lower than this limit rate are allocated for their full amount. Allocations in response to bids submitted at the limit rate chosen by the BDA may be proportionally scaled down. The amounts thus reduced are rounded up to the next tranche of €1 million with a minimum of €10 million per bid.

Before the Auction (T= Day of the auction)	**T-2: Invitation to bid** The invitation to bid is announced on the BDA's pages Bloomberg and Thomson Reuters before 4p.m. (CET) on the Friday before the auction (T-2).
During the Auction	**T: Submission of the bids and results** On the day itself (T), the bids must be submitted on the Bloomberg Auction System (BAS) between 11:00 and 11:30a.m. (CET). The results of the auction are published as quickly as possible a few minutes after cut-off time of the bidding process on the BDA's pages Bloomberg and Thomson Reuters.
After the Auction	**T+2: Settlement** Settlement of the competitive bids (TC auction) takes place on the second Target operating day following the auction. **T+2: Ordinary non-competitive subscriptions** Participating in ordinary non-competitive subscriptions is an advantage granted to Primary Dealers. Ordinary non-competitive subscriptions take place between 11:00a.m. and 11:30 a.m. (CET) on the second banking day following the auction. Non-competitive bids are submitted at the weighted average yield of the auction. **T+4: Special non-competitive subscriptions** The entitled Primary Dealers to Special non-competitive subscriptions have the right to submit their bids between 11:00a.m. and 11:30a.m. (CET) in principal on the Monday following the auction. Non-competitive bids are submitted at the weighted average yield of the auction. To be considered for the SNCSs a Primary Dealer needs to be compliant in every month of the reference period for Treasury Certificates. A Primary Dealer is compliant on a monthly basis if his monthly compliance ratio is at least 85%. Settlement of the Ordinary and Special non- competitive subscriptions take place on the day of their introduction (Ordinary subscriptions on T+2 and Special subscriptions on T+4).

6 *TCs auctioned in this context are taken into account for the establishment of dealer rankings, but do not give right to non-competitive subscriptions.*

Restrictions applicable to the auction (issuance):

- 25% rule: the amount bid for at each yield cannot supersede 25% of the indicative issuance amount announced by the BDA; and
- 40% rule: when issuing a new TC line the total amount of a participant's accepted bids cannot supersede 40% of the issued amount.

b. Non-Competitive Subscriptions (NCSs) of Primary Dealers[7]

The Primary Dealers have the right to submit either Ordinary Non-Competitive Subscriptions (ONCS) or Special or Non-Competitive Subscriptions (SNCS) after the auctions of Treasury Certificates and OLOs under the following conditions:

NCSs Per Instrument

	Ordinary NCSs	Special NCSs
OLOs	*Exercise time:* **From 11:30a.m. to 12:00 noon (CET) on the 3rd T2 operating day following the auction.** The value date of the ONCSs is the same as the exercise date. *Amount:* **20%** of the average of two amounts of the accepted CBs of the specific Primary Dealer: 1) in the relevant line at the **current auction**; 2) in the corresponding maturity segment at the **previous auction**. *Maturity segments:* The following residual maturity segments are applicable for the auctions of OLOs: medium: below 8 years; long: from 8 years to less than 11 years; and very long: 11 years and beyond.	*Exercise time:* **From 11:30a.m. to 12:00 noon (CET) on the 5th T2 operating day following the auction**. The value date of the SNCSs is the same as the exercise date. *Amount:* **10%** of the average of two amounts of the accepted CBs of all Primary Dealers in: 1) the relevant line at the **current auction**; and 2) the corresponding maturity segment at the previous auction. *Maturity segments:* The following residual maturity segments are applicable for the auctions of OLOs: medium: below 8 years; long: from 8 years to less than 11 years; and very long: 11 years and beyond.
TCs	*Exercise time:* **From 11:00a.m. to 11:30a.m. (CET) on the value date of the auction**. The value date of the ONCSs is the same as the exercise date. *Amount:* **20%** of the average of two amounts of the accepted CBs of the specific Primary Dealer: 1) in the relevant line at the **current auction**; 2) in the corresponding maturity segment at the **previous auction**. *Maturity segments:* The following residual maturity segments are applicable for the auctions of TCs: short: from 0 to less than 5 months; medium: from 5 to 9 months; and long: from 9 to 12 months.	*Exercise time:* **From 11:00a.m. to 11:30a.m. (CET) on the 4th T2 operating day following the auction.** If the exercise time should coincide with the timing of the TC auction, it will be advanced with one hour, i.e. from 10:00a.m. to 10:30a.m. (CET). The value date of the SNCSs is the same as the exercise date. *Amount:* **10%** of the average of two amounts of the accepted CBs of all Primary Dealers in: 1) the relevant line at the current auction; and 2) the corresponding maturity segment at the previous auction.

The 10% will be distributed between the compliant Primary Dealers pro-rate based on the Global Results.

7 *Code of Duties for the Primary Dealers in Belgian Government Securities (January 2024).*

c. *Non-Competitive Subscriptions for New Primary Dealers*[8]

For new Primary Dealers, the following regime applies:

Calculation of the Ordinary Non-Competitive Subscriptions

During the first auction following the appointment of a new Primary Dealer, the authorised amount of Ordinary Non-Competitive Subscriptions of the new Primary Dealer is calculated following the same principles as for the other Primary Dealers.

However, the average of the accepted CBs is calculated as follows:

- First auction: accepted CBs of the new Primary Dealer at this auction divided by 1.
- From the second auction onwards: same procedure as for the other Primary Dealers.

Eligibility for Special NCSs

A new Primary Dealer can become eligible for SNCSs as from the six month after their appointment (the status of Primary Dealer is, in principle, granted as from 1 January). The reference period for the new Primary Dealer is then as follows:

For OLOs

Auction Dates	Reference period
January	Not applicable
February	Not applicable
March	Not applicable
April	Not applicable
May	Not applicable
June	Same procedure as for the other Primary Dealers, in this case: January and February

A new Primary Dealer can become eligible for SNCSs as from the fourth month after their appointment (the status of Primary Dealer is, in principle, granted as from 1 January). The reference period for the new Primary Dealer is then as follows:

For TCs

Auction Dates	Reference period
January	Not applicable
February	Not applicable
March	Not applicable
April	Same procedure as for the other Primary Dealers, in this case: January and February

ii. Syndication

Although auctions constitute the primary means of Belgian Debt issuance of OLOs, the BDA may from time-to-time issue by means of a syndicated offer, especially when issuing the first tranche of a new OLO-line.

The BDA announces the number of OLO syndications when publishing its funding plan. However, there is no commitment around the number of syndications. The Belgian DMO announces its decision through the press and the BDA's pages on Refinitiv and Bloomberg.

8 *Code of Duties for the Primary Dealers in Belgian Government Securities (January 2026).*



F. Secondary Market[9]

The Primary Dealers contribute significantly to the liquidity of the OLOs, of the stripped securities and of the TCs, including repos. The Primary Dealers carry out the major part of their transactions on one or more of the e-trading platform(s) selected in the framework of the procedure established by the BDA, hereafter referred to as the selected e-trading platforms.

At the end of the period for which the status of Primary Dealer has been granted, the amount of the purchases and sales reported by the Primary Dealer to the competent authority, expressed as a percentage of the total amount of the purchases and sales reported by all Primary Dealers, active during the entire reference period, represents on average:

- At least 2% for TCs; and
- At least 2% for OLOs.

The repos and the buy & sell back (or sell & buy back) are excluded from the aforementioned calculation. The Primary Dealers participate actively in the liquidity management transactions executed by the BDA.

a. Definitions

- **Market Makers** – Primary Dealers participate as market makers in one or more of the selected e-trading platform(s).
- **Quoting obligations** – The quoting obligations are defined by the Government Securities Dealers Committee[10] (GSDC) of which all Primary Dealers are a member. Primary Dealers are allowed to implement their quoting obligation on any selected e-trading platform. Primary Dealers commit to comply with the internal regulations of every selected e-trading platform on which they quote prices.
- **Appraisals of the quoting obligations** – The rules of the performance appraisal are established by the BDA. The BDA provides information to the Primary Dealers with regard to these rules. The BDA publishes daily information on the Primary Dealer quoting performance. Primary Dealers' compliance with their quoting obligation is checked by the BDA on the basis of the activity reports submitted daily to the BDA by the selected e-trading platforms.
- **Market takers** – Primary Dealers are encouraged to participate as market takers in all selected e-trading platforms.

b. Electronic Trading Platforms Environment

The liquidity on the secondary market is ensured by the Primary Dealers, an obligation laid down in the specifications which have been signed by each dealer with the Belgian State.

Depending on the counterparty, the operations of Primary Dealers are classified by:

1. "Interdealer" markets in which operations between dealers are mainly conducted via electronic platforms and, to a lesser extent, by telephone and/or brokers.

   - These electronic platforms are called B2B platforms, "Business to Business", such as MTS Belgium, BrokerTec and BGC.

2. Client ("Customers") markets:

   - The electronic markets (B2C, Business to Customers) in which financial institutions can offer prices to clients and conclude operations, such as MTS BondVision, Bloomberg, Tradeweb, etc.;

   - "Systematic Internalisers" of orders.

9 *Source: Code of Duties for the Primary Dealers in Belgian Government Securities (January 2026).*

10 *Please refer to the Belgian Debt Agency's website, Appendices 2 to the Code of Duties of the Primary Dealers in Belgian Government Securities on page 16 for more information.*





The Primary Dealers can select at their discretion the e-trading platform(s) on which they comply with their quoting obligations. The trading platform does not need to be the same for all the securities that a Primary Dealer is committed to quote.

The platform can also change from one day to another. However, for every security on any given day, the quoting obligations (QO) must be complied with on at least one single platform. The QO cannot be split across platforms intra-day per bond.

Primary Dealers can quote part of their allocated securities on one platform and another part on one or more other platforms. However, a Primary Dealer will be considered to have complied with its quoting obligations (time, quantity and spread) regarding a specific security as long as it has complied with it on one platform.

c. Compliance Monitoring

The following will be monitored by the BDA:

- Total time quoted
- Spread
- Quantity
- Number of securities quoted

Primary Dealers' compliance appraisal is monitored for:

- Quoting performance
- Volume traded

The performance of a Primary Dealer that quotes on more than one selected platform is appraised globally by the BDA. Platforms must notify the BDA when a Primary Dealer is unable to quote due to technical reasons attributable to the platform.

Compliance/Quoting is reported in ASCII format file or xlsx format by the trading platform, on a daily basis, by e-mail:

- For every Primary Dealer who has displayed quotes and/or has traded on the relevant platform;
- For every security identified by an ISIN code provided by the BDA, irrespective of whether the relevant Primary Dealer has quoted it or not.

Platform Compliance Report Detail

- Identification of Primary Dealer
- Identification of securities
- Total quotation time
- Time weighted average spread of the best (i.e. sharpest) quoted five hours
- Time weighted average quantity quoted during the "Best 5 Hrs Spread"
- Time weighted average spread of the total quotation time
- Time weighted average quantity during the total quotation time Volume traded
- Active volume - nominal amount of aggressive buys and sells only



- Passive volume - nominal amount of the passive buys and sells

All Primary Dealers have equal access to the trading platform.

All the trading platforms must make public the current bid/offer prices and the depth of market at those prices that are advertised through its system on a continuous basis during normal trading hours, on reasonable commercial terms, to all market participants, and free of charge to the BDA.

Eligible Platforms

Each trading platform keeps its status for a period of two years (subject to continuing to meet the above mentioned eligibility requirements). The eligible trading platforms do not ensure the compliance of Primary Dealers with their quoting obligations. This remains the BDA's responsibility.

Quoting Obligations Details

Proposals inserted in respect of the following quoting obligations must be valid for a minimum of five (5) hours per Trading Day for OLO and TC.

OLOs

Each year, in December, the BDA and its Primary Dealers select at least 10 OLO lines that will be assigned for compulsory quoting the next calendar year. Furthermore, any newly issued OLO is assigned to all Primary Dealers for compulsory quoting.

The minimum quoting quantity is decided by the BDA and it is set at €5 million or €10 million depending upon the benchmark status, the liquidity and the maturity of the OLO lines.

The Maximum bid/offer spread (expressed in price ticks) follows the market situation and alters daily. For each OLO line, the maximum bid/offer spread is equal to the widest of:

- Either the average b/o spread quoted by all Primary Dealers + 25% (rounded up to the next half tick); or
- The bottom spread which is set at 1.5 basis points (converted into ticks). The bottom spread is updated on a monthly basis.

TCs

The Primary Dealers have quoting obligations on the 5 TC lines with the longest remaining life to maturity:

The Maximum bid/offer spread follows the market situation and alters daily. For each TC line, the maximum bid/offer spread is equal to the widest of:

- Either the average b/o spread quoted by all Primary Dealers + 25% (rounded up to the next half basis point); or
- The bottom spread, which is set at 2 basis points.

The minimum quoting quantity is set at €10 million. Spread for TCs are expressed in yield basis points.

G. Appraisal of the Activity of Primary Dealers

Primary Dealers Ranking Criteria

The BDA appraises the activity of the Primary Dealers each semester according to the various quantitative and qualitative criteria. They include, among other things, the primary market and secondary market performance, the compliance on market making obligations (see section F), advice and information on relevant markets.

Communication of the Appraisal

The appraisal is forwarded to each Primary Dealer individually.



H. Contacts

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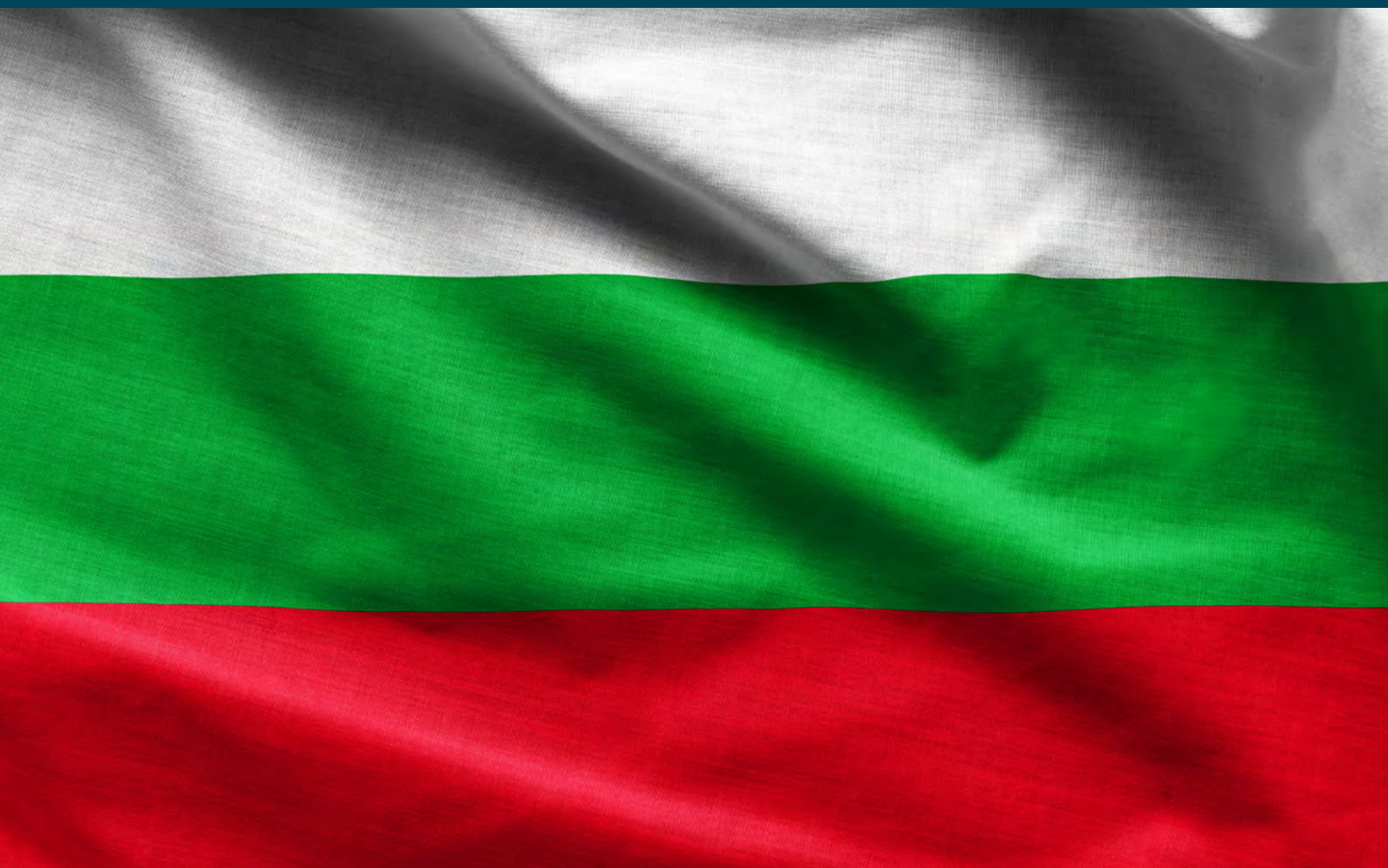
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European Primary Dealers Handbook

3. Bulgaria

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A. List of Primary Dealers[1]

Firm	Bulgaria (BUL)	Firm's location
Allianz Bank Bulgaria AD	X	Bulgaria
Central Cooperative Bank AD	X	Bulgaria
DSK Bank AD	X	Bulgaria
First Investment Bank AD	X	Bulgaria
United Bulgarian Bank AD	X	Bulgaria
Municipal Bank AD	X	Bulgaria
Eurobank Bulgaria AD	X	Bulgaria
UniCredit Bulbank AD	X	Bulgaria
Total	**8**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

Bulgarian debt is currently rated as follows:[2]

- Standard & Poor's: BBB+ (positive)
- Moody's: Baa1 (stable)
- Fitch Ratings: BBB+ (stable)

C. Debt Instruments

In accordance with the Government Debt Law, the Minister of Finance issues government securities (GS) on the domestic market. The Ministry of Finance, jointly with the Bulgarian National Bank (BNB), regulates the procedure and the terms and conditions for issuing GS on the domestic market. In accordance with Art.16, paragraph 1 of the Government Debt Act and Art.77a of the Public Finances Act, upon the proposal of the Minister of Finance, the Council of Ministers shall approve, by the 31st of October of each year, the strategy for the management of the state debt under the Government Debt Act for the time period of the respective medium-term budgetary forecast (next three years).

Every year after the Minister of Finance decision the Ministry of Finance announces its policy for issuing GS for the following year.

Bulgarian GS are book-entry GS that are not issued in a physical form but exist in the form of accounting and/or electronic entries in software systems certifying the ownership over these GS.

1 *List of the Primary Dealers of Government Securities operating in Bulgaria from as of March 2026*

2 *Ratings correct as of March 2026. Source: Ministry of Finance of the Republic of Bulgaria*



There are three main categories of GS:

- Short-term government securities – with an original maturity up to one year included;
- Medium-term government securities – with an original maturity between one and five years included;
- Long-term government securities – with an original maturity more than five years.

GS may yield income in the form of discount from the face value and/or interest.

D. Evaluation Criteria of Primary Dealers[3]

Criteria for Evaluation of Government Securities Primary Dealers
Approved by the Minister of Finance.

1. The applicants shall participate regularly in the primary market of government securities. For the evaluation period, the candidates for primary dealers shall have acquired on the primary market government securities in the amount of not less than 3% of the total issued quantity for the respective period[4].

2. The applicants shall promote the development of a liquid and transparent secondary government securities market. For the evaluation period, primary dealer applicants shall have a market share of at least 3%.[5]

3. The applicants shall maintain firm quotes on the MTF - E-Bond platform.

4. The applicants shall provide affordable services to their clients for trading in government securities on the primary and secondary markets.

5. The applicants shall provide the Ministry of Finance with information about their activity on the government securities market.

6. The applicants shall participate in consultations with the Ministry of Finance regarding the development of the government securities market and provide, upon request, analyses of its condition and recommendations for updating the regulations.

The Criteria for Evaluation of Government Securities Primary Dealers are issued pursuant to the Law on the Government Debt (published in the State Gazette, issue 93 of 01.10.2002 and amendment in the State Gazette, issue 62 of 07.07.2026) and Ordinance according to Article. 36, para. 2 of the Law on the Government Debt.

These criteria came into force on 1 January, 2022[6].

3 *Further information on the Criteria of Primary Dealers can be found here: http://www.minfin.bg/en/1340 under the Criteria for the selection of Primary Dealers of Government Securities and Instructions on the reporting of the Criteria for the selection of Primary Dealers of Government Securities, according to Order No ZMF – 1358/31.12.2021 of the Minister of Finance.*

4 *For the measuring of the indicator primary dealers' applicants, which have already been primary dealers during the estimation period shall calculate government securities acquired for their own and for the account of their client. Primary dealers' applicants which have not been primary dealers during the estimation period shall calculate government securities which they are acquired in the primary market through primary dealers.*

5 *All transactions with government securities executed on the secondary market (for own and beneficiary account) are reported.*

6 *The first selection of primary dealers under the Criteria under item 1 took place for the calendar year 2023, and only for Criterion 3 the reporting had started from 1 July 2022.*

E. Primary Market

Auction Procedures

In keeping with the Bulgarian National Bank (BNB) law and the Law on the Government Debt, the BNB acts as a fiscal agent and depository of the State.

Government securities shall be acquired on the primary market through auctions organised and conducted by the BNB via the Government Securities Auction System (GSAS). By decision of the Minister of Finance, the issue calendar for the forthcoming auctions of GS is published on a monthly basis and no later than 30 days before the beginning of each month.

The GSAS was initially developed by BNB in 1991 as part of the Electronic System for Registration and Trade in Government Securities (ESROT). The system is continuously being modernised and improved in line with the demands of this market and the changes in the issuing policy of the Ministry of Finance, with the required technical support for the agent functions of the central bank being ensured. The BNB launched a new automated Government Securities Auction System (GSAS) in November 2004 and a new Electronic System for Registration and Servicing of Trade in Government Securities (ESROT) in May 2006.

GSAS

The government securities auction system (GSAS) is structured as an independent system that allows for fully automated processing of the auction bids from entry to exit under the provisions of Ordinance No. 5 of the Ministry of Finance and the BNB on the Terms and Procedure for Acquisition, Registration, Redemption and Trade in Government Securities[7].

Under Ordinance No. 5 of the Ministry of Finance and the BNB, the participants in the GSAS may be government securities Primary Dealers selected by the Ministry of Finance having the technical communication facilities needed to send bids for participation in auctions and to receive notifications by the BNB.

In order to entitle Primary Dealers to participate in the GSAS, each Primary Dealer should successfully pass tests to prove its technical preparedness to send bids in line with the publicly announced system rules. The participation in the GSAS is terminated unilaterally by the BNB when: the participant in the GSAS has been excluded from the list of primary dealers by a decision of the Minister of Finance; its participation in the ESROT has been terminated; the tests of the system have not been performed successfully.

For the participation in the GSAS and handling of the bids for each auction, the central bank ex-officio collects fees and commissions from the system participants under the Tariff of Fees and Commissions Charged on Processing Government Securities Transactions adopted by the BNB Governing Council in consultation with the Ministry of Finance.

Access to the bids for the respective auction may be acquired only after expiry of the deadline for their receipt (10:00 a.m.). Immediately after that, the information is processed and presented to the Ministry of Finance within a short period of time in order to approve the ranking made pursuant to the auction conditions initially announced by the issuer. The functionality of the GSAS gives the Ministry of Finance the opportunity to announce the results in a period of thirty minutes to two hours after the auction.

Where the terms are amended by the Minister of Finance, the changes are reflected in the GSAS and a second ranking is made in line with the additional requirements set by the issuer. Where the Ministry of Finance sends the approved results to the BNB after 4:00p.m on the day of the auction, the central bank notifies all participants thereto on the following business day.

7 *The Ordinance No 5 of the MF and BNB on the Terms and Procedure for Acquisition, Registration, Redemption and Trade in Government Securities can be found here: http://www.minfin.bg/en/1334*



F. Secondary Market

Organisation and infrastructure of the Secondary Market

On the secondary market, GS can be acquired through a participant in the Electronic System for Registering and Serving the Trade in Government Securities (ESROT), operated by the Bulgarian National Bank (the Bulgarian Government Securities Depository).

ESROT participants may be GS Primary Dealers; investment intermediaries other than GSs primary dealers, whose licence covers services under art. 5, para. 2, item 1, 2 and 3 of the Law on Markets in Financial Instruments, including those of other member states, banks other than primary dealers whose licence covers services and activities under art. 2, para. 2, item 9 of the Law on Credit Institutions, including those of other member states, central securities depositories from member states; the Bulgarian National Bank and other ESCB members; the Ministry of Finance; and other persons designated by the Minister of Finance and the BNB Governor.

Currently there are 22 ESROT participants[8], including 18 local banks and foreign bank branches, and 2 central securities depositories (CLEARSTREAM BANKING S.A. (ICSD) and CENTRAL DEPOSITORY AD).

The current version of ESROT was developed and launched in 2006 as an open type system. The System enables:

- Straight-through Processing (STP);
- Real time transaction-by-transaction processing (DVP – Model 1) and T+0 cycle of settlement in the secondary market;
- applying the double notification principle – one request and one notification by each party to a transaction;
- using SWIFT in line with ISO 15022 and VPN-based WEB interface and a qualified electronic signature as equal means of communication;
- using the international securities identification numbering standard for government securities (ISIN code);
- participants can monitor in real time the status of their requests for/notifications of registering GS transactions at every stage of their processing;
- the System can automatically generate a general or detailed report about the government securities market for its participants, issuer, ECB statistics, etc. through a statistical module in the System;
- the System can automatically calculate principals and interest on GS issues payable by the issuer, in aggregate and by individual participant, based on the database and the interest rate conventions set up into the System according to the parameters of relevant issues.

In 2013, a technical development project of the system functionality was implemented. It enables the application of the Delivery versus Payment (DvP) principle (Model 1) for GS Transactions, denominated and payable in euro, in the primary and secondary market with cash settlement at the TARGET2 banks` accounts. For this purpose, on 25 November, 2013 the BNB Government Securities Registration and Settlement System (BNBGSSS) launched as an ancillary system in the national system component of TARGET2-BNB.

The secondary government securities market is an essential addition to the inter-bank deposit market and facilitates market participants in liquidity management, which is directly related to the stability of the financial market.

The Currency Board regime should be considered, according to which the Central Bank is allowed to credit commercial banks only in strictly statutory cases. In the case of the central banks conducting an independent monetary policy, there are various options for providing short-term financing to banks in the form of so-called “intraday facilities”, these options create greater security for the intraday settlement and the prevention of settlement risks.

8 *https://www.bnb.bg/bnbweb/groups/public/documents/bnb_download/fa_esrot_01_list_partic_bg.pdf and http://www.bnb.bg/FiscalAgent/FAServiceSystemDCK/FABNBGSSS/FAESROT/index.htm?toLang=_EN&toLang=_EN*



With regard to the secondary market investor base, it should be noted that predominantly buy-side investors are “real money investors” (investors such as pension funds, insurance companies, mutual funds, and individuals). Accordingly, the sell-side institutions - the banks - the Primary Dealers of government securities, are suppliers of liquidity.

Next, among the specifics of the Bulgarian government securities market, it should be pointed out that currently the Bulgarian National Bank acts as an agent on government and government guaranteed debt, in view of which it builds and operates the auctioning system, ESROT, as well as establishing and organising a GS settlement system.

Pre-trading infrastructure

The secondary trading of GS on the multilateral trading system (E-Bond Bulgaria) and on the regulated market (Bulgarian Stock Exchange - Sofia AD) started simultaneously at the end of 2017, thus expanding the scope of both the GS market and its monitoring by the Ministry of Finance.

Post-trading infrastructure

The post-trading infrastructure (the Bulgarian Government Securities Depository of the Bulgarian National Bank (BNBGSSS), operated by the Bulgarian National Bank) is developed and operates in line with all European recommendations in this area[9].

The government securities holding model is indirect (two-tiered model) consisting of Government Securities Depository and ESROT participants. According to the Government Debt Act - banks and branches of foreign banks operating within the territory of the Republic of Bulgaria whose licence covers the activities referred to in Items 4 and 9 of Article 2 (2) of the Credit Institutions Act, as well as institutions that have been granted an authorisation by the relevant Member State to perform activities as a central depository, may be ESROT participants of government securities issued on the domestic market.

9 *Recommendations for the GS settlement systems developed by the Committee on Payment and Settlement Systems (CPSS) and the Technical Committee of the International Organisation of Securities Commissions (IOSCO), the recommendations of the Committee of European Securities Regulators/European System of Central Banks (CESR/ESCB), and the ECB standards of using securities settlement system in EU for the credit operations of the European System of Central Banks (ESCB).*



G. Contacts

i. Ministry of Finance

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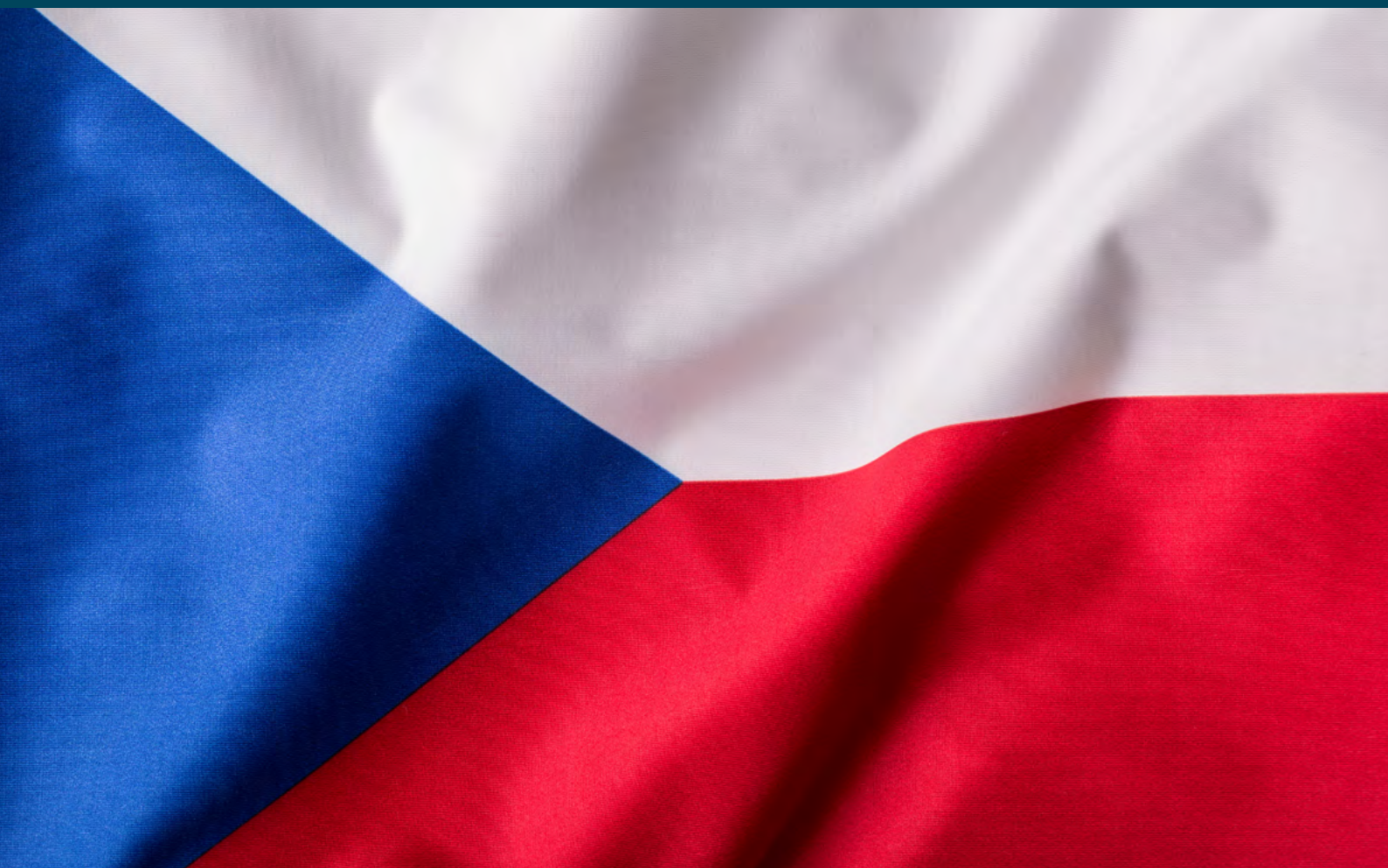
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European Primary Dealers Handbook

4. Czech Republic

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A. List of Primary Dealers and Recognised Dealers

Primary Dealers[1]

Firm	Czech Republic (CZ)	Firm's location
Erste Group Bank AG / Česká spořitelna, a.s.	X	Vienna/Prague
KBC Bank NV / Československá obchodní banka, a. s.	X	Brussels/Prague
Citibank Europe plc	X	Dublin
Deutsche Bank AG	X	Frankfurt
ING Bank Śląski S.A. / ING Bank N.V.	X	Katowice/Prague
J.P. Morgan S.E.	X	Frankfurt
Société Générale / Komerční banka, a.s.	X	Paris/Prague
PPF banka, a.s.	X	Prague
Raiffeisen Bank International AG / Raiffeisenbank a.s.	X	Vienna/Prague
UniCredit SpA / UniCredit Bank Czech Republic and Slovakia, a.s.	X	Milan/Prague
Total	**10**	

Recognised Dealers[2]

Firm	Czech Republic (CZ)	Firm's location
Goldman Sachs Bank Europe S.E.	X	Frankfurt
Total	**1**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *List of the Primary Dealers operating in Czech Republic as of March 2026.*

2 *List of the Recognised Dealers operating in Czech Republic as of March 2026.*



B. Credit Rating

Czech long-term liabilities in local currency are currently rated as follows:[3]

- S&P Global Ratings: AA (stable)
- Moody's: Aa3 (stable)
- Fitch Ratings: AA- (stable)
- DBRS: AA (stable)

C. Debt Instruments[4]

Czech Government securities are categorised as follows:

State Treasury Bills (T-Bills)

- maturity up to 1 year (money market instrument)
- discount security
- redemption of principal on maturity date
- yield is based on the difference between issue price and the face value only
- face value CZK 1,000,000 or EUR 1,000
- book-entered securities
- registered by the Czech National Bank (CZK) or by the Central Securities Depository Prague (EUR)
- sold to Primary and Recognised Dealers in primary auctions organised by the Czech National Bank
- sold through multi-price auction (American auction) or single price auction (Dutch auction)
- T+1 (CZK) or T+2 (EUR) settlement

3 *Source: S&P Global Ratings, Moody's, Fitch Ratings, and DBRS as of June 2026*

4 *Financial Instruments, The Ministry of Finance of the Czech Republic*



Medium-Term and Long-Term Government Bonds (T-Bonds)

- maturity over 1 year (capital market instrument)
- fixed-interest, floating-interest or zero-coupon bonds
- redemption of principal on maturity date
- face value CZK 10,000 or EUR 1,000
- book-entered securities
- registered by the Central Securities Depository Prague
- sold to Primary and Recognised Dealers in primary auctions organised by the Czech National Bank
- tap sales, buy-backs and exchange operations carried out on secondary market primarily via the MTS Czech Republic electronic trading platform
- sold through multiple-price auction (American auction)
- T+2 settlement

D. Rights and Obligations of Primary Dealers and Recognised Dealers

Primary Dealers and Recognised Dealers are the only entities that can take part in the government securities auctions.

Primary Dealer

- To become a Primary Dealer, the applicant must sign and adhere to the Primary Dealer Agreement for Czech Government Securities.
- Primary Dealers are obliged to participate in the auctions of T-Bonds organised by the Czech National Bank on behalf of the Ministry of Finance and submit bids of investors and purchase no less than 3% of the total face value of T-Bonds sold in primary auctions within four consecutive evaluation periods.
- Primary Dealers are obliged to be system participants and act as a market maker at the chosen Designated Electronic Trading System, act in accordance with its market rules, and to contribute on best effort basis to the liquidity of the secondary market trading of the T-Bonds.
- Primary Dealers are entitled to submission of bids at the auctions of T-Bonds and the Primary Dealers (or an applicant to become a new member of the Primary Dealer Group) have the right to participate in tap issuance, buy-backs or exchange operations.
- Only Primary Dealers have access to the non-competitive part of the primary auction of T-Bonds.
- Primary Dealers with whom the Ministry of Finance may enter into a Global Master Repurchase Agreement, Global Master Securities Lending Agreement or Master Agreement for Financial Transactions concluded only in Czech language as Rámcová smlouva o obchodování na finančním trhu have the right to participate in lending facilities, repurchase transactions or buy and sell backs.
- Primary Dealers have the exclusive right to participate in the Primary Dealer Committee.



Recognised Dealer

- To become a Recognised Dealer, the applicant must sign and adhere to the Recognised Dealer Agreement for Czech Government Securities.
- Recognised Dealers may act as an active market participant at the chosen Designated Electronic Trading System, act in accordance with its market rules and contribute on best effort basis to the liquidity of the secondary market trading of the T-Bonds.
- Recognised Dealers have the right to participate in the competitive part of T-Bond auctions.
- Recognised Dealers (or an applicant to become a new member of the Recognised Dealer Group) have the right to participate in tap issuance, buy-backs or exchange operations.
- Recognised Dealers with whom the Ministry of Finance may enter into an Global Master Repurchase Agreement, Global Master Securities Lending Agreement or Master Agreement for Financial Transactions concluded only in Czech language as "Rámcová smlouva o obchodování na finančním trhu" have the right to participate in lending facilities or repurchase transactions.

E. Primary Market

Auction Procedures

Issuance calendars of T-Bills and T-Bonds are published on the website[5] of the Ministry of Finance on a monthly basis usually on the fourth Monday of the month preceding the respective month unless, in justified cases, the Ministry of Finance decides and announces otherwise.

Primary auction of government securities, i.e. T-Bonds and T-Bills are governed by the Rules for the Primary Sale of Government Securities Organised by the Czech National Bank (hereinafter referred to as the "Rules for the Primary Sale")[6]. Only a Primary Dealer or Recognised Dealer that signs the Primary Dealer Agreement for Czech Government Securities or Recognised Dealer Agreement for Czech Government Securities with the Ministry of Finance can participate in an auction of government securities.

Other interested parties, whether they are legal entities or natural persons, residents or non-residents, may participate indirectly in the primary government securities market through Primary Dealer and / or Recognised Dealer by including those parties' requests in their bids.

Organisation of primary auctions

Auctions for Primary Dealer and Recognised Dealer are organised by the Czech National Bank. The Czech National Bank, with the agreement of the Ministry of Finance, sets the auction limit. The Ministry of Finance or Czech National Bank, with the approval by the Ministry of Finance, may change or abolish this limit in the case of a particular auction. The auction venue is the Czech National Bank.

Further information regarding auction rules is outlined in the Rules for the Primary Sale.

Primary sales of T-bonds are settled on the date of issue. The legal entity or natural person which, as a result of the auction, becomes the first purchaser of the book-entry bonds issued (hereinafter referred to as the "Underwriter") is obliged to pay the Ministry of Finance for the bonds issued no later than the settlement date for the primary bond issue. If the Underwriter, Primary Dealer or Recognised Dealer through which the Underwriter (client) participates in the primary market is not a member of the Central Depository it shall, for the purposes of the settlement of the primary bond issue, use the services of a Central Depository member. Bonds shall be credited to the securities owner accounts at the Central Depository of book-entry securities according to:

5 *Issuance Calendars, The Ministry of Finance of the Czech Republic*

6 *Rules For The Primary Sale of Government Securities Organised By The Czech National Bank*



a. information on the results of the auction,

b. information on the underwriters of the securities,

c. the Underwriter's payment.

Primary sales of T-Bills are settled on the date of issue. As part of the settlement of primary sales, T-Bills are credited to the customer's account according to the results of the auction. In the case of other interested parties whose requests a Primary Dealer or Recognised Dealer has included in its order, the Primary Dealer or Recognised Dealer shall ensure settlement in the manner agreed.

The Primary Auction of T-Bonds[7]

Primary Dealers and Recognised Dealers shall submit their T-Bonds auction bids through the AUPD function in the Bloomberg system. The auction of T-Bonds usually consists of two parts:

The competitive part of the auction:

- 100% of the total nominal value of T-Bonds of the respective tranche is offered.
- T-Bonds are sold in the form of multiple-price auction (American method); orders with a lower price than the minimum accepted price are rejected.

The non-competitive part of the auction:

- 20% of the total nominal value of all tranches of T-Bonds issues offered in competitive parts of auctions is offered.
- The price of non-competitive part of the auction is determined as the average accepted price of the competitive part of the auction.

The Primary Auction of T-Bills

Primary Dealers and Recognised Dealers submit their orders electronically through the Short-Term Bond System (hereinafter referred to as the "SKD")[8] and the AUPD function in the Bloomberg system, respectively.

- T-Bills could be sold in the form of single-price auction (Dutch method) or multiple-price auction (American method).
- Unless stipulated otherwise, orders shall be submitted with the yield given to three decimal places. Orders are ranked in ascending order according to yield.

Administrator of the issue

The paying agent of the government securities issue (hereinafter referred to as the "Administrator") shall arrange for the requisite activities associated with the issuance, administration and servicing of the government debt arising by virtue of the government securities, in particular for the registration of the government securities at the Central Depository or SKD and for settlement in accordance with the results of the auction, revenue payments and repayment of the nominal value. The Administrator shall arrange for these activities on the authority of the Ministry of Finance.

If the Administrator is the Czech National Bank, then the rights and duties of the Administrator of the issue shall be stipulated in an agreement concluded between the Ministry of Finance and the Czech National Bank, in other cases in an agreement between the Administrator, the Ministry of Finance and the Czech National Bank.

7 *Source: The Ministry of Finance of the Czech Republic*

8 *Rules of the Short-Term Bond System (SKD) as of 2026: https://www.cnb.cz/export/sites/cnb/en/financial-markets/.galleries/regulations/skd_rules.pdf and https://www.cnb.cz/export/sites/cnb/en/financial-markets/.galleries/regulations/skd_rules.pdf*



Auction announcement

The Czech National Bank and the Ministry of Finance shall publish an auction announcement in a manner which enables remote access, through information agencies or the press no later than one working day before the auction in case of T-Bonds and T-Bills registered in Central Securities Depository Prague or on the auction day in case of T-Bills registered in the SKD.

The auction announcement shall include:

- ISIN
- the type of the auction and the manner of submitting bids
- the auction date
- the issue date
- the maturity date
- the total nominal volume offered at the competitive auction
- the time limit for accepting bids

If for technical reasons it proves impossible to publish the auction announcement, the Czech National Bank informs the Primary Dealer's and Recognised Dealer's contact person(s) directly.

Submission and acceptance of bids

Primary Dealers and Recognised Dealers shall submit their T-Bonds auction bids through the AUPD function in the Bloomberg system from the terminal of one of the authorised users. Primary Dealers and Recognised Dealers shall submit their T-Bills auction orders electronically through the SKD system and AUPD function in the Bloomberg system, respectively.

Primary Dealers or Recognised Dealers may place, change and cancel its orders within the time limit provided without any restrictions. Primary Dealers or Recognised Dealers are not entitled to make any changes to its orders once this time limit has expired.

If it proves impossible to submit the bid pursuant to the process described above, the Primary Dealer and / or Recognised Dealer shall, at the earliest opportunity, notify an authorised member of staff of the Czech National Bank and shall, within the stipulated time limit, fax the bid on the prescribed form to the contact fax number or deliver it directly to the authorised members of staff of the Czech National Bank. The Primary Dealer and / or Recognised Dealer shall verify delivery of the faxed order using the contact telephone number. Non- compliance with this requirement may result in the Primary Dealer's or Recognised Dealer's order not being included in the auction.

Each Primary Dealer or Recognised Dealer shall send on the prescribed form by the means of Bloomberg message system or to the Czech National Bank's contact fax number a list of all investors (both clients and itself) whose bids have been submitted to the auction. The list of investors shall be delivered by the day after the auction date at the latest.

Competitive bids shall be submitted in a format which complies with the published manner of submission of the bids.

In the event of formal deficiencies in the bid or the list of investors, the authorised members of staff of the Czech National Bank may ask the Primary Dealer and Recognised Dealer to rectify them. This shall be without prejudice to the duty of the Primary Dealers and Recognised Dealers to complete the bid and the list of investors correctly, both formally and materially, and to deliver them to the Czech National Bank.

The Primary Dealers and Recognised Dealers are responsible for the formal and material correctness of the information contained in the bid and the list of investors.



Auction limit

The maximum possible share of Primary Dealer and Recognised Dealer total bids in the competitive part of the T-Bonds auction shall be up to 50 % of the total T-Bonds nominal amount offered in the competitive part of the T-Bonds auction in case of either the auction of the first, second and third tranche of the T-Bonds issue, for the T-Bills auction is not set the maximum possible share of Primary Dealer and Recognised Dealer total bids in the competitive part of auction. If the total nominal amount offered in the competitive part of the T-Bonds auction is set as a range above the mentioned limit it is set as the mean value of this range. If the total nominal amount offered in the competitive part of the T-Bonds auction is set as a maximum T-Bonds nominal amount the above-mentioned limit is set from this maximum T-Bonds nominal amount.

The adherence to the auction limit pursuant to the above shall be done by the Czech National Bank before the auction allocation.

The Ministry of Finance shall be entitled either to rise or reduce the total nominal amount sold in the competitive part of the auction of government securities.

Processing of bids

The Czech National Bank shall be entitled to decide to exclude or reduce any bid submitted by a Primary Dealer or Recognised Dealer if the auction rules are not complied with.

An individual bid submitted by a Primary Dealer and Recognised Dealer with the highest yield or the lowest price shall not be processed if that bid would cause the auction limit to be exceeded. In the event that by not processing such a bid the volume bid should fall below the stipulated auction limit, the Czech National Bank shall reduce the volume of the bid in such a way that the total volume of the bids should equal the auction limit.

The Ministry of Finance shall be entitled, during a competitive part of auction, to reduce or increase the nominal volume of government securities offered for the competitive part of the auction. Any non-compliance with the auction limits resulting therefrom shall not be deemed an infringement of the Rules.

Announcement of auction results

The Czech National Bank shall publish information on the results of auctions in a manner which enables remote access, through information agencies, or the press, usually on the date of the auction.

The published auction results shall include:

- the total requested nominal volume of competitive and non-competitive bids,
- the total volume sold, broken down into competitive and non-competitive bids,
- either the minimum, average and maximum accepted yield to maturity and the minimum, average and maximum price in case of the T-Bonds with fixed coupon or the spread against the reference rate,
- the average yield and average price in case of T-Bills auction,
- the bid satisfaction coefficient with the maximum accepted yield to maturity or the spread against the reference rate and the minimum or maximum accepted price.

After the auction ends, the Primary Dealers and Recognised Dealers shall have access to the information on the satisfaction of individual bids either on the Bloomberg system through the AUPD function for T-Bond auctions or in the SKD system in the case of T-Bill auctions. In the event of alternative submission of bids, this information shall be sent to the contact fax number usually on the date of the auction, but no later than at 3.00 p.m. CET on the working day following the auction.

If a Primary Dealer and / or Recognised Dealer does not receive the notification referred to above, it shall turn to authorised members of the staff of the Czech National Bank and ask them to send the notification.



F. Secondary Market[9]

MTS Czech Republic electronic trading platform for the secondary market of government bonds was implemented in 2011 and since then has been chosen as a Designated Electronic Trading System by the Primary Dealer Committee. Basic principles of trading on the secondary market platform MTS Czech Republic are defined in Annex – Czech Republic which should be read in conjunction with the General MTS Domestic Market Rules.

The Operations of the Ministry of Finance of the Czech Republic[10]

The Ministry of Finance has been operating actively on the secondary market, primarily through the MTS Czech Republic electronic trading platform. MTS Czech Republic enables the implementation of buy-backs, tap sales and exchanges of government bonds from the Ministry of Finance own portfolio.

Tap sales, buy-backs and exchange operations of T-Bonds

According to the *Primary Dealer Agreement for Czech Government Securities* and *Recognised Dealer Agreement for Czech Government Securities* the Ministry of Finance may execute tap sales and exchanges on any trading day from 10:00 a.m. to 12:00 p.m. and from 2:00 p.m. to 4:00 p.m. CET when there is no auction executed. The Ministry of Finance may execute buy-backs on any trading day from 10:00 a.m. to 12:00 p.m. and from 2:00 p.m. to 4:00 p.m. CET.

Buy-backs, tap sales and exchanges on the secondary market occur in a transparent manner. As a matter of practice, the Ministry of Finance informs all Primary Dealers and Recognised Dealers about the intention to conduct a transaction one business day prior to the date on which the transaction is to occur. The Primary Dealers and Recognised Dealers will be notified about:

- the type of transaction (buy-back, tap sale or exchange)
- the particular government bond (auctioned bond or buy back bond)
- the maximum total volume of the transaction with particular government bonds
- the time when bid or offers from Primary Dealers and Recognised Dealers can be submitted via the system
- the date of settlement

At the time offers are accepted, the Primary Dealers and Recognised Dealers may enter into the system their prices and the volume of each buy-back, tap sale or exchange. Afterwards, depending on the price and the volume, the Ministry of Finance will either accept or reject the offer. The Ministry of Finance may accept offers from more than one Primary Dealer or Recognised Dealer but is not obligated to accept any offer(s).

Lending facilities

The aim of these operations is to increase the liquidity of government bonds on the secondary market, especially in the event of a short-term excess of demand over supply of given government bond and help to fulfil quoting obligations on MTS Czech Republic by Primary Dealers.

The Ministry of Finance may execute lending facilities on the secondary market. The lending facilities are available as **repo operations** (cash collateral) and as **loans of securities** (non-cash collateral) for a period of up to 90 days. Primary Dealers and Recognised Dealers borrow the T-Bonds and the Ministry of Finance borrows CZK liquidity, T-Bonds, T-Bills or Czech National Bank Bills. Transactions may be made on trading days between 8:00 a.m. and 4:00 p.m. CET.

9 *MTS Czech Republic, The Ministry of Finance of Czech Republic*

10 *Ministry's Operations 2026, The Ministry of Finance of the Czech Republic*



G. Contacts

i. Debt Management Office

Debt and Financial Assets Management Department
Ministry of Finance of the Czech Republic Letenská 15 118 10 Praha 1 Czech Republic tel.: +420 257 041 111 e-mail: pd@mf.gov.cz

Petr Pavelek, Ph.D.
Director of Debt and Financial Assets Management Department
Tel.: + 420 257 042 678
Petr.Pavelek@mf.gov.cz

ii. AFME Primary Dealer Board Firm Contact Details

Primary Dealers Contact Details

CITIBANK EUROPE PLC
Radlická 365/154, 158 00 Praha 5 Czech Republic

ING Bank Śląski S.A.	
2 Pulawska Street 02-566 Warsaw Poland	Bartlomiej Wit Trading bartlomiej.wit@ing.pl

JP MORGAN	
Taunustor 1, Floor 24, 60310 Frankfurt am Main, Germany	Ioannis Rallis Executive Director +49 69 7124 1927 ioannis.rallis@jpmorgan.com

Komerční banka, a.s. (Société Générale)
Na Příkopě 969/33, 114 07 Praha 1 Czech Republic



4. Czech Republic

UniCredit SpA	
PIAZZA GAE AULENTI, (PALAZZINA 3) MILANO 20154 Italy	Branislav Radovanovic Branislav.radovanovic2@unicredit.eu +39 334 694 4153

Recognised Dealer Contact Details

Goldman Sachs Bank Europe SE
Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main Frankfurt, Germany

European Primary Dealers Handbook

5. Denmark

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A. List of Primary Dealers[1]

i. Government Bonds

FIRM	Denmark (DK)	Firm's location
BNP Paribas	X	Paris
Danske Bank	X	Copenhagen
HSBC Continental Europe SA	X	Paris
J.P. Morgan	X	London
Morgan Stanley	X	London
Nordea Bank	X	Helsinki
Nykredit Bank	X	Copenhagen
SEB	X	Copenhagen
TOTAL	**8**	

ii. T-Bills

FIRM	Denmark (DK)	Firm's location
Danske Bank	X	Copenhagen
Nordea Bank	X	Helsinki
Nykredit Bank	X	Copenhagen
SEB	X	Copenhagen
TOTAL	**4**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *List of primary dealers in Danish government securities as of March 2026.*



B. Credit Rating

Danish domestic and foreign government debt has the following ratings:[2]

- Standard & Poor's: AAA (stable)
- Moody's: Aaa (stable)
- Fitch Ratings: AAA (stable)
- DBRS: AAA (stable)

C. Debt Instruments

i. Domestic Debt Instruments

Government Bonds

The central government of Denmark issues nominal government bonds in the 2-, 10- and 30-year segment. Danish government bonds are issued as bullet loans.

In addition to the nominal bonds, the central government of Denmark also issues inflation-linked bonds. That is, bonds where the principal is linked to the Danish consumer price index. A new 12-year inflation-linked government bond was opened in 2021. Read more about the inflation-linked bond programme here.

The central government of Denmark issues green bonds under the government's green bonds framework. Read more about green government bonds here.

Terms of Borrowing are available at http://www.governmentdebt.dk

Treasury Bills

Danish T-bills are opened every third month with a maturity of 6 months. Hence, the Danish T-bill program consists at all times of two issues with three month difference in maturity. Monthly auctions are held on the nultimate business day.

ii. Foreign Debt Instruments

EMTN-program

The central government has a Euro Medium Term Notes (EMTN) programme that is used for bond issuances in foreign currency. Further documentation may be found here.

Commercial Paper

The central government has two commercial paper (CP) programmes. One directed at the European market, the ECP programme, and one directed at the American market, the USCP programme. Under the USCP programme the issuance is exclusively in US dollar, while under the ECP programme it is possible to issue in several currencies. Both the Commercial Papers and T-bills have a maximum outstanding of DKK 20 billion. Further documentation may be found here.

2 *Credit rating as of March 2026*



D. Privileges and Obligations of Primary Dealers

Primary Dealer Contract

The Danish Government Debt Management Office (DMO) has primary dealer (PD) contracts for government bonds and T-bills, respectively. The rights and obligations of the primary dealers are specified in the primary dealer contract, which can be retrieved at https://www.nationalbanken.dk/en/government-debt/trading-and-data/primary-dealers-and-market-making.

Privileges	Obligations
Use of the title "Primary Dealer in Danish Government Bonds" and/or "Primary Dealer in Danish T-bills".	Be active counterparts in Government Debt Management's activities.
Participate in Government Debt Management's openings of new government bond issues and subsequent auctions and tap-sale(s).	Be market makers in the bond series with more than 13 months remaining maturity.
Participate in Government Debt Management's switch operations and be counterparts in transactions with the Government Funds, insofar as these operations can be conducted on the chosen platforms.	Quote two-way prices between 09.00 and 16.30 within the applicable framework for market making.
Use of the securities lending facilities of the central Government and the Social Pension Fund.	Promote and increase awareness of Danish government securities.
Participate in meetings of the Primary Dealer Committee and advice and discuss with the Government Debt Management developments in government debt markets.	Make every effort to support a well-functioning market, and to prevent occurrences of market failures, i.e. be obliged to generally display good code of conduct.
Elect participants among the Primary Dealers in government bonds to the Market Operation Committee.	Display good code of conduct in the clearing and settlement of trades ensuring high settlement rates in the settlement institutions clearing trades.
Receive a share of the Primary Dealer Fee based on the relevant Primary Dealer in government bonds' performance in accordance with the Primary Dealer Terms and Conditions. (Government Bond PDs only)	Report on developments in financial markets and accept automatically transmitted reports to Government Debt Management from the elected platforms regarding their turnover of Danish government bonds and/or T-bills and regarding their quotation of prices related to the market making obligation.
	Submit periodic performance data to Government Debt Management in accordance with the Primary Dealer Terms & Conditions for the purpose of determining the Primary Dealer Fee and, if so requested by Government Debt Management, promptly deliver additional documentation confirming the submitted performance data. (Government Bond PDs only)

E. Primary Market

i. Domestic issuance

Domestic government securities are sold via regular auctions supplemented with tap sales in the secondary market. At auctions, investors can buy government securities by submitting bids via a Primary Dealer. New issues of nominal bonds are opened via auctions. Green bonds or inflation linked bonds can be opened via Syndication.

a. Auctions

Auctions take place via an auction facility with the Primary Dealers as counterparties. Currently, the auction facility of MTS Denmark is used. Only Primary Dealers and the DMO have access to the auction facility. In consultation with the Primary Dealers, the DMO evaluates the functioning of the auction facility on an ongoing basis and may decide to amend the auction framework.

The DMO regularly announces preliminary auction dates for domestic government bonds for the next three months. As a general rule, two different bonds are offered at each auction, because investor demand may change quickly across maturity segments. The government bond(s) to be auctioned will be announced no later than three trading days prior to each auction. The auction calendar and auction results are published at www.governmentdebt.dk.

Bids shall be submitted in prices on the auction day. Normally, the ultimate deadline for submitting bids is 10:15a.m CET with the aim of subsequent announcement of the auction result taking place no later than 10 minutes after the deadline for submitting bids.

The auction principle is uniform pricing, i.e. bids at the cut-off price or above are met at the cut-off price. A cut-off price will be fixed on the basis of the bids received and the prevailing market conditions. Securities can be allotted pro rata to bids at the cut-off price. An auction can be terminated without allotment.

b. Tap Issuance

Tap issuance is conducted in the secondary market (MTS Denmark) where the DMO operates with similar technical status as either a market taker or market maker. The DMO may decide to amend the framework.

ii. Foreign issuance

The central government raises loans in foreign currency in order to maintain the foreign-exchange reserve. Foreign loans are syndicated and the strategy for foreign borrowing in coming year is outlined in yearly strategy announcement published in December. The quantities are estimates and subject to change and the DMO may adjust the strategy as long as this is approved by the Danish Ministry of Finance.

- **Procedure:** The DMO organises a syndicate of banks that have a good reputation and extensive experience of syndicated issuance in the international bond markets. The banks must complement each other so as to ensure access to a broad geographical and institutional investor distribution.

- **Method of sale:** Bids are placed in a joint pool on a current basis (book-building). Each bid comprises a price (e.g. stated as a spread to the equivalent German benchmark bond or the swap curve) and a volume. This gives the issuer information on aggregate demand at different price levels. Upon conclusion of the book-building, the DMO sets a price to match the desired issuance volume. In this way, the pricing resembles an auction.

- **Communication:** Prior to the time of issuance, the banks in the syndicate work together to find investors for the bonds issued. After the issuance, the syndicate of banks issues a press release stating the results.



F. Secondary Market

i. Trading in Government Securities

Danish government securities are traded on several electronic trading platforms, some of which are targeted at trading between dealers and others at trading between dealers and investors. In addition, a large share of turnover takes place in the over-the-counter market.

Danish government securities are primarily traded on the following trading platforms:

- Interdealer trading platforms:
  - ICAP/BrokerTec
  - MTS Denmark
  - Nasdaq OMX Copenhagen
- Electronic trading platforms targeted at investors:
  - Bloomberg
  - BondVision
  - TradeWeb

ii. Securities Lending Facilities

The central government's lending facility applies to on-the-run government securities and government securities with benchmark status. SPF's securities lending facility applies to government bonds with more than 1-month remaining maturity of the type bullet loans in SPF's portfolio. Collateral in other Danish government securities is required.

Primary Dealers in government bonds can borrow bonds for a period of up to 5 trading days. Primary Dealers in T-bills can borrow T-bills for a period of up to 5 trading days. The fee is 0.2 per cent per year for both government bonds and T-bills. The lending facility is available as buy/sell-back transactions. Participants borrow in one buy/sell-back transaction and lend (provide collateral) in another buy/sell-back transaction. A haircut of 2.5 per cent is applied to each buy/sell-back transaction. Read more here.

iii. Market Making

A group of banks have agreed to a primary dealer contract with the Danish DMO regarding ongoing market making, which contributes to a transparent and well-functioning market for Danish government securities.

Primary Dealers are required to quote two-way prices on an eligible trading platform in Danish government securities 5 hours per day within a specific bid-ask spread, depending on the average of the 3 best bid-ask spreads. Thus, the market making scheme for primary dealers in Danish government bonds is a relative setup where spreads are evaluated relative to other primary dealers, i.e. the minimum requirements for quoted spreads adjust automatically to changing market conditions.

Payment of fees to Primary Dealers is up to DKK 30,000,000 annually. The amount of fees payable to the Primary Dealers depends on the performance of each Primary Dealer.

The fees consist of one fixed fee and two variable fees. The fees are determined and distributed to the Primary Dealers based on their performance in terms of price quotation and turnover with customers. Compliance with the Market Making Obligations is a minimum requirement for being eligible to earn any fees. Fees are accrued monthly and the Primary Dealers will receive reports on their relative performance. If a Primary Dealer is non-compliant in a specific month, no fees (neither fixed nor variable) are accrued in that month.

Each Primary Dealer earns a monthly fixed fee for each month in which it is compliant with the Market Making Obligations. Conditional on being in compliance with the Market Making Obligations, each Primary Dealer will, in addition and on a monthly basis, be eligible to a variable fee depending on its performance in terms of price quotation within the relevant month. Further, and again conditional on being in compliance with the Market Making Obligations, each Primary Dealer will also, on a monthly basis, be eligible to a variable fee depending on its market share of the risk-adjusted turnover with customers within the relevant month.

Among the eligible trading platforms, the Primary Dealers choose freely which platform they want to fulfill their quoting obligations on. Eligible trading platforms are elected by the Primary Dealers in consultation with the Danish DMO. Eligible trading platforms are required to meet a list of minimum requirements.

The setup and necessary calculations are described below:

a. Evaluation of compliance regarding quoting obligations

The Primary Dealers shall comply with the market making obligations set out in this section. Compliance with the Market Making Obligations requires Primary Dealers to quote sufficiently tight two-way prices (bid-ask spread) for minimum amounts for a minimum period of the day. The minimum amounts for the relevant bonds (i.e. bond series with more than 13 months' remaining maturity) are specified in Table 1. The Market Making Obligations in new issues will apply as soon as the outstanding amount exceeds DKK 5 billion.

Quotation Time (Hours)

This data provides the total time the security is quoted with a quantity higher than or equal to compulsory quantity (MQty).

Best 5 Hours Spread (5HrSp)

For each Primary Dealer the daily bid-ask spread for a particular bond is calculated as the time-weighted average during the best (i.e. tightest bid-ask spread) five hours of the day, in which prices are quoted by the relevant Primary Dealer for the minimum amount or more. If a Primary Dealer quotes prices for less than five hours, the time-weighted average for such hours will be applied.

b. Calculation of Compliance

Price quotes are said to be sufficiently tight if the daily bid-ask spread for a particular bond is lower than the competitive spread (max spread) calculated daily as the average of the daily bid-ask spreads for the three best (i.e. tightest) Primary Dealers multiplied by a fixed factor (kappa) set to 1.50.

The calculation of daily and monthly compliance rates is described in Chart 1. A Primary Dealer is compliant with the Market Making Obligations in a given month if the relevant Primary Dealer achieves a monthly compliance rate of at least 80 per cent.

In cases where a Primary Dealer is not in compliance with the Market Making Obligations in any given month, Government Debt Management may commence a dialogue with the relevant Primary Dealer in order to resolve the matter of non-compliance.



Table 1: *List of Danish Government Bonds and Their Outstanding Amounts*

Security	Outstanding amount
Key on-the-run issues	
2.00% 2028	DKK 27,740 million
2.25% 2035	DKK 50,880 million
0.25% 2052	DKK 82,670 million
Other on-the-run issues	
2.25% 2035 Green	DKK 11,825 million
0.10% 2034i	DKK 20,390 million
Off-the-run issues	
2.25% 2026	DKK 19,427 million
0.50% 2027	DKK 55,044 million
0.50% 2029	DKK 47,510 million
0.00% 2031	DKK 43,505 million
2.25% 2033	DKK 65,825 million
4.50% 2039	DKK 91,952 million
Other off-the-run issues	
0.00% 2031 Green	DKK 16,240 million
2.25% 2033 Green	DKK 18,165 million
0.10% 2030i	DKK 22,675 million

Note: As of 6 August 2026.

Calculation of compliance rates

Daily degree of compliance for a specific security

For each security, compliance ($Compliance_{p,s}$) will be in the 0-1 interval, depending on the number of hours ($Hours_{p,s}$), during which Primary Dealer p quotes prices in security s within the competitive spread and for the minimum amount. If $Hours_{p,s}$ is minimum five, there is full compliance with the obligations in security *s*, i.e.:

$$Compliance_{p,s} = \min\left[\frac{Hours_{p,s}}{5}, 1\right]$$

Daily Compliance

Based on compliance in each security daily compliance is calculated for each Primary Dealer as a weighted average of compliance degrees for all securities using the security-weights specified in Table 1.

Monthly compliance rate

Based on daily compliance rates the monthly compliance rate for each Primary Dealer is calculated as a simple average of the daily compliance rates for all business days within a month.



c. *Settlement*

The standard market settlement days of two day apply to Danish government bonds. The normal auction day for Danish government bonds is Wednesday with settlement on Friday. Switch auctions are usually held on the Wednesday after the first government bond auction of the month.

G. General Information on Government Borrowing and Debt

Framework of Government Debt Management in Denmark

The Minister of Finance is authorised by law to raise government loans and has the overall and political responsibility for central-government borrowing and debt, including relationships with the Folketing (Parliament). The management of the central-government debt is conducted by the Government Debt Management at Danmarks Nationalbank on behalf of the Ministry of Finance, and in accordance with the government debt strategy agreed with the Ministry of Finance.

ACT ON THE AUTHORITY TO RAISE LOANS ON BEHALF OF THE CENTRAL GOVERNMENT

Under the Danish Constitution, debt can be issued by the central government on a statutory basis only. The statutory basis for central-government borrowing is set out in the "Act on the authority to raise loans on behalf of the central government",4 which authorises the Minister of Finance to raise loans on behalf of the central government for a maximum of kr. 2,000 billion. This amount is the upper limit for domestic and foreign gross debt. In connection with current debt management, the Minister of Finance is moreover authorised to enter into swap agreements and other financial transactions. The central government's cost of borrowing, i.e. interest costs and capital losses on issues and buy-backs, must be appropriated under the annual finance acts.

The distribution of responsibilities between the DMO and the Ministry of Finance is specified in the Agreement between the Ministry of Finance and Danmarks Nationalbank on the division of tasks in the area of government debt.

In most countries, day-to-day management of the central Government debt is undertaken by the Ministry of Finance or a separate DMO. In Denmark, the DMO is located in Danmarks Nationalbank, but its tasks and organisation correspond to those in other countries. The internal structure of the Danish DMO reflects international standards and recommendations.

The Danish DMO is audited by Danmarks Nationalbank's auditors on behalf of the National audit office of Denmark. The National audit office reviews the accounts of government institutions, i.e. checks that they are without significant errors and discrepancies. The audit office of Denmark may in addition assess whether the funds received by government institutions are applied in the best possible way.

H. Appraisal of the Activity of Primary Dealers

The evaluation of the Primary Dealers is based on a broad range of criteria in order to take each Primary Dealer's overall contribution to a well-functioning market into account. Payment of fees to Primary Dealers was introduced 1 April 2017. Payment is up to DKK 30,000,000 annually. The amount of fees payable to the Primary Dealers depends on the performance of each Primary Dealer, cf. the description above.

In addition, Primary Dealers have an obligation to promote Danish government securities and provide reporting and quality advisory services.



I. Contacts

i. The Danish Government Debt Management Office

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ii. AFME Primary Dealer Board Firm Contact Details

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European Primary Dealers Handbook

6. Finland

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A. List of Primary Dealers[1]

FIRM	Finland (FI)	Firm's location
Bank of America Securities Europe SA	X+	Paris
Barclays Bank Ireland PLC	X+	Dublin
BNP Paribas SA	X+	Paris
Citigroup Global Markers Europe AG	X+	Frankfurt
Crédit Agricole CIB	X+	Paris
Danske Bank A/S	X+	Copenhagen
Deutsche Bank AG	X+	Frankfurt
Goldman Sachs Bank Europe SE	X+	Frankfurt
HSBC Continental Europe SA	X+	Paris
J.P. Morgan	X+	London
Nomura Financial Products Europe GmbH	X+	Frankfurt
Nordea	X+	Helsinki
Société Générale	X+	Paris
TOTAL	**13**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *List of the Primary Dealers operating on the Finnish Government Bond Market as of March 2026. For complete information please refer to the Finnish Government Debt Management website: http://www.treasuryfinland.fi*



B. Credit Rating

Finnish debt has a solicited rating from:[2]

- Standard and Poor's: AA+ (negative)

In addition, other credit rating agencies provide unsolicited ratings:

- Fitch Ratings: AA (stable)
- DBRS: AA (high) (stable)
- Moody's: Aa1 (stable)

C. Debt Instruments

i. Serial Bonds

Serial bonds are fixed-rate bullet loans on which the government pays coupon interest once a year. The calculation of interest is based on the actual/actual date basis method. The government dematerialised bonds are book-entry securities with a settlement date of T+5 for new bonds and T+2 in auctions.

ii. Euro Medium Term Note (EMTN) programme

The State Treasury can issue bonds in different currencies under the EMTN programme.

The EMTN programme complements the government's long-term funding in euro benchmark bonds. Issuance in foreign currencies enables the government to broaden its investor base and reduce borrowing costs. The issues under the EMTN programme are hedged against foreign currency risk by currency swaps.

iii. Treasury Bills

Treasury bills are zero-coupon instruments issued at a discount and with a maturity ranging from one to 364 days. They are in the form of book-entries, with a value date of T+2.

The government issues Treasury bills in euros and US dollars. It uses currency swaps to exchange the dollar Treasury bills for euros.

2 *Credit rating as of August 2026*



D. Privileges and Obligations of Primary Dealers

Privileges	Obligations
Right to participate in RFGB syndicated tranches and auctions.	Obligation to participate in Serial Bond and other Government Bond issuances as agreed with the State Treasury.
Possibility to participate in other Government Bond issues, as well as buybacks and exchange auctions.	Obligation to participate in Serial Bond auctions by submitting one or more binding bids that in aggregate amount to at least 5 percent of the Serial Bond auction nominal amount.
Right to access a two-way pricing in inter-bank market (as more precisely defined in current or any other applicable secondary market platforms rules).	Obligation to actively participate and maintain a secondary market for Benchmark Bonds, as more precisely defined in the applicable market rules from time to time.
Prioritised status as a counterparty of the Republic of Finland in the debt and liquidity management operations subject to applicable credit approvals	Obligation to allocate sufficient resources for trading of Government Bonds and to support the State Treasury in its treasury operations.
Right to access the last resort repurchase lending facility of the State Treasury	Obligation to maintain required documentation in force with State Treasury, e.g. ISDA and Global Master Repurchase Agreement.
	Obligation to promote Government Bond markets by adequate analysis, research and publications.

E. Primary Market[3]

Benchmark Bonds

The general criteria for a Serial Bond to be assigned as a Benchmark Bond are: sufficient size, liquidity and diversification of the investor base. These criteria are deemed fulfilled when a Serial Bond is at least € 3 billion in size and a majority of Primary Dealers have participated in the offering of the bond. A Benchmark Bond status is then automatically assigned. The Primary Dealer Committee may withdraw the benchmark status of a bond if the criteria no longer applies to the bond. When there is less than one year until the maturity of a Benchmark Bond it automatically loses its Benchmark Bond status.

A list of Benchmark Bonds is published on the State Treasury's Internet site https://www.treasuryfinland.fi/funding/outstanding-serial-bonds/#a07d5550 which will be updated by the State Treasury as a new Serial Bond attains a Benchmark Bond status or an existing Serial Bond loses its Benchmark Bond status.

Offering Mechanisms of Serial Bonds, Other Government Bonds and Treasury Bills

Government Bonds may be offered to the market either via syndications or competitive auctions arranged by the State Treasury. In Government Bond offerings other than Serial Bond offerings, the State Treasury has no obligation to invite all Primary Dealers to participate in the syndicate.

The State Treasury issues euro-denominated Treasury bills in competitive auctions. The State Treasury may also issue Treasury bills on other occasions or in other currencies, depending on funding needs, in which case the State Treasury defines the reference price for the issue. This issuance method resembles that of European Commercial Paper programmes (ECP). Irrespective of the issuance method, all T-bills are issued under the Finnish Treasury Bill Programme.

3 *Source: Treasury of Finland http://www.treasuryfinland.fi*

6. Finland



i. Auctions

General Auction Terms

Auctions take place in accordance with an auction calendar with securities details announced prior to the auction date as specifically determined.

The auctions are arranged electronically via the Bloomberg Auction System. The State Treasury announces the results of the auction a few minutes after the close of the bidding period.

The government uses the Dutch uniform price auction procedure. All accepted bids are reduced to the lowest accepted bid price. The Primary Dealer undertakes to observe any bond and auction terms confirmed by the State Treasury. The Primary Dealer shall make a binding bid for an issue offered for sale in the manner determined by the State Treasury. The minimum bid amount in the auction is €10 million, in increments of €1 million thereafter. The maximum bid amount is 30% of the announced auction amount.

Bond and T-bill auctions

The government uses a Dutch uniform price auction procedure. All accepted bids are awarded at the lowest accepted bid price. Only primary dealer banks have the right to take part in the Benchmark Bond auctions, which usually take place on the third Tuesday of the auction month.

Members of the Finland Treasury Bill Programme Dealer Group are eligible to participate in T-bill auctions which usually take place on the second Tuesday of the auction month.

Optional Reverse Inquiry (ORI) Auctions

Optional Reverse Inquiry (ORI) facility is an auction organised at the State Treasury's decision upon demand of one or more Primary Dealers to issue specific Benchmark Bonds for a limited amount. These auctions are open to Primary Dealers only. Participation in ORI auctions is voluntary, and amounts auctioned in the ORI facility are excluded for the calculations of primary market shares.

In ORI auctions, the government uses a multi-price auction procedure.

Primary Market Reporting

The Primary Dealer undertakes to report on a best effort basis on the activity regarding the primary market placement following the syndicated transactions and auctions as requested by the State Treasury and any relevant market authorities.

ii. Syndication

The Finnish DMO publishes a quarterly review to elaborate on both executed and planned funding operations. Syndication mandate announcements, where applicable, are published via financial information providers. Syndicated issue details are published in a press release after deal launch. The selection of lead managers for syndications is based on an internal scorecard calculated by the State Treasury. Only Primary Dealers can be mandated to lead manage a syndication. The RFGB syndication procedure includes a lead managers' pot and a co-lead retention.



F. Secondary Market[4]

i. Interdealer Market

a. Price Information

The Primary Dealer shall maintain price quotations for Benchmark Bonds in the manner determined by the Primary Dealer Committee. The Primary Dealer undertakes to provide the State Treasury and any relevant market authority with the data in the manner to be specified on the transactions carried out and gives consent to the publication of price information by the State Treasury or any relevant market authority and/or a successor publisher of the data. The Primary Dealer is advised to consult the relevant market authorities.

b. Trading on the Secondary Market

The Primary Dealer undertakes to actively participate in secondary market trading in Benchmark Bonds in accordance with good trading practice, maintaining a functioning market-making system and ensuring the liquidity of the Benchmark Bonds.

The Primary Dealer undertakes to allocate a sufficient amount of personnel and other resources to facilitate a high standard of work quality and commitment to Serial Bond trading.

c. Multiplatform Environment

Primary Dealers can choose one or more platforms to fulfil their market making obligation. The State Treasury monitors trading activity in all designated market platforms. There are no restrictions on quoting different securities on different platforms.

d. Trading Procedures/quoting obligations

Trading procedures are more precisely defined in the applicable documentation of the current trading platform or platforms as agreed by the Primary Dealer Committee from time to time. The selected platforms must meet the reporting requirements based on harmonised PD-reporting standards as well as reasonable reporting requirements of the State Treasury and agreed by the Primary Dealer Committee.

ii. Dealer-to-Customer Market

A Primary Dealer shall actively promote the functioning and liquidity of Benchmark Bonds to its customers, either end- investors or market counterparts. The dealer-to-customer platforms include e.g. Bloomberg, TradeWeb and BondVision.

Secondary Market Reporting

In addition to any reporting to market authorities as may be requested from time to time, the Primary Dealer undertakes to report the trades in the secondary market in the form requested by the State Treasury.

Reporting requirements shall be based on harmonised Primary Dealer-reporting format as agreed in co-operation with European debt managers ("Harmonised Reporting Format") or they may be based on any other reasonable reporting needs of the State Treasury as agreed with the State Treasury and the Primary Dealer Committee.

Customer sales of a syndicated bond on the pricing day for value settlement ("Syndication Sales") shall be excluded from customer trades reporting in accordance with the Harmonised Reporting Format. This can be accomplished either by providing a separate syndication report as described in the Harmonised Reporting Format rules or by providing a standard report excluding Syndication Sales. Customer sales of auctioned Serial Bonds on the auction date may be included in customer trades reporting.

4 *Source: Treasury of Finland http://www.treasuryfinland.fi*



G. Quoting Obligations

Market making requirements for Benchmark Bonds are as follows:

- Primary Dealer undertakes to quote 5 hours per its local business day for all Benchmark Bonds with a remaining maturity less than 12 years with minimum EUR 5,000,000 quoted amount.
- Primary Dealer undertakes to quote 5 hours per its local business day Benchmark Bonds with a remaining maturity of 12 years or longer with minimum EUR 2,500,000 quoted amount.
- Primary Dealer undertakes to maintain the following target bid-offer spreads for different bond buckets (actual quoted spreads may vary subject to market conditions):
- Bucket A 1 - 3.5 years to maturity: 0.10 €
- Bucket B 3.5 - 6.5 years to maturity: 0.15 €
- Bucket C 6.5 - 12 years to maturity: 0.20 €
- Bucket D over 12 years to maturity: 0.25 €

The above are target spreads, actual criteria for spread compliance in quoting is a target range in each Benchmark Bond, which is based on average market spread plus one standard deviation. For performance measurement purposes the tightest bid-offer spreads provide the highest score.

H. Appraisal of the Activity of Primary Dealers

The Finnish DMO evaluates Primary Dealer performance semi-annually. An evaluation takes place in January, and another evaluation is conducted mid-year.

The evaluation is based on an internal scorecard model, taking into account various areas of service and all products on the borrowing programme (i.e. treasury bills, bond auctions). The scorecard model includes both quantitative and qualitative elements. The scorecard rankings are not public.

Primary Dealers will be evaluated according to the following criteria ("PD Evaluation Criteria").

PD Evaluation Criteria	Content of the PD Evaluation Criteria
Secondary market customer sales	Maturity weighted market share based on Euro Market Activity Report "EMAR"
Interdealer market making	Spread compliance as reported by the interdealer platforms
Advice and investor relations	Qualitative assessment
Primary market bond auctions	Duration weighted market share
Primary market T-bill issuance market share	Duration weighted market share
Liquidity management	Duration weighted triparty repo volume
Market research, RFGB trade ideas to investors	Qualitative assessment



I. Contacts

i. Debt Management Office

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ii. Primary Dealer Committee

The Primary Dealers and the State Treasury form a committee for the purpose of promoting the smooth operation of the Government Bond market and to provide a forum for the exchange of information and resolution of problems.

Each party to the agreement shall appoint one member to represent it on the committee. In the event that a regular member is unable to attend a committee meeting, the concerned party may be represented by a specifically named deputy member.

The State Treasury's representative shall act as chairman of the committee, and the State Treasury shall name the secretary of the committee. Meetings of the committee shall be called at the initiative of the chairman or when at least half of the members of the Primary Dealer Committee request a meeting for the purpose of considering a specified matter.

iii. AFME Primary Dealer Board Firm Contact Details

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6. Finland



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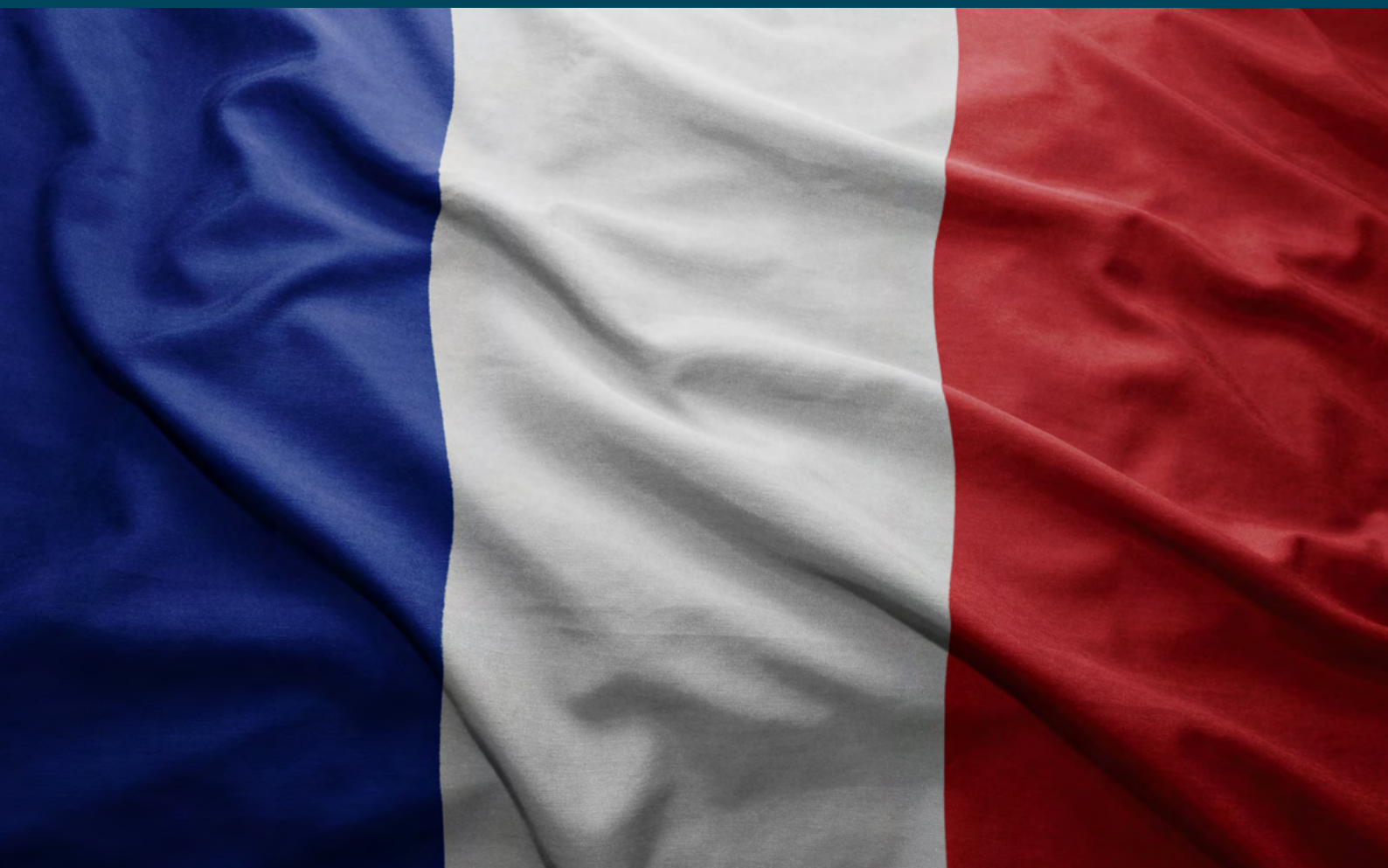
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European Primary Dealers Handbook

7. France

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A. List of Primary Dealers[1] [2]

FIRM	France (FR)	Firm's location
BofA Securities Europe S.A.	X	Paris
Barclays Europe plc	X	Dublin
BNP Paribas S.A.	X	Paris
Citibank Europe Plc.	X	Frankfurt
Crédit Agricole – CIB SA	X	Paris
Deutsche Bank AG.	X	Frankfurt
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
J.P. Morgan SE	X	Frankfurt
Morgan Stanley Europe SE	X	Frankfurt
Natixis S.A.	X	Paris
Nomura Financial Products Europe GmbH	X	Frankfurt
Santander SA	X	Madrid
Société Générale S.A.	X	Paris
TOTAL	**14**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

1 *List of the Primary Dealers operating on the French Government Bond Market as of March 2026. For complete information please refer to the AFT's website at https://www.aft.gouv.fr/en/node/54*

2 *Please note that NatWest withdrew its PDship in Q4 2026*



B. Credit Rating

French debt is rated as follows:[3]

- Standard and Poor's: A+ (stable)
- Moody's: Aa3 (negative)
- Fitch Ratings: A+ (stable)
- DBRS: AA (stable)

C. Debt Instruments

In 1985, the Treasury embarked upon a series of reforms designed to lay the groundwork for harmonious growth of a liquid, attractive and safe government securities market. From inception, the objective was to enable the State as an issuer to borrow on optimum conditions while offering market players standardized securities along with easy and safe access to the primary and secondary markets. The composition of government debt has been rationalised by creating three categories of standardized government securities: OATs, BTANs and BTFs. These securities are issued with a face value of €1, are distinguished by their maturity on issue. To simplify the market, new medium-term benchmark securities with 2-year and 5-year maturities which were issued as BTANs until 2012, have been issued as OATs as of 1 January 2013, as it is the case for long-term securities with maturities of 8 years or more.

Obligations Assimilables du Trésor (OATs, or fungible Treasury bonds) are the government's medium and long-term debt instruments with maturities from two to fifty years. Most OATs are fixed-rate bonds redeemable on maturity. However, the Treasury can issue inflation-indexed bonds (OATi, OAT€i). OATs with residual maturities from 8 years are auctioned on the first Thursday of each month whereas OATs with residual maturities from 2 to 8 years are auctioned on the third Thursday of each month (cf. below).

Bons du Trésor à Taux fixe et à Intérêts Précomptés (BTFs or negotiable fixed-rate discount Treasury bills) are the government's cash management instrument. They are used to cover fluctuations in the government's cash position over the course of the year, which are mainly the result of lags between revenue collection and expenditure disbursement, as well as the debt repayment schedule. BTFs have maturities of less than one year at issue. BTFs are issued at auctions held every Monday, according to a quarterly schedule published in advance that specifies the maturities of securities to be issued at each auction. Every week, three BTF with a maturity of 3 months, 6 months, and 12 month are issued. This issue is supplemented with BTFs issued with maturities of 6 months or 1 year, as the case may be. Unscheduled BTFs with maturities from 4 to 7 weeks may be issued as needed for cash management purposes. The reliability of BTF issuance enhances the advantages of this market for short- term assets.

3 *Credit rating as of March 2026 on the AFT's website: https://www.aft.gouv.fr/en/frances-credit-ratings*



D. Privileges and Obligations of Primary Dealers[4]

a. Primary Dealership Organisation

Primary Dealers (also called 'SVTs' in this document for Spécialistes en Valeurs du Trésor) are key partners for Agence France Trésor (AFT) in managing government debt and cash holdings. As such, the SVTs must do business ethically and comply with industry best practices. All contracts between the SVTs and AFT are drafted in French and subject to national jurisdiction, for long-term legal risk management and democratic transparency. SVTs provide AFT with the services required to perform its duties, which are managing the French Republic's cash holdings and obtaining market financing, at the lowest cost, over the long term and with maximum safety. SVTs are selected for a period of 3 years.

b. Primary Dealers

These are subject to certain obligations, which include participating in auctions, placing treasury securities and maintaining a liquid secondary market. The Agence France Trésor maintains the relationships with them that is required in the furtherance of their stated missions. The SVTs comply with the specifications drawn up annually since 1986. Intense discussions with the SVTs regarding these specifications led to the development of a new charter of the relationship with the Agence France Trésor (available on the AFT website). This charter seeks to fully reflect the implications of the establishment of the Agency and changes in bond market trading activities.

c. Selection of the Primary Dealers

Primary Dealers are selected by the Minister of the Economy and Finance, upon the recommendation of the Director General of the Treasury, President of the AFT. The Director General of the Treasury may, in order to prepare his recommendations, call upon the advice of a selection committee. The institutions concerned with this procedure are informed in due time and are made aware of the composition of the committee by the AFT's Chief Executive. The last selection was made in 2024.

d. Charter Implementing Terms

In the event of any breach of the terms of the charter, the AFT may decide to suspend the Primary Dealer, as regards all or part of its operations, for such period as the AFT shall determine, or may lower the qualitative assessment stated in the annual ranking. To this end, SVTs have special disclosure obligations.

In the event of any serious breach, the AFT shall propose to the Minister the suspension or de-listing of the Primary Dealer. Such suspension or de-listing is then made public.

E. Primary Market

The AFT prepares its transactions on the primary market with the Primary Dealers – and informs the Primary Dealers of any material changes to its borrowing calendar.

i. Auctions[5]

Except in the case of force majeure, each SVT shall participate in all auctions. Each SVT employs every material and organisational means to ensure its participation in auctions, including when using the back-up procedure.

SVTs shall be significant buyers at auctions, with rolling 12-month average purchases of:

- 2% of volumes sold through competitive bidding at each type of auction – BTFs, medium-term OATs (OAT MT), long-term OATs (OAT LT) and inflation-indexed OATs; or
- 2% of the volumes sold through competitive bidding at three of the four types of auction and an arithmetic mean of at least 3% for the four types of auction combined.

The AFT regularly assesses (quarterly) the way in which each institution performs its obligations.

4 *All the information developed in this paragraph is publicly available on the AFT's website at https://www.aft.gouv.fr/en/primary-dealers-presentation*

5 *See SVT Charter on the AFT website at https://www.aft.gouv.fr/en/primary-dealers-presentation*





At the end of each standard auction, with the exception of reverse auctions, the SVTs may submit non-competitive bids (NCBs) in accordance with the terms specified by the AFT. The AFT reserves the right to withdraw the right to submit NCBs from any SVT that has failed without cause to participate in an auction or has failed to uphold the principles of its charter.

Participants compete in the auction on an equal footing through a transparent system of open bidding according to a planned issuance programme.[6]

AFT relies on Banque de France for the practical organisation of Treasury security auctions, through the system "MAITRE", and oversight of the settlement process for the securities sold.[7]

a. Timetable of Regular Sessions

- Long term OAT auctions are held on the first Thursday of each month, at 10.50a.m Paris time (which is CET) . These auctions include fixed-rate OATs and with a minimum residual maturity of 8 years.

- Medium term OAT auctions are held on the third Thursday of each month, except for August and December (which are optional), at 10.50a.m CET. These auctions include fixed-rate OATs and with a residual maturity from 2 to 8 years.

- OATi and/or OAT€i auctions are held on specific sessions on the third Thursday of each month (except August, December and potential syndication) at 11.50a.m Paris time.

For August and December, the modalities of possible auctions are specified with the announcement of the annual financing program.

- BTF auctions are held each Monday at 2.50p.m CET .

The timetable of auction sessions of medium- and long-term bonds' auction session and settlement dates for each year are published at the latest at the beginning of the year on AFT's website.[8]

The timetable of BTF auction sessions and settlement dates for the following quarter are published at the beginning of each quarter on the AFT website.[9]

b. Specific Timetable Rules

Auctions whose announcements, session, NCBs or settlement are scheduled for a day that is a legal holiday in Paris shall be covered by a specific communication from the AFT.

An additional auction of short-term BTF may be held for cash management purposes in exceptional circumstances; it is announced to the market at least one day in advance and its settlement may take place one business day following the auction.

The AFT may change the dates of auctions throughout the year, after consulting the SVTs. The AFT then publicly announces the new timetable applicable until the end of the year.

6 *https://www.aft.gouv.fr/en/issuance-techniques*

7 *https://www.aft.gouv.fr/en/banque-france*

8 *https://www.aft.gouv.fr/en/auction-indicative-calendars*

9 *https://www.aft.gouv.fr/en/auction-indicative-calendars*

c. *Announcements Made Prior to the Auctions*

For BTFs, AFT announces on the morning of the Friday prior to auction the amount of the securities to be issued with an upper and lower limit per bonds, in accordance with the quarterly calendar for BTFs. For OATs, AFT announces on the preceding Friday to auction, the securities concerned and an upper and lower limit for the whole auction.

Announcements are made by way of AFT press releases and through MAITRE. Such announcements are featured on the *Agence France Trésor* pages on the main information news wires as well as on AFT's website:

	OATLT	OATMT	OAT € i/i	BTF
REUTERS	ADJUOATLT/ AUCTOATLT	ADJUOATMT/ AUCTOATMT	ADJUINFLA/ AUCTINFLA	ADJUBTF/ AUCTBTF
BLOOMBERG	TREX<GO>	TREX<GO>	TREX<GO>	TREX<GO>
INTERNET	www.aft.gouv.fr			

d. *Proceedings at Auctions*

Participants compete in the auction on an equal footing through a transparent system of open bidding according to a planned issuance program. The bid price or rate system consists of supplying securities at the bid price or the effective bid rate as opposed to the marginal price or rate. This type of auction is known as an "auction with several prices and sealed prices". The highest bids are served first at its bid price or rate, followed by lower bids at their respective bid prices or rates and so on, up to AFT's target amount. Participants whose bids are served pay different prices, precisely reflecting their respective bid rates or prices.

Bids from participants (primary dealers) may be sent to the Banque de France up to the time of the auction (10.50am Paris time (CET) for auctions of medium- and long-term OATs, 11.50am CET for auctions of inflation-indexed securities, 2.50pm CET for auctions of BTFs). The Banque de France delivers the bids to AFT withholding the names of the bidders. AFT then determines the amount to be allocated on each security and reserves the right to scale down bids to the lowest accepted price (OATs) or rate (BTFs) on a pro-rata basis.

e. *Publication of prices*

Auction results are immediately announced to the bidders and displayed on the specialized agencies' screens. They set out the quantities requested, the quantities served, the marginal price for each security (or marginal rate for the BTFs) and the weighted average rate for the various securities auctioned.

f. *Settlement*

As a general rule, regular auctions are to be settled two business days after the auction, i.e. in general, on the following Wednesday for BTFs and on the following Monday for other securities **(see 1.1.3 for the specific timetable rules).**

g. *Reverse Auctions (buy-backs of Valeurs du Trésor through auctions) and Exchange Auctions*

The terms of the reverse auctions are determined by *Agence France Trésor* after consulting the SVTs.

h. *Rules concerning Participation in Auctions*

Price Dispersion

The maximum amount proposed for each price (or rate) of the bidding scale for each participant in BTF auctions and in the first two issues of a new OAT is set as follows: €1 billion for BTFs, €600 million for fixed-rate OAT bonds and €300 million for floating-rate OATs. This is in order to ensure the smooth execution of auctions and to avoid excessive concentration of the securities among several investors upon issuance. This rule does not apply to additional auction of short-term BTF held for cash management purpose as described above. For BTF and OAT, the minimum amount per price/rate is €1,000,000.

Reporting Obligation in case of Material Participation

Any institution obtaining more than 40% of the issued volume (not including NCBs) must inform AFT. The participant discloses to AFT the identity of its main clients or the SVT's rationale if the SVT intends to retain a material fraction of the obtained volume.



ii. Syndications

Bought deals, which are another issuance technique, are usually conducted by syndication. This is a specific commitment between banks (bidders forming a banking syndicate) and the issuer to buy securities for a price agreed to with the latter. The procedure is used to launch innovative securities and on less deep market segments, particularly on the long end of the yield curve (15 years and more).

In the event of syndication, all Primary Dealers participate in the placement syndicate and ensure the proper functioning of the transaction according to the tasks entrusted to each of them by AFT. The syndicate's lead managers are appointed, in particular taking into account their expertise on the market segment concerned, their place in the Primary Dealer ranking; and their contribution to the discussions and preliminary works preceding the transaction. The lead managers have a special responsibility with regards to the liquidity of the secondary market for the issued security.

The DMO announces the decision of syndication through an announcement. There is no specific method of sale and there was no retention when the offer is placed. During the sale procedure, the key stages of the operation and their results are communicated to all market participants through dealers, until the pricing, and through the publication of usual allocation statistics on the AFT website, after the pricing.

F. Secondary Market[10]

i. Interdealer Market

Through their market-making, Primary Dealers support the liquidity of the overall market for French Treasury securities. More specifically, each Primary Dealer materially participates in transactions on the "grey" and secondary markets for French Treasury securities and ensures a consistent coverage of the entire range of products issued by AFT, as well as the repo market, by quoting firm bid and ask prices on a continuous basis for customers and other SVTs.

In order to guarantee market transparency, Primary Dealers display, on an ongoing basis, the buyer and seller prices of French Treasury securities.

Each SVT quotes prices for other SVTs on a continuous basis through a multilateral trading facility in accordance with the facility rules and practices, which must comply with the rules defined by the SVT market committee.

A 2% share of the secondary market is considered a reasonable minimum.

SVTs may access a repo facility that provides temporary interest-bearing lending of French Treasury securities (OATs, including inflation-indexed securities) in exchange for other French Treasury securities of an equivalent value to the lent securities. Applications for the use of this facility are made to AFT, which acts on behalf of CDP. Individual SVTs must sign a specific agreement with CDP to have access to this facility.

The Primary Dealers are responsible for keeping AFT informed of decisions concerning the multilateral trading systems in which they participate. Primary Dealers also ensure that the best treatment is given to French debt in such systems. In general, AFT values being informed of work concerning the organisation of financial markets that is carried out by the industry associations to which the Primary Dealers belong.[11]

a. Multiplatform Environment

BrokerTec[12] and MTS France[13] are platforms selected by the SVT Market Committee.

10 *Source: AFT website http://www.aft.gouv.fr*

11 *For more information please refer to the appendix at the end of this chapter*

12 *For all the markers in which BrokerTec operates please see the website https://www.cmegroup.com/trading/market-tech-and-data-services/ brokertec.html*

13 *More information see the MTS France website http://www.mtsfrance.com*





Platforms Selection Procedure

Organisation of the Primary Dealers' Market-Making Activity on the Selected Platforms

The SVT Market Committee provides a one-year accreditation, for trading platforms, which satisfy the following criteria:

1. The trading platform is a MTF ('Multilateral Trade Facility') within the meaning of the MiFID II Directive (Article 4(1) (22)). The platform must transmit information on the prices and transactions on the market's French bonds at a reasonable price.

2. All the securities issued by the Treasury must be quoted and negotiable on the platform i.e. all the BTFs, OAT, index- linked securities, and all the strips.

3. Only the following are authorised to trade on the platform and to trade debt securities issued by the French State:

   - Investment services suppliers with SVT status, which respect to the SVT Charter (cf in the appendix)

   - On default, investment service suppliers with 'Primary Dealer' status in at least three countries in the euro zone and respecting the same quotation obligation than the SVT.

4. The platform must include a minimum of three Participants who are committed to performing their quotation obligations for a minimum period of three months;

5. The platform allows access to all Participants, (for any type of order), under its own conditions, but at a reasonable price. (A participant's decision whether or not to select the platform to perform its quotation obligations must not be a condition for access to the Platform or to some of its services).

6. The platform supplies the Market Committee, via the Secretariat, with the list of its Participants on the French bond segments, and undertakes to immediately inform it of any modification to this list.

7. The platform must provide the reports stipulated above, in compliance with the procedures stipulated in this section.

8. The platform uses a system to track and control transactions and provides all the means and information required for the system to operate correctly.

9. The platform authorises the AFT to perform any control, either directly or through a third party, instructed by it, in order to check that the platform is respecting the above criteria.

10. The platform provides to the Market Committee through the Secretariat, the price grid applying to the various participants, according to their commitments towards the said platform.

11. The platform must guarantee equal access for the system to all participants.

12. The platform executes an agreement with all participants that are permitted to quote on its system.

13. The platform commits itself to comply with the Market Rules.

14. The platform complies with the real time name-give-up.

The "Accredited Platform" status is granted for a year, and each condition must be continuously inspected (except condition number 4 which is verified at the end of each year). The Market Committee can withdraw the platform's Accredited Platform status if operating breaches are found.



b. *Admission Procedure*

Platforms seeking accreditation file an application dossier with the Market Committee, which will decide on the accreditation, based on the eligibility criteria in the previous article, within a maximum of two months.

ii. Repo Market

In addition to the quality of the systems offered by the Paris market, the secondary market in French government securities has also benefited from the rapid development of a modern and efficient repo market in Paris since 1994, following the sharp growth in such transactions in recent years.

This success has improved the fluidity of the government debt spot market by offering investors a means of financing their positions, or making attractive and safe short-term investments in French government securities. Repos can be used to refinance portfolio securities in the short term. Reverse repos can be used to safely generate interest on funds available for short periods, generally for less than one year.

Modernisation of the French Legal Framework for Repos

The legal definition and neutral tax status of French repos has made such credit transactions completely safe: a repo is a repurchase agreement between a seller and a buyer, usually of debt securities, whereby the seller agrees to repurchase and the buyer to re-sell the securities at an agreed price and at a stated time. In addition to the irrevocable commitment by both parties to settle the transaction, delivered securities repo transactions involve exchanges of cash and of securities at the beginning and at the end of the transaction.

Market-Making in French Repos Market against Government Securities

The large volumes traded on the Repo Market reflect the feeling of enhanced safety and transparency. SVTs continually display prices for standardized maturities and amounts. This enables investors to be constantly aware of the state of market conditions. These benchmarks are published in the form of ranges of rates that reflect the terms and conditions upon which bulk or cash repo transactions are negotiated, and under which the buyers who lend their cash accept all types of government securities lent by the sellers, covering the four maturities quoted on screen. Thus, the fixed-rate Treasury repo has become a benchmark rate on the money market: it fluctuates between the “blank” interbank money market rate and the BTF rate for the same maturity.

It is easy to see how the government securities market benefits from all this: the development of the Paris repo market has helped make French government securities even more liquid, and therefore to lower the cost of government debt.

A public body, the Caisse de la dette publique, is allowed to lend to SVTs the BTFs or OATs that are difficult to obtain on the market, in exchange for other French securities of equivalent value. These loans are temporary and yield interest.

iii. Strips Market

France was the first European sovereign debt issuer to authorise bond stripping in 1991. It has since become the euro area benchmark for stripped bonds.

The market for stripped OATs boasts the same liquidity and security guarantees as those granted to other Government securities. Stripping and unstripping is managed by an economic interest group comprising Euroclear France and Primary Dealers. This group establishes the rules for dealing in bonds of this kind. AFT acts in an advisory capacity.

Primary Dealers act as market makers. OAT bonds are listed on the Euronext Paris exchange and traded on the basis of a discount rate expressed as an annual percentage calculated on the basis of 365 or 366 days (ACT/ACT). The price is rounded up to the fourth decimal place as a percentage of the par value. Strips are settled on D + 2 through Euroclear France, Clearstream International or Euroclear.

Responding to requests from Primary Dealers, in 2009 the AFT authorised new rules on stripping and reconstituting fixed- rate French Treasury bonds (OATs). The new procedure introduced a “fungible zero-coupon certificate”, a single certificate with no distinction between principal and interest.



When an OAT is stripped, it is divided into a set of these new certificates, which have the same face value (€0.01) but different maturities calibrated on the cash flows from the original bond. All same-maturity certificates will be fungible with each other. They can also be put back together to reconstitute either the original OAT or a synthetic bond composed of certificates from different OAT issues. Coupons from different OATs are mutually fungible if they have the same maturity. As all euro area bonds, bonds issued by AFT after January 1, 2013 have collective action clauses (CACs). They are therefore not compatible with bonds issued prior to this date.

If a new collective action clause regime comes into force, securities created afterwards will also not be fungible with those without such clauses or subject to the previous regime.

The new stripping/reconstitution rules came into effect on 23 November 2009. Prior to this, an OAT was strippable into a principal-only certificate (PO) representing the bond's principal repayment flow at maturity (with a €1 face value), and a set of interest-only certificates (COs) representing accrued interest flows with due dates corresponding to the coupon payment dates of the original OAT (the face value of a CO was €0.25).

G. Monitoring and Control of the Resources Dedicated to the SVT Operations

The AFT may conduct on-site and off-site controls concerning the Primary Dealers' compliance with their obligations or may procure such controls by a third entity.

In connection with the controls carried out at the AFT's request and on the AFT's behalf, the third party shall have access to all necessary information. It shall, in particular, check the reliability of the statistical information sent to AFT and shall report to AFT on the results of such investigations. The Primary Dealer hereby authorises the third party to carry out its investigations not only in its establishment in France, but also in all other establishments involved in Primary Dealer operations. The Primary Dealer shall, if necessary, ensure that such authorisation is approved by the supervisory authorities of the country or countries concerned, where applicable.

The SVT shall provide annually to AFT the overall risk limits allotted to traders in French Treasury securities as well as the extent to which they are used.

Each month, the Primary Dealers shall report to the AFT on their operations on the secondary market for French Treasury securities. The Primary Dealers shall transmit to that end all information required by:

- The harmonised reporting document on European secondary debt markets prepared by the bonds and bills sub-committee of the European Union's Economic and Financial Committee, which is made available on the website of the European Commission's ECFIN Directorate;

- The document entitled "specific activity report on securities repurchase operations," which is available at the same address.

These reports, validated by the Primary Dealer manager or the Primary Dealer permanent representative, must reach the AFT on the 13th working day of each month at the latest. The AFT may ask for an additional specific report, whether on a regular or ad-hoc basis.

The compliance officer shall commit in writing as to the reliability of the process for the preparation and transmission of these statistics. The compliance officer agrees that such a process is aimed to ensure that the preparation of statistics are providing a fair and true picture of the market-maker's operations with customers, transactions related to the management of the interest rate risk of the Primary Dealers' book, and the Primary Dealers' proprietary trading.



The AFT agrees to protect the confidentiality of the information transmitted by the Primary Dealers. Save as otherwise indicated; the information aggregated by the AFT is communicated to the Primary Dealers purely for internal use. The AFT reserves the right to use some of these aggregated items of information in connection with the promotion of French Government debt securities and the Government's general communication policy. Aggregated information does not allow identifying counterparts.

The AFT communicates to each Primary Dealer every month:

- An aggregated report on all counterparties, based on the harmonized format described above; and
- A summary report indicating its market share and its place in the auctions and on the secondary market (cash and repo) and per type of product (in particular OAT, OATs indexed linked, BTF and stripped bonds).

AFT provides quarterly to each SVT:

- A summary report indicating its market share and place in the auctions and on the secondary market by product type.
- A summary report indicating its market share on gross sales by geographical zone and by product type.

SVTs authorise transmission to AFT of data on their CDS (credit default swap) activity on French State.

H. Provision of Information and Advisory Services

Market Information and Advice

The SVTs inform the AFT daily, on market developments, the volume of transactions that they carry out, or even, when they deem it relevant, on the nature of their customers and their own positions.

Strategic and Economic Information, Advice and Research

The SVTs systematically forward the production of their analysis and research services to the AFT, when it concerns matters that are useful to the understanding of the sovereign bond market or affecting the French Republic's credit quality, in particular:

- monetary policy, macro-economic and financial environment, public finance, and national structural policies in the main monetary zones;
- developments in the finance sector;
- asset allocation strategies of the main classes of investors.

The SVTs provide the AFT free access to all analysis and research concerning the functioning of financial markets; fixed income markets with their various compartments (sovereign and quasi-sovereign, corporate, derivatives including volatility), foreign-exchange markets, commodity markets, and other markets.

The AFT equally informs the SVTs of any topics or projects for which it anticipates receiving from the SVTs specific support in terms of research and advice. Such information may be furnished during the annual assessment meeting.

The SVTs organise meetings and support an ongoing dialogue between AFT and their teams of economists and strategists. The teams of each SVT must include an economist specialized in French issues whose primary geographic location is Paris. Such an economist shall regularly visit the AFT. The AFT is made available to the SVTs in order to provide explanations and comments concerning the French economic policy or, more broadly, European policy in the areas included in its mandate. If necessary, the AFT organises contacts between the SVTs and the relevant teams of French administration.



I. Appraisal of the Activity of Primary Dealers

An annual meeting is organised between the AFT and the Primary Dealer. The Primary Dealer manager and the Primary Dealer permanent representative participate in such meeting. The objective of this meeting is, on the basis of the assessment criteria defined by the charter, to assess the service supplied by the SVT during the previous year, as well as anticipated changes for the forthcoming year. Such meeting gives rise to the preparation of a written report.

The assessment of the Primary Dealers relies on the factoring in of all tasks forming part of their operations and on the implementation terms of these tasks as defined by the charter and its schedules. Three factors are used in order to assess the relative efforts of each Primary Dealer. The first factor relies on participation in the primary market (auctions and buybacks if any). The second assessment factor relies on the operations on the secondary market. The last factor taken into account is an assessment by the AFT of the quality of the relationship maintained with the Primary Dealer. Each year, the AFT discloses the results of its assessment in the form of a ranking, under terms which the Primary Dealers are informed of beforehand. For the purposes of ranking the Primary Dealers, the three assessment factors are taken into account with the following weightings: 45% corresponding to participation in the primary market, 30% corresponding to operations on the secondary market and 25% corresponding to the qualitative assessment.

The AFT indicates, each quarter, to each Primary Dealer, its position on the primary and secondary markets. AFT informs, if necessary, the Primary Dealers of changes in its assessment of the quality of services supplied.

i. Assessment of Primary Dealers' Performance in the Primary Market

a. Principle

The ranking of the Primary Dealers is obtained by adding the points resulting from the application of three criteria:

- Primary Dealers ' operations on the primary market (45 points in total);
- Primary Dealers ' operations on the secondary market (30 points in total) assessed on the basis of three sets of figures: overall volumes handled by the Primary Dealer on the secondary market, volumes handled with final customers and volumes handled in relation to specific products (repos, OATs linked to a price index, strips);
- Quality of the service supplied by the Primary Dealers (25 points in total), assessed from three standpoints: operational quality; quality of advice; proximity and stability of relationships with the issuing State.

Points are allocated to the Primary Dealers on a pro rata basis of their market share, whether actual (primary or secondary operations) or reconstituted (qualitative assessment). For instance, a Primary Dealer having a 5% share of the primary market will obtain 2.25 points (45 times 0.05) for the primary market component. The allocation method as well as the weighting coefficients can be reviewed at any time by AFT and the Primary Dealers.

b. Detail

Operations on the primary market are assessed on the basis of the Primary Dealers' market share in auctions and buyback operations. The rating obtained by each Primary Dealer corresponds to 45 times the weighted market share obtained at auctions and redemptions. Weighting coefficients correspond approximately to the duration of the benchmark securities for the maturity area to which such coefficients apply.

Such weighting coefficients are as follows:

For BTF, OAT (excluding Indexed bonds)

Maturity	<5 mth	5 mth-1 yr	1-3 yr	3-5 yr	5-7 yr	7-8.5 yr	8.5-12 yr	12-18 yr	18-25 yr	25-35 yr	>35 yr
Coeff.	0.5	1	2	4	6	8	10	15	19	27	36

For floating-rate products: all coefficients of the above chart are multiplied by 1.5

Maturity	<3 yr	3-5 yr	5-7 yr	7-8.5 yr	8.5-12 yr	12-18 yr	18-25 yr	> 25 yr
Coeff.	3	6	9	12	15	22.5	28.5	40.5

For an exchange auction, unless otherwise specified by AFT, the weighted market share is determined by the par value acquired by the SVT, multiplied by a coefficient equal to the absolute value of the difference between the coefficients above applied to the bond issued and to the bond bought back.[14] [15]

c. *Supply of Advisory Services regarding the Issuance Policy*

The Primary Dealers provide the AFT with an opinion on the contents of primary transactions:

- Prior to the publication of the annual financing program;
- During the week preceding each BTF auction, Primary Dealers are required to participate in a teleconference or, if the AFT so decides, in a meeting at the AFT's premises;
- Within the weeks preceding each OAT auction, the Primary Dealers are required to participate in a meeting on the premises of the AFT or, if the AFT so decides, exceptionally, in a teleconference organised by the AFT.

SVTs shall maintain confidentiality of the discussions at these meetings and shall refrain from making any disclosures to third parties. This information can be disseminated internally to the SVT personnel directly concerned by the discussions, after notifying those persons of its confidential nature. AFT reserves the right to impose any penalty on an SVT that fails to comply with this requirement.

In connection with its assessment of the Primary Dealers' contribution to the smooth progress of primary transactions, AFT takes into account adequate participation in meetings and consistency between opinions expressed and transactions carried out.

The AFT convenes a semi-annual meeting of the Primary Dealers in order to assess market developments. The AFT may involve, in such periodical meetings, representatives of investors selected by AFT or Primary Dealers' trading, origination or sale operations are represented at a proper responsibility and expertise level.

14 *For example, the coefficient for an exchange of fixed-rate securities with respective maturities of 4 years and 30 years is 23 (difference between 27 and 4) and the coefficient for an exchange of fixed-rate securities with respective maturities of 26 and 30 years is 0 (difference between 27 and 27).*

15 *https://www.aft.gouv.fr/files/medias-aft/1_AFT/2.Partenaires/2.2_SVT/AFT_charte%20SVT%202025_appendices_EN-1.pdf*



ii. Assessment of SVTs' Performance on the Secondary Market

This assessment relies on the statistical data provided by the Primary Dealers according to the harmonised European format, supplemented with the report on repo transactions.

The following is not taken into account and is therefore assigned a weighting equal to zero:

- Purchase and sale transactions made through auctions and OTC buy-backs with the AFT, which are taken into account in the primary ranking;
- Transactions carried out during syndication.

On the contrary, repo transactions carried out with the AFT are taken into account in the secondary market's performance. 30 points are allocated to all Primary Dealers in order to account for their operations on the secondary market. Such points are allocated according to the Primary Dealers' performance on each of the segments described in the chart below:

SEGMENT	ASSIGNED POINTS
Nominal bonds	20.5 points
Inflation-indexed bonds	6 points
Stripped bonds	0.5 points
Repos	3 points

The points assigned to a Primary Dealer are obtained by multiplying its market share on each segment, rounded to two decimal places, by the number of points assigned for that segment. This market share is a weighted average in which the weighting coefficients depend upon the maturity and nature of the security and on the counterparty.

For purchases and sales of OAT, OAT indexed and BTF, market share is calculated on the basis of a weighted average per maturity, by applying the following weighting coefficients:

Maturity	<5 mos	5 mos-1 yr	1-3 yr	3-5 yr	5-7 yr	7-8.5 yr	8.5-12 yr	12-18 yr	18-25 yr	25-35 yr	>35 yr
Maturity coeff.	0.5	1	2	4	6	8	10	15	19	27	36

Coefficients are as follows for stripped bonds:

Maturity	<5mos	5mos-1 yr	1-3 yr	3-5 yr	5-7 yr	7-8.5 yr	8.5-12 yr	12-18 yr	18-25 yr	25-35 yr	>35 yr
Maturity coeff.	0.5	1	2	4	6	8	10	15	21	30	42

Finally, transactions carried out with an end-customer type counterparty ("customer" in the harmonized European format) are assigned a coefficient equal to 3.5 times that assigned to interdealer transactions.

Counterparty	End Customer Counterparty	Interdealer Counterparty
Coeff.	Maturity coeff. x 3.5	Maturity coeff. x 1



For repo transactions, the total volume of transactions carried out by the Primary Dealer are divided by the total transaction volume carried out within the relevant month.

a. Qualitative Assessment of Relationships between SVTs and Agence France Trésor

The Primary Dealer's operational quality, quality of advice and close relationship are assessed on the basis of the criteria defined in the chart below. All of these criteria correspond to undertakings provided for in the charter governing relationships between the AFT and the Primary Dealers.

The closeness and stability of the relationship are attributed a compound rating of 0 to 10 based on the criteria in the table below.

Indicators	Criteria	Rating	Reference to the charter
Operational Quality Contribution to the secure operation of the market for government securities and financing of the State	- Smooth functioning primary market operations (advice, security, participation). - Market-making on the secondary market. - Security of clearing and settlement operations. - Participation in State and CDP treasury operations	/4 /2.5 /1.5 /2	A-1-a,b,c) A-2 B-1-b)
Quality of recommendation Contribution to the improvement of the work of AFT and the State	- Market information and analysis - Research relevance and quality Sales (communication concerning French Treasury securities/commitment of sales personnel)	/2 /2 /2	A-3-a) / C-1 A-3-b) A-3-b) A-4
Proximity and Stability of the Relationship with the Issuing State	- Quality and continuity of contacts at all levels; compliance; - Presence in France - Contribution to discussions of the finance industry and to AFT strategic projects - Coordination of public issuers	/9	A-5 / B-1-a) / B-2



J. Contacts

i. Debt Management Office

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K. French Market Appendices

Quoting Obligations
The following rules have been worked out by AMTE (Association des Marchés de Taux en Euro).

i. BTF

a. Maturity Bands
Each category of BTF admitted on the Market is distributed in three maturity bands:

- 0 to 3 months maturity band;
- 3 to 6 months maturity band;
- 6 to 12 months maturity band.

b. Quotation Obligations
The Participants' quotation obligations take effect on the working day following their adjudication and are decided in accordance with three parameters:

- The minimum size to be displayed (trading lot): €10 million;
- The maximum band expressed in basis points: 3 basis points (bp) for the "benchmarks" (last issued BTF for each maturity) and expressed in spread free for the "liquids BTF" (other BTF than the "benchmarks");
- The length of the quotation: five hours a day.

Each Market Maker is obliged to insert proposals on 6 lines of BTFs: the last 2 issued on the 3 months, on the 6 months and on the 1 year maturity buckets (so 1 benchmark and 1 liquid for each of the maturity bucket); BTFs are allocated and renewed according to the BTF issuance and tap calendar.

c. Renewing the Quotation Obligations
The quotation obligations for the BTF are renewed without notice as follows: the new BTF must be quoted from its first day of auction. It ceases to be quoted on the day it is replaced by a new line, without the Participant receiving any other notice. The oldest line is replaced by the new line.

The minimum size of the order is 5M€ for BTF.

ii. OAT and Other Variable Rate of Financial Instruments

a. Classifications
The OAT and other variable rate Financial Instruments admitted on the Market are divided in accordance with the following maturity bands and categories.

The OAT and other variable rate Financial Instruments admitted on the Market are divided into four categories:

- The 'benchmarks' – these are the Financial Instruments of reference (benchmarks) with 2, 5, 10, 15, 30 and 50 year maturities, regularly selected by the Market Committee;
- The 'liquids'– these are the most liquid Financial Instruments which are not 'benchmarks';
- The 'regulars' – these are Financial Instruments which are traded regularly with a reduced liquidity;
- The 'variables' – these are variable rate Financial Instruments.



Each category of OAT and other variable-rate Financial Instruments admitted on the Market is divided into maturity bands:

- Maturity Bands A: from 1 to 3.5 years;
- Maturity Bands B: from 3.5 to 6.5 years;
- Maturity Bands C: from 6.5 to 11.5 years;
- Maturity Bands D: from 11.5 to 17 years;
- Maturity Bands E: from 17 to 35 years ;
- Maturity Bands F: greater than 35 year

b. Quotation Obligations

The Participants' quotation obligations are established in accordance with three parameters:

- The minimum size to be displayed (trading lot);
- The maximum band expressed in cents of price (spread);
- The duration of the quotation: five hours a day.

The secretariat of Market Committee informs the Platforms if a new benchmark security is launched by the Agence France Trésor. This security must be quoted by all the Participants from the working day after the security's first auction. The next month, it replaces the 'benchmark' with the same maturity which immediately joins the liquids category.

The quotation obligations are defined in accordance with following table (lots in millions of Euros, spreads in euro cents, or basis points depending on the detail).

			OAT		OAT		TEC	
Category	**Maturity**		**Spread (CTS)**	**Size**	**Spread (CTS)**	**Size**	**Spread (CTS)**	**Size**
Benchmark	A	1 to 3.5 years	4	10	25	10	25	5
	B	3.5 to 6.5 years	4	10	25	10	25	5
	C	6.5 to 11.5 years	5	10	25	5	25	5
	D	11.5 to 17 years	10	5	40	5	25	5
	E	17 to 35 years	20	5	50	2.5	25	5
	F	> 35 years	30	5				
Liquid	A	1 to 3.5 years	4	5				
	B	3.5 to 6.5 years	5	5				
	C	6.5 to 11.5 years	7	5				
	D	11.5 to 17 years	12	5				
	E	17 to 35 years	25	5				
	F	> 35 years	30	5				



Regular	Spread (cts)	Lot
OAT 04/2022	--	
OAT 25/04/2023	30	2.5

c. Renewing Quotation Obligations

The AMTE attributes the Financial Instruments to each Participant in a random draw with a renewal at the start of each month by informing each Platform of its Participants.

The groups of financial investments are constituted in equal numbers to the number of Participants: each group comprises different categories.

European Primary Dealers Handbook

8. Germany

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A. List of Bund Issues Auction Group[1] [2] [3]

FIRM	Germany (DE)	Firm's location
ABN AMRO Bank N.V.	X	Amsterdam
Banco Santander	X	Madrid
BofA Securities Europe S.A.	X	Paris
Barclays Bank Ireland plc	X	Dublin
Bayerische Landesbank	X	Munich
BNP Paribas S.A.	X	Paris
Citadel	X	Dublin
Citigroup Global Markets Europe AG	X	Frankfurt
Commerzbank AG	X	Frankfurt
Crédit Agricole CIB	X	Paris
Danske Bank A/S	X	Copenhagen
Dekabank Deutsche Girozentrale	X	Frankfurt
Deutsche Bank AG	X	Frankfurt
DZ Bank AG	X	Frankfurt
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
Intesa Sanpaolo S.p.A.	X	Turin
Jefferies GmbH	X	Frankfurt
J.P. Morgan SE	X	Frankfurt
Landesbank Baden-Wurttemberg	X	Stuttgart
Landesbank Hessen-Thuringen Girozentrale	X	Frankfurt
Mizuho Securities Europe GmbH	X	Frankfurt
Morgan Stanley Europe SE	X	Frankfurt
Natixis SA	X	Paris
Nomura Financial Products Europe GmbH	X	Frankfurt
Nord/LB	X	Hannover
Nordea Bank Abp	X	Helsinki

1 *Germany does not have any Primary Dealership system per se but as there are still rules that apply to the investment banks members of the Bund Issues Auction Group we decided to include this European Member State to this Handbook*

2 *List of the members of the Bund Issues Auction Group operating on the German Government Bond Market as of March 2026. For complete information please refer to the Finance Agency's website www.deutsche-finanzagentur.de*

3 *Please note that NatWest withdrew its PDship in Q4 2026*

Coöperatieve Rabobank U.A.	X	Utrecht
Scotiabank (Ireland)	X	Dublin
Société Générale S.A.	X	Paris
UBS Europe SE	X	Frankfurt
Unicredit Bank AG	X	Munich
TOTAL	**32**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

German debt is rated as follows:[4]

- Standard and Poor's: AAA (stable)
- Moody's: Aaa (stable)
- Fitch Ratings: AAA (stable)
- DBRS: AAA (stable)

C. Financial Instruments

The German Federal Government currently uses a wide range of securities to borrow funds for financing its budget. This includes:

- Federal bonds (Bunds) – 7, 10, 15 or 30-year maturity
- Federal notes (Bobls) – 5-year maturity
- Federal Treasury notes (Schaetze) – 2-year maturity
- Inflation-linked Federal Securities (ILBs) – 10, 15 or 30-year maturity
- Green Federal securities (Greens) – 5, 10 or 30-year maturity
- (matured)Treasury discount paper (Bubills) –12-month maturity

German Government securities are generally placed as single issues via auction at volumes of at least € 1 billion. Since 2018 inflation-linked Federal securities, since 2020 Treasury discount paper and since 2023 Federal bonds of 15 and 30-year maturity are issued in multi-ISIN auctions of two securities. New issues with higher volumes take place, particularly in the capital market, which are followed by several increases, up to approximately € 15 billion to partially well over € 30 bn.

4 *Credit rating correct as of March 2026*



Two foreign currency bonds were issued in 2005 and 2009, followed by several Inflation-linked Federal securities, beginning in 2006. German-type promissory notes (Schuldscheindarlehen) are also offered. In 2020, the first of several following green Federal securities was issued in the framework of the new Twin-bond-concept. Since 2002, there has been an increase in the use of derivative financial instruments (swaps). They serve to lower the Federal Government's interest burden and help optimise the risk structures in the Federal Government's portfolio.

Additional investment opportunities have been available since the introduction of "Stripping" of ten and thirty-year Bunds in 1997, allowing for these issues' par value (principal) and interest coupon to be traded separately (from €50,000 upwards, minimum denomination €0.01). Stripping of the principal and coupon claims on behalf of the bondholder is the responsibility of the institution with which the securities are held in custody. It is also possible to reconstruct coupon and principal strips into a bond, but this is reserved for credit institutions for their own proprietary holdings. Coupon strips with the same maturity are combined and traded under one single ISIN (security identification number). Strips from different types of bonds cannot be combined.

German Government securities have a fixed coupon with annual coupon dates. Inflation-linked Bunds also have a fixed (real) coupon; however, nominal interest amounts and repayments are in this case linked to the Harmonised Index of Consumer Prices (HICP) of the euro area. Bubills, in contrast, are issued in the form of discount paper. All German Government securities are issued in the form of debt register claims without paper certificates. Maturities are fixed, and there is no provision for premature redemption by the issuer either by call or drawing lots.

All German Government securities are eligible for the investment of mutual funds or as life insurance cover funds and are eligible for refinancing at the central bank, pursuant to Article 18.1 of the ESCB/ECB Statute.

Federal securities have been issued in Euros since the beginning of stage three of European monetary union on 1 January 1999.

Listed securities (except Treasury discount paper) still outstanding were redenominated in Euro on 1 January 1999. At the same time the minimum denomination for these issues was fixed at €0.01 and was also introduced for new issues in order to achieve uniform market standards.

With respect to the calculation of accrued interest in the case of both old and new issues:

- The money market method of a 360-day year (act/360) applies to Treasury discount papers and floating-rate notes; and
- The act/act method (day-count/365 or in leap years day-count/366) applies to capital market securities.

D. Primary Market

i. Auctions[5]

a. Foreword

The German Finance Agency, through the Deutsche Bundesbank, conducts the sale of Federal securities by auction. The terms and conditions of each individual issue are announced together with the invitation to bid via press releases, financial information services and the Deutsche Bundesbank's Bund Bidding System (BBS). Authorisation for the German Finance Agency to conduct auctions and other debt management transactions is to act only for the name and account of the German Federal Government.

New funding tools, such as the US-dollar bonds issued in 2005 and 2009 or the first inflation-linked and green issues, are usually placed by the Federal Government on the primary market via a banking consortium.

5 Source: *Auction Rules for the issue of Federal bonds, five-year Federal notes, Federal Treasury notes and Treasury discount paper*



b. Issuance Timetable

Since the introduction of green securities the established issuance pattern of German Government bonds changed: The auctions of Treasury Discount Papers (Bubills) take place on Mondays with value date on the following Wednesday. Inflation-linked Federal securities, Federal Treasury notes and Federal notes are now issued on Tuesdays with value date on the following Thursday. Auctions of nominal Federal bonds with a maturity of 7 years or more are held on Wednesdays with value date on the following Friday.

Six bank working days before the tender deadline, the Deutsche Bundesbank and Finance Agency issue a common press release announcing the auction of the German Government securities, specifying the issuance volume and maturity. One day before the tender, the coupon and interest date are announced in the invitation to auction, which also takes the form of a press release.

On the auction day itself, members of the Bund Issues Auction Group can digitally issue their bids for the tender via the BBS between 8.00a.m. and 11.30a.m. Frankfurt time. Decisions on allotment are taken by the Finance Agency immediately after the end of the bidding and sent to the bidders via the BBS. The results are then published via news information services and this website.

At the end of each year, in the second half of December, the Finance Agency publishes a preview in the form of a press release announcing the government's plan for the following year's issuance of Federal securities. The annual preview provides a clear overview of the type of Federal Government security to be issued, the type and day of issue, the day of maturity as well as the targeted nominal volume for each single issue During the course of the year at the end of each quarter for the following one, an update of the issuance calendar is published additionally.

Detailed planning information is not yet provided for the newer types of government funding instruments, such as green and inflation-linked securities which are part of the annual issuance program, rarely issued foreign currency bonds and individually agreed securitised loans. Although the Federal Government always aims to proceed with issues as announced, its issuance planning is subject to change with respect to the amounts and dates in question depending on the funding requirements and liquidity of the Federal Government, not to mention the conditions prevailing on the capital market. However, the German Federal Government aims to adhere as closely as possible to its announced issuance plans in order to provide market participants with the reliable guidance they need to make well-informed investment decisions.

	Annual Outlook	Quarterly Issuance Calendar
INTERNET	www.deutsche-finanzagentur.de	
BLOOMBERG	BUND<GO> 2nd Menu	BUND<GO> 3rd Menu

c. Members

There are no restrictions on the range of potential buyers. However, only members of the "Bund Issues Auction Group" may participate in the auctions directly. Membership is approved by the German Finance Agency on behalf of the German Government.

An organisation may become a member provided they have been granted all individually required authorisations by the competent supervisory authority and that it complies with all applicable laws and regulations in force in the respective jurisdictions in connection with its participation in the auction procedure and the purchase and sale of German Federal securities and are:

- Domestic credit institutions pursuant to section 1 (1) German Banking Act (Kreditwesengesetz, "KWG") as well as domestic CRR institutions, securities trading firms and securities trading banks pursuant to section 1 (3d) sentences 1 to 5 KWG, with the exception of branches of undertakings domiciled abroad within the meaning of section 53 KWG, unless otherwise provided in these Auction rules;

- credit institutions as defined in Article 4 (1) no. (1) of Regulation (EU) No 575/2013 which are domiciled in another member state of the European Union or another European Economic Area state;

- investment firms as defined in Article 4 (1) no. (1) sub-paragraph 1 of Directive 2014/65/EU which are domiciled in another member state of the European Union or another European Economic Area state and

- undertakings that would be considered as credit institutions within the meaning of Regulation (EU) No 575/2013 or investment firms within the meaning of Directive 2014/65/EU if their head offices or registered offices were located within the European Union or another European Economic Area state and which are domiciled in Switzerland, or each of their domestic branches, respectively.

Membership is also subject to the requirement that the delivery of Federal securities can be effected via a securities account at Clearstream Banking AG, Frankfurt/Main, and the cash settlement can be carried out through TARGET2.

Applications for membership of the Auction Group may be submitted to the German Finance Agency at any time. Applicants have no legal right of admission to the Auction Group.

d. Conditions

The Auction Group members are expected to have submitted successful bids for at least 0.05% (unrounded) of the total issue amounts allotted, weighted by duration, at auctions in one calendar year. The respective weights to be applied will be published by press release and all bidders will be notified. A ranking list of the Auction Group members by size of their shares in the weighted issue volume allotted without quoting percentages will be published annually without quoting percentages. Those member institutions that fail to reach the required minimum share of the total amount allotted will be excluded from the Auction Group. It will be possible for them to rejoin at a later date.

e. Submission of Bids

Bids are to be transmitted electronically through the Deutsche Bundesbank's Bund Bidding System (BBS) before the bidding deadline specified in the invitation to bid. The special terms and conditions for auction procedures of the Deutsche Bundesbank for auctions of German Federal securities using the Bund Bidding System (BBS) are an integral part of these auction rules.

Bids for Federal bonds, five-year Federal notes and Federal Treasury notes and Treasury discount paper must be for a par value of no less than €1 million or an integral multiple thereof and should state the price, as a percentage of the par value, at which the bidders are prepared to purchase the Federal securities offered. No yield bids will be considered. The price bids for nominal and inflation-linked Federal bonds and five-year Federal notes must be expressed as full 0.01 percentage points. The price bids for Federal Treasury notes must be expressed as full 0.005 percentage points. The price bids for Treasury discount paper must be expressed as full 0.00005 percentage points. It is possible to make non-competitive bids and to submit several bids at different prices.

The bidders are bound by their bids until allotment. The bids which are accepted by the Federal Government will be allotted at the price specified in the bid. Bids which are above the lowest price accepted by the Federal Government will be allotted in full. Bids which are below the lowest accepted price will not be considered. Non-competitive bids are allotted at the weighted average price of the competitive bids accepted. The Federal Government reserves the right to reject all bids, or to scale down bids quoting the lowest accepted price, and/or to scale down non-competitive bids. If bids are scaled down, there will be no minimum allotment.

Bids which have been submitted on time but which, for technical reasons, have to be considered after the allotment, will have no effect on the weighted average price of accepted bids which is relevant for settlement.

Bidders will be informed of the allotment immediately. The allotted amounts are published in the Bund Bidding System (BBS) for the members of the Bund Issues Auction Group on the day of the auction immediately after the allotment decision has been made. Directly thereafter, the auction results are published on the usual capital market information systems and on Finance Agency's website.

The securities allotted will be settled on the value date specified in the invitation to bid. The settlement will be affected in the night-time processing of Clearstream Banking AG, Frankfurt/Main in accordance with the terms and conditions of Clearstream for night-time processing. The Federal Government reserves the right to reopen the issues.



f. Bund Bidding System (BBS)

The Deutsche Bundesbank provides the BBS (Bund Bidding System) as an electronic primary market platform. BBS enables the issuer to auction Federal securities quickly, smoothly and securely.

A detailed description of the BBS is available on the website of Deutsche Bundesbank www.bundesbank.de. Access to the system is primarily reserved for the members of the Auction Group.

ii. Syndication

The German Federal Government usually places single issues by auction. Only in exceptional cases are single issues offered via a syndicate of banks. In these special cases, a case-by-case approach, based on auction performances, will be used.

E. Secondary Market

Secondary Market Activity Reporting

In 2005, the German Finance Agency established a reporting system regarding the secondary market activities of the members of the Bund Issues Auction Group in marketable Federal securities. The members of the Bund Issues Auction Group provide the Finance Agency the following information on every trade, on a voluntary basis:

- Trade date;
- Value date;
- ISIN;
- Counterparty group;
- Country of the counterparty (in principle for every trade the country of the counterparty is reported, in the case of Central Banks, however, only the region of the central bank is reported);
- Trading system;
- Buy/sell; and
- Trade volume.

The data include only the secondary market activities in German Government securities and trading statistics are published on the company homepage semiannually. Purchases of the banks in Bund auctions are not included.



F. Ranking of Bund Issues Auction Group

A ranking list of the members of the Bund Issues Auction Group is published every six months at the end of June and December. It is sorted by the share of the weighted issuance volume allotted without stating any further details.

For the ranking list, the auction allotments are weighted as last announced on December 10, 2020 according to the remaining time to maturity of German Government securities:

Instrument	Remaining time to maturity	Weighting factor
Money market instruments	3 months	0.25
	6 months	0.5
	9 months	0.75
	12 months	1
Capital market instruments	1-3 years	2
	3-8 years	5
	8-12 years	10
	12-17 years	15
	17-24 years	20
	24-35 years	30

The weighting factors remain unchanged for at least one year and apply to both nominal and inflation-linked German Government securities of the corresponding remaining time to maturity segment. The weighting factors reflect various capital lock-up and interest rate risks of German Government securities of different maturities.



G. Contacts

i. Debt Management Office

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ii. AFME Primary Dealer Board Firm Contact Details

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8. Germany

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UNICREDIT	
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European Primary Dealers Handbook

9. Greece

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A. List of Primary Dealers[1]

FIRM	Greece (GR)	Firm's location
Alpha Bank S.A.	X	Athens
Bank of America Securities Europe S.A.	X+	Paris
Barclays Bank Ireland plc	X	Dublin
BNP Paribas S.A.	X	Paris
CitibankEurope plc	X	Dublin
Commerzbank AG	X	Frankfurt
Deutsche Bank AG	X+	Frankfurt
Eurobank S.A.	X	Athens
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
Intesa Sanpaolo S.p.A.	X	Milan
J.P. Morgan SE	X+	Frankfurt
Morgan Stanley Europe SE	X	Frankfurt
National Bank of Greece S.A.	X	Athens
Nomura Financial Products Europe GmbH	X	Frankfurt
Piraeus Bank S.A.	X	Athens
Société Générale S.A.	X	Paris
UBS	X	Frankfurt
TOTAL	**18**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *List of the Primary Dealers operating in the Greek Government Bond Market as of September 2026. In addition to the Primary Dealers list, Bank of Attica, BBVA and Jefferies are recognized as Dealers. For complete information, please refer to the following websites: Bank of Greece/ HDAT and PDMA*



B. Credit Rating

Greek debt is currently rated as follows:[2]

- Standard and Poor's: BBB (stable)
- Moody's: Baa3 (stable)
- Fitch Ratings: BBB (stable)
- DBRS: BBB (stable)

C. Privileges and Obligations of Primary Dealers[3]

i. Foreword

Primary Dealers are appointed institutions authorised as credit institutions or investment firms in a country which is a member of the European Union or authorised as such in another jurisdiction by a regulatory authority which, in the opinion of the Minister of Finance and the Governor of the Bank of Greece (hereinafter "the Competent Authorities"), imposes an adequate supervisory/investor protection regime. Primary Dealers are selected in order to provide specialised services in the government securities market, i.e., to participate in the syndications and auctions of Greek government securities in the primary market as well as to trade such securities in the Electronic Secondary Securities Market (hereinafter "HDAT") at prices that they are obliged to announce.

The Primary Dealer status is granted for a calendar year, on a renewable basis.

ii. Selection Criteria

The selection of Primary Dealers takes place once a year based on the following criteria:

- To have a minimum net worth of EUR 375 million. For Greek branches of foreign credit institutions, as "net worth" is considered the net worth of their parent in the home country. Subject to the regulations in force on professional confidentiality, the candidates' general capital adequacy shall also be assessed.
- To have an organised unit (Dealing Room and Back Office) in order to trade efficiently in the securities market and to abide by the obligations of Primary Dealers in accordance with Article 4 hereof.
- For the selection of Primary Dealers, the participation in HDAT, EuroMTS and other regulated market according to the definition under MiFID II shall be taken into account in order of precedence and cumulatively as quantitative criteria. Additionally, the participation in the over-the-counter market, the activity in the respective European markets and the proposals regarding business plans concerning the year to which the selection refers shall be taken into account as qualitative criteria.

Within 20 calendar days before expiry of each calendar year, the Committee shall submit a written recommendation to the Competent Authorities to issue a joint decision amending, if necessary, the selection criteria and shall propose the number and the names of the institutions under Article 1.1 to be granted Primary Dealer status in the following year. If during any yearly term the total number of Primary Dealers is less than 15 either due to limited candidacies at the beginning of such term, or due to a Primary Dealer's discharge or resignation, the Committee may consider the applications of other institutions under Article 1.1, in accordance with the selection criteria set during the current year.

2 *Credit rating correct as of September 2026*

3 *Source: Operating Rules of the Primary Dealers System formulated by the Committee of Primary Dealers' Supervision and Control (January 2026)*



iii. Privileges of a Primary Dealer

Primary Dealers are granted:

- The exclusive right to submit before the auction one non-competitive bid;
- The exclusive right to submit after the auction one additional non-competitive bid;
- The right to participate in the supervising bodies engaging in ensuring the smooth operation of the securities markets, evaluating the degree of market organisation as well as the performance of Primary Dealers;
- Privileged access to information pertaining to the borrowing needs of the Hellenic Republic and issuance planning, new financial instruments and relating operating rules, securities in circulation, volume and turnover as well as auction results;
- Exclusive access to short-term securities' lending mechanisms that may be created in order to facilitate hedging (short selling);
- Privileged access to syndication;
- Privileged access to liabilities management. The Public Debt Management Agency shall take into account the credit rating of the counterparty with which it shall perform such transactions.

The relations of Primary Dealers with the Bank of Greece, as well as their activities within the framework of such relations, are set by Bank of Greece Governor's Acts.

iv. Obligations of a Primary Dealer

Primary Dealers assume obligations in the following areas:

a. Primary Market

b. Secondary Market

c. Yield Curve

d. Further contribution to the Greek government bond market

a. Primary Market

Primary Dealers are required, throughout the calendar year for which they have been granted Primary Dealer status, to actively participate in the auctions providing competitive and non-competitive bids for an amount no less than 2% per year (duration weighted) of the total amount of successful bids at Government bond and Treasury-bill auctions.

In addition, Primary Dealers participate in syndications of Greek government securities.

b. Secondary Market

Primary Dealers have the right to carry out transactions in Greek government securities on every trading venue according to the definition under MiFID II. However, they are required, throughout the whole calendar year for which they have been granted Primary Dealer status, to achieve a minimum turnover of no less than 2% of the total annual turnover (duration weighted) on the trading venues and other trading systems approved by the Committee. As of January 1st 2024, approved trading venues shall be HDAT, MTS, BGC, Marex and Tradition and approved investment firm shall be ATHLOS CAPITAL.

The transactions can be settled in the Bank of Greece Securities Settlement System (BOGS) or in any other Clearing and Settlement System approved by the Bank of Greece.



c. Yield Curve

The Government requires that Primary Dealers provide a Greek government bond yield curve, on a daily basis, to act as a reference for a) the pricing of all Greek government securities used as collaterals at the European Central Bank and b) for the pricing of government securities portfolios held by financial institutions, mutual funds, insurance companies etc. The yield curve is obtained on the basis of the price quotes present in HDAT (which is a quote-driven system) and does not require transactions but only binding bid/ask quotes.

To construct the yield curve, Primary Dealers are required to continuously provide in HDAT the binding bid and ask quotes for securities of a minimum quantity of 5 lots (where 1 lot = €1,000,000) per transaction. During periods of so-called "Difficult Market Conditions", the Committee can change the minimum quantity per quote from 5 lots to 1 lot. The decision of the Committee will be immediately communicated to HDAT participants as well as to the Minister of Finance and to the Governor of the Bank of Greece.

The minimum number of compulsory quotes to be displayed daily in HDAT by each Primary Dealer is periodically determined by the Committee. For such quotes the following applies: a) quotes for on-the-run benchmarks must be entered in HDAT from the start of the trading day (10:15:00a.m) and b) quotes for compulsory bonds, apart from the on-the-run benchmarks, must be entered during the time period 10:15:00 - 11:00:00a.m.

Difficult Market Conditions

The "Difficult Market Conditions" procedure can be initiated at any time in a trading day when the administrator of HDAT notices that three-quarters of Primary Dealers have not entered quotes on HDAT. In such circumstances, the following procedure is implemented:

The administrator of HDAT confers with the PDMA to decide about the next steps.

A poll is conducted amongst the Primary Dealers who are asked to vote via e-mail on whether market conditions are 'difficult'. All voters would have 15 minutes to vote.

If 50% plus 1 of all Primary Dealers find market conditions difficult, then the Committee, the Minister of Finance and the Governor of the Bank of Greece are informed. The Committee, following the proposal of the administrator of HDAT and the PDMA, decides whether the market is under difficult market conditions. If the Committee decides that the market is under difficult conditions, then, following a new proposal of the administrator of HDAT and the PDMA containing indicative new spreads, it decides also by how much the spreads must be widened. The decisions of the Committee will be immediately communicated to HDAT participants as well as to the Minister of Finance and to the Governor of the Bank of Greece.

Finally, if the administrator of HDAT notices that it is necessary to further change the spreads or to terminate the phase of difficult market conditions, steps 1, 2 and 3 are again implemented.



d. Further Contribution to the Greek Government Bond Market

Primary Dealers are also required:

a. To facilitate a broad distribution of Greek government securities domestically as well as internationally.

b. To provide the Ministry of Finance, the PDMA and the Bank of Greece with advice, information on and assessment of market conditions, and other information pertaining to their status as Primary Dealers.

c. To submit the monthly harmonised report on Primary Dealers activity on the primary and the secondary market, agreed by all the members of the EFC Sub-Committee on EU Government Bonds and Bills Market and by AFME/ Primary Dealers (previously known as European Primary Dealers Association (EPDA)). The report must be submitted to the Secretariat of the Committee of Primary Dealers Supervision and Control (HDAT, Bank of Greece) within 10 days from the end of the month under consideration, who will then forward it to the Public Debt Management Agency.

v. Primary Dealer Discharge and Resignation

If during any term the Committee establishes that a Primary Dealer does not perform its duties or does not satisfy the selection criteria (in whole or in part) for any reason, the Committee may once serve such Primary Dealer with a 3-month written notice to comply. Such notice, which shall be communicated to the Competent Authorities, shall explicitly state the specific obligations not fulfilled by the Primary Dealer. In case of noncompliance, not later than 15 days from expiry of the 3-month notice, the Committee shall submit a written report to the Competent Authorities, with a justified recommendation to impose penalties, or even discharge such Primary Dealer. The relevant decision is made by the Competent Authorities.

A Primary Dealer's discharge shall have no effect on its rights and obligations in respect of contracts concluded on HDAT prior to the effective date of discharge.

Primary Dealers may resign subject to a 2-month written notice to the Committee.

A Primary Dealer's discharge or resignation entails loss of re-appointment in the two succeeding years.

D. Primary Market[4]

i. General

To ensure the smooth operation of the Greek government securities market and competitive market conditions, syndications may also be employed (in addition to auctions which are the principal method of initial offering and re-opening of all securities in the domestic market) for the initial offering and exceptionally for the re-opening of benchmark bonds according to prevailing market conditions and at the full discretion of the issuer (the Hellenic Republic). The above issuance methods do not apply to private placements, savings bonds, equity capital increase or other issues under special laws etc.

Auctions shall be held on fixed dates in accordance with the pertinent tentative issuance calendar of the issuer and on terms previously announced. If the method of syndication is to be employed, this shall promptly be announced within the framework of the above calendar.

Competitive and non-competitive auction bids are submitted not later than 12:00 (Greek time) on the auction day and the results must be announced to participants by 12:45 the same day.

For Treasury bills and bonds, additional non-competitive bids after the auction are submitted no later than 12:00 (Greek time) on the first business day following the auction day. The results must be announced to participants by 12:45 on the same day.

4 *Source: Operating Rules of the Primary Dealers System formulated by the Committee of Primary Dealers' Supervision and Control (Jan 2026)*



Representatives from the Ministry of Finance, the Public Debt Management Agency, the Bank of Greece, the Hellenic Banks Association and the Primary Dealers shall meet to review prevailing market conditions and to provide the issuer with the information required for the smooth and successful conduct of auctions as well as for bond issues abroad.

ii. Syndications

Participation in syndications is open to Primary Dealers. If Primary Dealers reject participation, which shall be submitted in writing, the issuer has the right to approach credit institutions or investment firms other than Primary Dealers.

Furthermore, the issuer has the right to approach, besides the Primary Dealers, other international credit institutions or investment firms when concluding foreign-currency denominated loans or when concluding foreign-currency or euro denominated loans for specific purposes under special laws.

iii. Competitive Auctions

Participation in competitive auctions is exclusively open to Primary Dealers who submit no more than 5 bids each. The minimum bid amount cannot be less than €1 million while the maximum bid amount cannot exceed the level of the auctioned amount. Competitive bids are ranked in descending price order and are satisfied at the requested prices until the auctioned amount is covered.

iv. Non-Competitive Auctions

Non-competitive bids may be submitted only by Primary Dealers. The minimum bid amount must be no less than €1 million. The aggregate amount offered by the issuer shall not exceed 30% of the auction amount per security category and shall be allotted on a pro-rata basis to Primary Dealers' non-competitive bids at the weighted average price of the successful competitive bids.

After the announcement of the auction results, Primary Dealers may submit one additional bid in order to acquire securities, at the weighted average price of the successful competitive bids, no later than 12:00 (Greek time) on the first succeeding business day for Treasury bills and for bonds. The aggregate amount of this facility shall amount to 30% of the auction amount. If the aggregate nominal amount of additional bids exceeds such a percentage, allotment is made pro-rata to the weighted average of each Primary Dealer's accepted bids in the six auctions that immediately preceded the current auction. Any undisposed part of this facility shall be allotted equally among interested Primary Dealers.

v. Covering of Auction Amount

All the submitted bids, ranked in descending price order, are either accepted up to the auction amount or the auction will be cancelled entirely. The issuer has the right to repeat the cancelled auction.

Exceptionally, if prices given for 80% of the auction amount diverge significantly from those given for the remaining 20%, the issuer has the right to accept only 80% of the auction amount.

vi. Commissions

In case of payment of commissions, these are determined by decision of the Minister of Finance.



E. Secondary Market[5]

Currently the transactions concluded by Primary Dealers at HDAT, MTS, BGC, Marex and Tradition and approved investment firm ATHLOS CAPITAL are taken into consideration for their evaluation in the secondary market.

i. Electronic Secondary Securities Market (HDAT)[6]

The Electronic Secondary Securities Market (HDAT) is the regulated market for Greek government securities and bonds or other fixed-income debt securities issued by corporations and other entities with the guarantee of the Greek government. HDAT is operated and managed by the Bank of Greece. Its operation, organisation and management are regulated by Operating rules, which contain the entire set of amendments until 3/1/2018, i.e. by the date of its approval, in accordance with Law 4514/2018.

HDAT is a quote-driven market where assets are traded at "bid" and "ask" prices quoted by participants/dealers. The HDAT technical platform is also used for auctioning Greek Government securities in the primary market and for end-of-day buy/ sell back transactions in securities within the Book-Entry Securities System of the Bank of Greece (BOGS), as well as for the real-time information to all members on the status of their quotes and trades. HDAT has a real-time data service connection with Bloomberg and Refinitiv.

HDAT's operation is divided into three main phases:[7]

Pre-Market Phase: which is opened only to the HDAT participants entitled to trade (Members) for entering quotes. During this phase, quotes are not publicised or displayed on the system and are not accessible to other HDAT members.

Open-Market Phase: during which HDAT is opened to any entity having access to the system. Members' quotes are displayed anonymously on the system and are accessible to the HDAT participants. Members may enter new quotes and/or modify earlier ones and may carry out trades thereon.

Closed-Market Phase: during which Members may only send or receive messages, print, export and save statistics on the day's trades and obtain the Securities' closing prices recorded by the System.

The length of each phase is set forth by the HDAT Management Council. Without prejudice to the Manager's right to modify the hours of each phase, the Pre-Market Phase shall last from 10:00 to 10:15, the Open-Market Phase from 10:15 to 17:00 and the Closed-Market Phase from 17:00 to 20:00 (Greek time).

5 *Source: Operating Rules of the Primary Dealers System formulated by the Committee of Primary Dealers' Supervision and Control (Jan 2026)*

6 *Source: Bank of Greece website: https://www.bankofgreece.gr/RelatedDocuments/PRIMARY_DEALERS_RULES.pdf*

7 *Source: Art 37 of the Operating Regulations of the Electronic Secondary Securities Market (HDAT) (October 1st 2024)*



F. Primary Dealers Evaluation Criteria[8]

i. General Criteria

Primary Dealer performance is rated according to the following point system:

Area	Points
Primary Market	18
Secondary Market	27
Yield curve	37
Further contribution to the Greek government bond market	18

The evaluation of Primary Dealer performance is obtained by summing up all the points accumulated by each Primary Dealer in the above areas and the result is used for the ranking of all Primary Dealers.

ii. Calculation of the Points

More specifically the calculation of the points in each area is carried out as follows:

a. Primary Market (18 points)

The evaluation of Primary Dealer performance in the primary market is carried out according to the criterion of the Trading volume (duration weighted) in the Primary market.

Calculation: Based on the successful, competitive and non-competitive bids submitted by each Primary Dealer at bond and Treasury bill auctions that take place through HDAT and concerns Treasury bills and bonds issues and reissues. For each successful bid, the nominal amount is duration-weighted. In the case of 12m Treasury bills the weight is equal to 1 and for 3m and 6m Treasury Bills the weight is equal to 0.5.

Restrictions: On the day of the auction, the average of the highest secondary market (HDAT) bid price for the security auctioned is calculated weighted by the time each bid price remains first in the ranking, between 11:45a.m. and 11:55a.m. (Greek time). Bid prices submitted by Primary Dealers at the auction should be around the average price of the 10-minute average bid HDAT price plus a margin with maximum deviation of ±5 basis points in terms of yield.

Scoring: In descending order.

In the case where no Primary Dealer has a market share in the auction equal to or more than 10%, the first takes 18 points and all the others take points proportionally to the auction amount subscribed with respect to the amount of the best Primary Dealer.

In the case where one or more Primary Dealers have a market share in the auction equal to or more than 10%, all of them take 18 points and all the others take points proportionally to the auction amount subscribed with respect to the amount corresponding to 10% of the total amount auctioned.

In the case where Primary Dealers during the period under consideration have a market share in the auctions less than 2% they take 0 points.

8 Source: *Operating Rules of the Primary Dealers System formulated by the Committee of Primary Dealers' Supervision and control, Jan 2026*

b. Secondary Market (27 points)

The evaluation of Primary Dealer performance in the secondary market is carried out according to the criterion of the monthly turnover on regulated markets (duration weighted).

Calculation: Takes into account with weight equal to 1 Primary Dealers' turnover in the approved by the Committee regulated markets according to Article 4 paragraph 1 point 21 of Directive 2014/65/EU ("MiFID II") and with weight equal to 0.7 the turnover to the rest trading venues or investment firms approved by the Committee Next, the percentage market share of each Primary Dealer is calculated on the basis of its total turnover (duration weighted) on the above trading venues and investments firms.

Scoring: In descending order on the basis of the percentage market share of each Primary Dealer. In the case where no Primary Dealer has a market share equal to or more than 10%, the first takes 27 points and all the others take points proportionally to the turnover subscribed with respect to the turnover of the best Primary Dealer.

In the case where one or more Primary Dealers have a market share equal to or more than 10%, all of them take 27 points and all the others take points proportionally to the turnover subscribed with respect to the turnover corresponding to the 10% of the total turnover.

In the case where Primary Dealers during the period under consideration have a market share less than 2%, they take 0 points.

In the case where Primary Dealers conduct reverse transactions on the same security, at the same price, within a period of one minute, the Committee authorises the Bank of Greece to exclude such transactions from the above calculation. If such practice reoccurs persistently, the Bank of Greece will inform the Committee accordingly. The Committee in turn will provide the involved parties with the opportunity to provide written explanations about such transactions, upon which it may decide to deduct from the above calculation, trading amounts equal to multiples of the relevant reverse transaction, where such multiples will be decided by the Committee. When such penalties are imposed, the Primary Dealer Compliance and Back Offices will be informed accordingly.

During periods of "Difficult Market Conditions," the turnover conducted by each Primary Dealer on HDAT will be multiplied by a factor equal to one plus the ratio of the time period in which each Primary Dealer is present in the market under "Difficult Market Conditions" divided by the overall time period of "Difficult Market Conditions":

$$1 + \frac{Overall\ time\ period\ of\ \text{“}Difficult\ Market\ Conditions\text{”} - \ abstention\ time\ during\ that\ period}{Overall\ time\ period\ of\ \text{“}Difficult\ Market\ Conditions\text{”}}$$

c. Yield Curve (37 points)

The evaluation of Primary Dealer performance with respect to the yield curve is carried out according to the following criteria:

Number of quotes displayed (10 points)

Calculation: The average daily number of all quotes, submitted by each Primary Dealer, that are active in HDAT during the period under consideration, apart from the quotes regarding compulsory bonds, Discount Margins (DM) and Strips (STPs).

Restrictions: For each quote submitted to HDAT the maximum abstention time is 2 hours, calculated from the moment that the quote is entered on HDAT (this is considered in a flexible way up to 2 hours and 15 minutes). All quotes have to be active for at least four hours during each trading day otherwise they will not be taken into account in the calculation (ex. If a quote is submitted at 13:01:00 it will not be considered in the calculation).

Scoring: In descending order on the basis of the average daily number of quotes of each Primary Dealer. The first takes 10 points and all the others take points proportionally, according to their average daily number of quotes and with respect to the average daily number of quotes of the best Primary Dealer.



Abstention time (15 points)

Calculation and Restrictions: Only quotes referring to on-the-run benchmarks are taken into account. According to this criterion, Primary Dealers must have active quotes for the whole trading day on the on-the-run benchmarks bonds, with a maximum aggregate abstention time of 30 minutes per quote. For each Primary Dealer the quotes on-the-run benchmarks are considered and, the time during which each quote was deactivated throughout the day is calculated. The time over the 30 minutes is considered as abstention time for the specific benchmark bond. Then the average daily abstention time for all on-the-run benchmarks of each Primary Dealer is calculated and, on the basis of this, the average percentage abstention time, for the period under consideration.

Scoring: In ascending order on the basis of the average percentage abstention time. The first takes 15 points and all the others take points in an inverse proportion to their average percentage abstention time with respect to the best Primary Dealer.

Bid-ask spread (5 points)

The spread between bid and ask prices, cannot exceed 100 cents for fixed-rate bonds with remaining maturity within 5 years and Treasury bills, 125 cents for fixed-rate bonds with remaining maturity between 5 and 11 years as well as floating- rate bonds regardless of maturity, and 180 cents for fixed-rate bonds with a remaining maturity exceeding 11 years. The Committee may periodically revise such spreads.

Calculation: For each category of securities (with remaining maturity less than 5 years, between 5 and 11 years and more than 11 years) and for each Primary Dealer, the bid-ask spreads are calculated. Then, the difference between each weighted-average spread and the maximum spread, as defined above, is computed for each category of securities. According to this difference, Primary Dealers are ranked by descending order. The first takes 5 points and all the others take points proportionally to their difference with respect to the difference of the best Primary Dealer.

Restrictions: Only fixed-rate bonds are taken into account for this criterion.

Scoring: Simple arithmetic average of each Primary Dealer's score in each category of securities.

Exceptionally, during the periods of "Difficult Market Conditions", the above- mentioned spreads shall not be compulsory.

Daily Compliance Report (7 points)

Calculation: For this criterion, the compliance of each PD is measured every day according to the following three criteria:

- Daily trading volume of at least € 5 million
- Maximum daily abstention time for the compulsory bonds 45 minutes
- The bid-ask spread for compulsory bonds does not exceed 70 cents for fixed-rate bonds with remaining maturity within 5 years, as well as for Treasury bills, 100 cents for fixed-rate bonds with remaining maturity between 5 and 11 years as well as floating-rate bonds regardless of maturity, and 150 cents for fixed-rate bonds with remaining maturity above 11 years. (The Committee may revise these spreads, if the bid-ask spreads of criterion change accordingly.)

Restrictions: For the calculation of the trading volume only fixed-rate bonds will be taken into account. For the abstention time and the bid-ask spread only PDs quotes on compulsory bonds will be taken into account.

Scoring: Every PD who daily complies with all three of the above criteria for at least 12 working days of the month, will receive 7 points in his monthly evaluation. In all other cases, he will receive 0 points.



d. Further contribution to the Greek government bond market (18 points)

The evaluation of Primary Dealers' performance with respect to their further contribution to the Greek government bond market will be provided twice a year by the PDMA and will take into account the following parameters:

- Market information and research
- Advice on issuance policy and the management of public debt
- Performance on syndications, private placement, swaps, execution efficiency
- Promotion of Greek government bonds
- End customer flow excluding Banks. This information will be provided by the monthly harmonised report on Primary Dealers' activity on the primary and the secondary market, agreed by all the members of the EFC Sub-Committee on EU Government Bonds and Bills Market and by AFME/Primary Dealers. This is submitted to the Secretariat of the Committee of Primary Dealers Supervision and Control (HDAT, Bank of Greece).

Every six months, the Bank of Greece may publish the ranking of the Primary Dealers in the press and refers to the period that has elapsed since the beginning of the calendar year.

G. Quoting Obligations

i. HDAT Quoting Obligations[9]

During business hours, Primary Dealers must provide their services continuously by quoting bid and ask prices for securities, according to the specific provisions of the HDAT Operating Regulations.

The bid/ask spread does not have to exceed the spread determined by the HDAT Management Council for each security category, as determined by the HDAT Supervision and Control Committee. By way of exception, divergences from such a spread are allowed when market conditions are not normal, as determined by the HDAT Management Council, based on the Committee's opinion.

The Bank of Greece issues the decision determining the securities for which Primary Dealers must compulsorily enter quotes into HDAT (Compulsory Securities). Moreover, it determines the Compulsory Securities for which each Primary Dealer has to quote on HDAT (compulsory quote). They are only required to quote but are under no requirement as to the quantity per quote and the bid/ask prices, which shall be freely determined by the quoting Primary Dealer, in line with the general limits of the HDAT Regulations.

During the Pre-Market Phase, they must enter quotes on HDAT for their respective Compulsory Securities. Such quotes are not visible to other HDAT Members until commencement of the Open-Market Phase.

During the Open-Market Phase, if any Compulsory Quote is suspended because a trade has been carried out, the Primary Dealer that originally entered the quote on HDAT is obliged to re-enter it for a quantity and price that it wishes within the generally applicable limits. Unless otherwise specified, the rules applying to quotes also apply to Compulsory Quotes. The right to suspend Compulsory Quotes does not extend to benchmark securities specified by a decision of the HDAT Management Council.

The bid/ask spread in the pair of quotes entered in the electronic trading system managed by HDAT cannot exceed the spread laid down by the Council by Security category, on an opinion from the Committee.

The permissible bid/ask spread is determined by the Bank of Greece, on an opinion from the Committee for three categories of securities based on their remaining maturity:

9 *Source: Art. 33 ,39 and 40 of the Operating Regulations of the Electronic Secondary Securities Market, (HDAT) (October 1st 2024)*



- Securities with a remaining maturity of less than 5 years;
- Securities with a remaining maturity of 5 to 11 years; and
- Securities with a remaining maturity exceeding 11 years.

The Council may, when decided by the Committee, determine that market conditions are not normal and lay down new spreads and their effective dates. In exceptional cases, the decision referred to in the preceding sentence may be made by the Council itself, and its decision shall apply for up to three business days. The Council, on an opinion from the Committee, decides to further adjust the spreads according to the current market conditions.

The HDAT Management Council, on an opinion from the Committee, determines a minimum quantity per quote, expressed in lots. Any quote exceeding the minimum shall be an integral multiple of one lot: no quote below the minimum is accepted by the system. The minimum permissible quantity per quote is modified by the Council and communicated to the HDAT participants through the electronic trading system managed by the HDAT.

Members may modify their quotes in terms of price and/or quantity. Once they have entered a quote, members have to keep the quote active throughout the Open-Market Phase; however, they may suspend it for a time period not to exceed two hours. A quote shall be reactivated on the responsibility of the member that has entered it. No quote may be withdrawn by the time and to the extent that a trade has been carried out on the basis of such quote.

Each member may make up to two quotes per Security simultaneously. After the end of the Open-Market Phase, all quotes shall be automatically deleted.

H. Contacts

i. Debt Management Office

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European Primary Dealers Handbook

10. Hungary

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A. List of Primary Dealers and Non-PD Market Makers[1]

i. Primary Dealers

Firm	Hungary (HU)	Firm's location
BNP Paribas	X	Paris
CIB Bank Zrt.	X	Budapest
Citibank Europe plc Hungary Branch	X	Budapest
Deutsche Bank AG	X	Frankfurt
ERSTE Befektetési Zrt.	X	Budapest
Goldman Sachs Bank Europe SE	X	Frankfurt
ING Bank N.V. Hungary Branch	X	Budapest
J.P. Morgan SE	X	Frankfurt
K&H Bank Zrt.	X	Budapest
MBH Bank Nyrt.	X	Budapest
Morgan Stanley Europe SE	X	Frankfurt
OTP Bank Nyrt.	X	Budapest
Raiffeisen Bank Zrt.	X	Budapest
Total	**13**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

Hungarian debt is rated as follows:[2]

- Standard & Poor's: BBB- (stable)
- Moody's: Baa2 (negative)
- Fitch Ratings: BBB (negative)
- DBRS: BBB (stable)

1 *List of the Primary Dealers operating in Hungary as of July 2026. At this time there were no Non-PD Market Makers.*

2 *Ratings correct as of July 2026*



C. Types of Government Securities[3]

Wholesale securities

Hungarian Government Bond (MÁK)

The Hungarian Government Bond is an interest-bearing government security with a maturity longer than one year. Currently, it is issued with tenors of 3, 5, 7, 10, 15, 20 and 30 years.

The coupon of a fixed rate government bond is fixed and announced in the respective public offering for all the subsequent interest periods. For a floating rate bond, only the method and date of coupon re-set are determined in advance, and the coupon rate is announced only for the given (first) interest period.

The coupon payment frequency of fixed rate Hungarian Government Bonds is annual.

The denomination of Hungarian Government Bonds is HUF 10,000. Hungarian Government Bonds are listed on the Budapest Stock Exchange on the date of the settlement. They are listed also on MTS Hungary on the day following the publication of the Public Offering preceding the date of the first placement and listed on the regulated market called "Bond Vision Market" operated by MTS SpA on the day of the first placement.

Discount Treasury Bill (DKJ)

Discount Treasury Bills are government securities with a maturity of less than one year. No interest is paid on these securities; instead, they are issued at a discount and the face value is repaid on the redemption date.

Currently Discount Treasury Bills are issued for three tenors, namely 3, 6 and 12 months.

The denomination of Discount Treasury Bills is HUF 10,000.

Discount Treasury Bills with an original maturity of more than 92 days are listed on the Budapest Stock Exchange from the date of the settlement, as well as on MTS Hungary on the day of the auction and on the regulated market called "Bond Vision Market" operated by MTS SpA on the day of the first auction.

D. Rights and Obligations of Primary Dealers[4]

The Primary Dealer system of government securities has been operating in Hungary since 3 January 1996. The main objective of the establishment was to ensure that government securities issued by the Hungarian State are easily accessible for investors, to provide a solid basis for the financing of the state budget and to improve the transparency and liquidity of the secondary market. The obligatory price quotation on the secondary market is one of the tasks of the Primary Dealers, thus ensuring that government bonds and treasury bills are available to investors at all times and that investors may sell their government securities at any time before maturity.

The Government Debt Management Agency Pte. Ltd. (hereinafter: "ÁKK") intends to target institutional investor groups via the Primary Dealer system.

Primary Dealers are evaluated according to their primary and secondary market performances, the quality of their price quotation, their contribution to ÁKK's liquidity repo activities and their eventual transaction breaches.

To enhance the secondary market liquidity in the HUF government securities market, ÁKK introduced the Non-Primary Dealer Market Maker status in July 2022. They have no access to auctions, but have access to the MTS Hungary trading system and take part in the obligatory secondary market price quotation.

3 *Source: Government Debt Management Agency of Hungary*

4 *For an exhaustive list of the obligations and rights of Primary Dealers refer to the Prospectus on the Conditions of Application for Joining the Primary Dealer System of Hungarian Government Securities*



Obligations and rights of Primary Dealers (PD) and Non-PD Market Makers (MM) are outlined below

Obligations	Exclusive Privileges
Actively participate in the placement and trading of Hungarian government securities by submitting bids at classic and switch auctions as well as within the framework of non-competitive sales procedures on a regular basis. (PD)	Submit bids directly at the classic auctions of Hungarian Government Bonds and Discount Treasury Bills. (PD)
Quote continuous two-way prices for government securities with a residual maturity of over 90 (ninety) days on an electronic platform specified in the agency contract, currently on the MTS Hungary multilateral trading facility operated by the MTS S.p.A. within the MTS Cash Domestic Market.[5] (PD, MM)	Submit competitive bids directly at buy-back auctions organised by ÁKK. (PD)
Participate in the price discovery procedure directly prior to the switch auctions - under the conditions specified in the relevant rules of procedure. (PD)	Submit bids at the switch auctions and non-competitive sales procedures. (PD)
Provide certain services - as related services - for the investors as specified in the agency contract. (PD, MM)	Participate in consultations with ÁKK transmitting market information. (PD, MM)
	Participate in the securities lending transactions provided by ÁKK within the framework of the stand-by repo facility. (PD, MM)
	ÁKK pays selling commission to the Primary Dealers calculated on the basis of the face value of the Hungarian Government Bonds purchased at the classic and switch auctions as well as in the framework of the non-competitive sales procedures, according to the conditions specified in the agency contract. (PD)
	Being chosen as lead managers of international EUR or USD denominated syndicated bond issues. Priority in FX spot and derivative transactions initiated by ÁKK. (PD, MM)
	Use the title “Primary Dealer” or “Non-PD Market Maker”

5 *The obligation to quote prices on a continuous basis at fixed price or yield spreads (specified in the respective rules of procedure) applies to a given number of government securities. The quotation amount applies at least to the minimum nominal amount specified in the contract. The latter amount is different for the so-called benchmark government bonds (on-the-run fixed-rate government bonds at the time) and for other government securities.*



E. Primary Market

Auction procedures

Auction procedure for issuance of Hungarian Government Bonds

The auctions of fixed rate Hungarian Government Bonds are held on Thursdays. At each auction maximum three types of fixed rate bonds are offered for sale – usually they are the 3-year fixed rate bond, the 5-year fixed rate bond and the 10-year fixed rate bond or occasionally the 15- or the 20-year fixed rate bond and on an ad hoc basis the 30-year Green Bond. Only Primary Dealers may participate directly at the Hungarian Government Bond auctions, investors can submit orders through the PDs.

Auctions of floating rate Hungarian Government Bonds are usually held every month.

ÁKK holds bi-weekly bond exchange (switch) auctions on Wednesdays, where the issuer offers to exchange shorter maturity securities for bonds with longer maturities. ÁKK calculates the price for the bonds used as a consideration in the course of the exchange auction which will be used during the auction from the morning PD price quotations and publishes this price before the auction begins.

Auction bids are submitted through the dedicated trading system operated by the Budapest Stock Exchange.

The payment/exchange date and transfer of ownership is always on Wednesday on the week following the week of the respective auction.

The offered amount of the Hungarian Government Bonds at each auction is determined in line with the financing plan and taking into account the PDs' suggestions.

Auction procedure for issuance of Discount Treasury Bills

At present, auctions of 3-month Discount Treasury Bills are held on Tuesdays, 6-month Discount Treasury Bills on Wednesdays every second week and 12-month bills on Thursdays every second week. Only Primary Dealers may participate directly at the Hungarian Discount Treasury Bill auctions, investors can submit orders through the PDs.

ÁKK holds weekly Discount Treasury Bill exchange (switch) auctions on Mondays, where the issuer offers to exchange shorter maturity Discount Treasury Bills with longer maturities. ÁKK calculates the price for the Discount Treasury Bills used as a consideration in the course of the exchange auction which will be used during the auction from the morning PD price quotations and publishes this price before the auction begins.

Auction bids are submitted through the dedicated trading system operated by the Budapest Stock Exchange.

The payment date and transfer of ownership is always on Wednesday on the week following the week of the respective auction, except for the switch auctions where the settlement is always on Wednesday on the week of the respective auction (T+2).

The offered amount of Discount Treasury Bills at each auction is determined in line with the financing plan.

Non-competitive placement of Hungarian Government Bonds after their auction, within the framework of OTC transactions

The non-competitive secondary market sale of Hungarian Government Bonds is performed by ÁKK on the day of the auction. Only Primary Dealers may submit direct bids.

Primary Dealers may submit bids concerning the Hungarian Government Bond series issued on the given auction day up to 30% (thirty percent) of the total face value as per the bids validly made by the given Dealer and accepted by ÁKK within the framework of the competitive phase of the auction.



F. Secondary Market

Hungarian Government Bonds

Hungarian Government Bonds are listed on the multilateral trading system called "MTS Hungary" operated by MTS S.p.A. and on the regulated market called "Bond Vision Market" operated by MTS S.p.A.

Hungarian Government Bonds are available to resident and non-resident investors. These investors may trade government securities without limitations during the whole life of the securities.

Secondary market buyback of Hungarian Government Bonds within the framework of OTC transactions

In order to manage the financing of large amounts of government bond maturities ÁKK may buy back HUF Government Bonds within the framework of secondary market transactions.

Only Primary Dealers may submit direct offers at the Buyback Auctions. The owners/beneficiaries of the affected Hungarian Government Bonds may turn to the Primary Dealers in connection with their intention to submit offers. Auction bids are submitted through the dedicated trading system operated by the Budapest Stock Exchange.

Within the framework of the Buyback Auction, an OTC sale agreement is concluded by and between the Primary Dealers and ÁKK acting on behalf of the Issuer.

G. Contacts

i. Debt Management Office

Government Debt Management Agency Private Company Limited by Shares (ÁKK Zrt.)
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ii. AFME Primary Dealer Board Firm Contact Details

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10. Hungary

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ING Bank N.V. Hungary Branch	
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11. Ireland

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A. List of Primary Dealers[1] [2]

FIRM	Ireland (IE)	Firm's location
Barclays Bank Ireland PLC	X	Dublin
BNP Paribas S.A.	X	Paris
BofA Securities Europe S.A.	X	Paris
Citigroup Europe Plc	X	Dublin
Danske Bank A/S	X	Copenhagen
Davy	X	Dublin
Deutsche Bank A.G.	X	Frankfurt
Goldman Sachs Bank Europe S.E.	X	Frankfurt
Goodbody Stockbrokers UC	X	Dublin
HSBC France	X	Paris
J.P. Morgan S.E.	X	Frankfurt
Morgan Stanley Europe S.E.	X	Frankfurt
Nomura Financial Products Europe GmbH	X	Frankfurt
TOTAL	**13**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *List of the recognised Primary Dealers as of September 2026 https ://www.ntma.ie/business-areas/funding-and-debt-management/government-securities/government-bonds. In addition to the primary dealers, Bred Banque Populaire and Santander GBM are recognised as eligible counterparties.*

2 *Please note that NatWest withdrew its PDship in Q4 2026*



B. Credit Rating

Irish sovereign debt is rated as follows:[3]

- Standard and Poor's: AA+ (stable)
- Moody's: Aa2 (positive)
- Fitch Ratings: AA (stable)
- DBRS: AA (stable)

C. Debt Instruments

Ireland's national debt is managed by the National Treasury Management Agency (NTMA). The NTMA issues Government Bonds, Treasury Bills, Commercial Paper and other wholesale and retail debt products on behalf of the Minister for Finance.

Irish Government bonds are listed on Euronext Dublin. The benchmark bonds are also traded on the electronic trading platforms, EuroMTS, Brokertec and BGC Partners. The clearing and settlement system of Irish Government bonds is carried out by Euroclear.

As Ireland's debt management arrangements evolve the NTMA may, following consultation with the Primary Dealers, engage in whatever issuance mechanisms it considers necessary for the better management of the national debt. The NTMA may decide to buy back bonds by reverse auction or any other such mechanism as may be required by market circumstances.

The NTMA's short-term debt programme, comprising Commercial Paper and Exchequer Notes, provides liquidity and flexibility in the timing of long-term funding operations.

Ireland has a USD 50 billion multi-currency Euro Commercial Paper (ECP) Programme which is listed on Euronext Dublin. The programme is STEP (Short-Term European Paper) compliant. Paper is only sold through approved dealers and prices are quoted on Bloomberg with the maximum tenor available under the programme of 364 days.

The Exchequer Note programme is a Euro denominated programme which provides short-term funding with maturities up to 1 year. They are sold directly through the NTMA.

D. Rights and Obligations of Primary Dealers

Primary Dealers must be members of Euronext Dublin and adhere to its rules.

Primary Dealers are required to be market makers in Irish Government bonds and to comply fully with the obligations arising therefrom.

The NTMA will have regard to a Primary Dealer's suitability for recognition by reference to its management depth and experience, dealing capability including the ability to participate in Irish Government bond and Irish Treasury Bill auctions, marketing strategy, geographic distribution capacity, and its ability to support the NTMA's funding programme. A prospective Primary Dealer will also be required to certify that it is authorised to conduct business of the nature contemplated herein under the laws of the jurisdiction in which it is incorporated and the markets in which it intends to deal in Irish Government bonds.

3 *Sources: Credit ratings updated as of September 2026*



Primary Dealers shall be committed to developing, through their marketing strategy, new client investment in Irish Government bonds. To do this, Primary Dealers shall have available dedicated professionals, separate from their market- making personnel, selling Irish Government bonds, and shall regularly include coverage of developments in Ireland's economy and capital markets in their published research.

The NTMA reserves the right to withdraw recognition of a Primary Dealer particularly in the event of substantial change in that Primary Dealer's business or financial situation, its human or organisational resources, its performance against the criteria referred to in this document or for any other reason it deems necessary at its sole and absolute discretion. The NTMA will normally seek to provide at least three months' notice of withdrawal of recognition. However this period may be shortened at the sole and absolute discretion of the NTMA.

A Primary Dealer which intends to resign from that role should inform the NTMA in writing at least three months in advance in order to ensure an orderly withdrawal, including the timing and date of resignation.

Primary Dealers are obliged to quote on demand to clients, to agency-only stockbrokers acting on behalf of clients and to the NTMA, firm bid and offer prices in each benchmark bond notified by the NTMA on its website www.ntma.ie. Primary Dealers are also obliged to continuously display the bid and offer prices at which investors can, in the normal course, expect to transact, in each of the benchmark bonds.

The standard settlement period for Irish Government bonds is two days (T+2); and, unless indicated to the contrary, Primary Dealers' bond prices must be quoted on the basis of two-day settlement.[4]

Primary Dealers are required to quote bid and offer prices for benchmark Irish Government bonds (as listed on the NTMA's website www.ntma.ie), on any recognised electronic trading platform such as EuroMTS, BGC Partners Inc. and BrokerTec, or on any other platform of good market standing, as agreed by it with the NTMA. Primary Dealers are obliged to quote in a minimum size of €5 million nominal per benchmark bond. The obligation to quote does not apply to bonds with less than 18 months to maturity.

A Primary Dealer shall be deemed to be compliant in respect of its quoting obligations if it maintains a bid-offer spread, acceptable to the NTMA, for each benchmark Irish Government bond for at least five hours per trading day on one of the electronic trading platforms outlined above. The NTMA will monitor each Primary Dealer's compliance on one electronic trading platform only, from month-to-month. Primary Dealers should notify the NTMA of any change of the platform used at least one month in advance.

The obligation to quote will apply between the hours of 8:00a.m. and 4:00p.m. every day on which Euronext Dublin is open. However, a Primary Dealer will not be obliged to quote on public holidays in the financial centre from which it operates.

In general, the NTMA will regard the bid-offer spreads maintained by each Primary Dealer on its platform of choice for compliance and in the broader market as a key component in assessing the Primary Dealer's ability to provide liquidity and show commitment to the Irish Government Bond market.

A Primary Dealer which is part of a wider corporate group conducting Irish Government bond business in other, separate, capacities (such as funds management) must ensure that there are no actual or potential conflicts of interest in the performance of its functions as a Primary Dealer.

A Primary Dealer shall ensure that its employees engaged in carrying out functions as a Primary Dealer operate independently of, and do not share information with employees in other business areas involving Irish Government bonds by operating a strict separation by way of 'Information Barriers' between the business units.

4 *As a result of the Central Securities Depository (CSD) Regulation for T+2 settlement across the European Union, on Monday 6 October 2014 the standard settlement period was shortened from three to two days (T+2). Primary Dealers should make arrangements to accommodate this in their pricing and settlement systems*



Each Primary Dealer will comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells Irish Government bonds and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Irish Government bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and the Issuer shall have no responsibility therefor.

Euronext Dublin has provision in its Rules, as approved by The Central Bank of Ireland, for the timely reporting by Primary Dealers of each bond trade (including trades with the NTMA) undertaken by them. The NTMA expects that Primary Dealers will fully comply with their obligations as members of Euronext Dublin.

In addition, the NTMA requires each Primary Dealer to provide it with a daily report on its end-day net open market-making- related position in benchmark and non-benchmark bonds, as listed on www.ntma.ie. Each Primary Dealer will also be required to supply the NTMA in arrears on a monthly basis with detailed turnover data conformed to the EU Harmonised Reporting Format[5] certified by its Compliance Office. Daily positions reports and monthly turnover reports should be mutually consistent and consistent with turnover information provided to Euronext Dublin.

In tandem with its primary market activities the NTMA maintains a secondary trading function to trade in Irish Government bonds in the secondary market. The purpose of the secondary trading function is to support market liquidity and to acquire market intelligence. The NTMA expects Primary Dealers to actively engage with its secondary trading function.

E. Primary Market

i. Auctions

- The NTMA will undertake funding in designated benchmark bonds in order to continue the practice of creating large liquid issues. However, the NTMA may also issue other bonds for liquidity purposes pursuant to its debt management functions.
- The NTMA will announce auction schedules in advance, usually on the first working day of the quarter.
- Irish Government bond auctions will normally be held on the second Thursday of those months in which the NTMA decides to issue.
- One or more bonds may be offered in each auction.
- The NTMA will announce the bond, or bonds, to be included in the auction and the amount of range approximately 2 to 3 working days before the auction.
- The NTMA will announce the details of the auctions on Bloomberg page NTMA2 and on its website, www.ntma.ie.
- The NTMA reserves the right not to progress with a previously announced auction in circumstances it deems, in its sole and absolute discretion, to be exceptional.
- The Bloomberg Auction System will be used to conduct an auction and announce the results. In the event of a Bloomberg network fault at any time during the bidding process the auction may be cancelled by the NTMA and all bids deemed void. An alternative time, and if necessary alternative arrangements, for the auction will be announced as soon as practicable. The NTMA reserves the right to make other arrangements for the conduct of any auction if it is not fully satisfied with the operation of the Bloomberg Auction System.
- It is the responsibility of Primary Dealers to ensure that they are enabled on the Bloomberg Auction System used by Ireland to participate in an auction.



- On the auction date, once the auction is opened, bids may be submitted up to the closing time indicated in the auction announcement.
- Each auction will consist of two phases, a competitive auction and, immediately afterwards, a non-competitive auction. The NTMA also organises extraordinary auctions, syndications and tap issuances, all of which are explained below.

a. Competitive Auctions

- Primary Dealers are required to submit their bids via the Bloomberg Auction System.
- Bids may be submitted from 8.00a.m. up to the deadline indicated in the auction announcement, normally 10.00a.m.
- Each bid must indicate: (a) the bond required (b) the nominal amount, which must be at least €1,000,000 and a multiple of €100,000 (c) the price, which must be a multiple of € one cent (€0.01).
- Primary Dealers may submit multiple bids and may amend their bids up to the time the auction closes.
- Each Primary dealer is required to submit bids for at least 10% (minimum obligation) of the amount of bonds offered at an auction. Where the amount offered is a range the minimum obligation applies to the bottom of the range.
- In the case of a dual bond auction the minimum obligation can be spread across the bonds at the discretion of the Primary Dealers.
- The NTMA reserves the right at its absolute discretion to reject all or any bids submitted.
- Auction allocations will be based on the single-price, Dutch-style method, where all successful bids are allocated at the cut-off price. Allocations will be made in descending price order with a pro-rata adjustment of the allocations at the cut- off price, where required, in order to bring the total allocations in line with the amount to be issued as decided by the NTMA. All allocations will be made at the cut-off price.
- Participants will be informed of the bids that have been accepted and of the overall results of the auction as soon as possible after the auction has closed.
- The NTMA will normally announce the following results publicly: (a) Nominal amount sold (b) Cut-off price and equivalent yield to maturity (c) Cover ratio.
- Primary Dealers may amend bids on the Bloomberg Auction System up to the announced cut off time for the auction.
- Each Primary Dealer's total bids may not exceed the stated auction size or the upper-end of the stated range within which the auction size will be determined by the NTMA.
- The NTMA reserves the right to allocate less than the full amount of the bond(s) on offer.
- Primary Dealers will be informed of the bids that have been accepted and of the overall results of the auction approximately fifteen minutes after the close of the auction, unless technical problems occur that call for contingency measures.
- The results of the auction, including the total amount of bids, the nominal amount sold, cover, highest accepted price, weighted average price and lowest accepted price will be announced to the market on Bloomberg page NTMA2 and on www.ntma.ie.

b. Non-Competitive Auctions

Immediately after a competitive auction has closed, the NTMA will open a non-competitive auction of the bonds sold in the auction. The price in the non-competitive auction will be the cut-off price of the competitive auction.



Primary Dealers will be entitled to bid for up to 15% of their respective successful bids in the competitive auction. Bids may be submitted up to 10.00a.m two business days following the competitive auction.

- The arrangements for the allocation to the Primary Dealers of their entitlements in the non-competitive auctions may be changed from time to time by the NTMA following discussions with the Primary Dealer group.

Bids in the non-competitive auction should be submitted directly with the NTMA by Bloomberg messaging, or by any other method specified by the NTMA to designated NTMA personnel.

c. Extraordinary Auctions

In response to demonstrated investor demand, the NTMA reserves the right to hold an extraordinary auction of existing bonds or to issue a new bond outside of the auction calendar without regard to the notice periods indicated. All Primary Dealers will be notified of any such extraordinary auction by Bloomberg message and all will be eligible to participate.

ii. Syndications

The NTMA may issue a new bond or a further tranche of an existing bond via syndication from time to time. The form and procedure of the syndication will be in line with the custom and practice of the market and as is necessary under the prevailing market conditions.

iii. Non-Syndicated Tap issuance

Subject to market conditions, the NTMA may offer bonds by a tap mechanism. When issuing by tap, the NTMA will announce on Bloomberg (page NTMA2) and to the market generally the terms of the tap issue. Once the tap is opened, Primary Dealers may place their orders by Bloomberg messaging.

To the extent that total demand from all Primary Dealers exceeds the amount which the NTMA decides to issue, orders will be satisfied on a proportional basis. The NTMA reserves the right in its absolute discretion to reduce or reject all or any orders placed by Primary Dealers in a tap. If there is excess demand for a tap the NTMA may, at its sole and absolute discretion, supply up to the full amount demanded.

Primary Dealers will be advised via Bloomberg (page NTMA2) when a tap is closed and of the amount sold.

iv. Direct issuance

The NTMA will quote prices directly to certain eligible financial institutions for amounts of up to €100,000 to facilitate purchases of bonds from such institutions by retail / personal investors. This facility will be confined to financial institutions that:

1. are authorised by the Central Bank of Ireland under the Markets in Financial Instruments Regulations of 2007 to undertake the type of business contemplated herein; and

2. are general Trading Member Firms of the Irish Stock Exchange with approval to deal in Irish Government bonds; and

3. maintain an active private client business that trades in Irish Government bonds with retail / personal investors.

v. Bond Switching

Switches initiated by NTMA

Subject to market conditions, the NTMA may offer a bond switch from time to time. A switch is the purchase of a bond and the simultaneous sale of another. A switch, including the terms, will be announced on Bloomberg page NTMA2 and on the NTMA's website.



- Once the switch is opened, Primary Dealers may place their orders by the Bloomberg messaging system.
- The general market will be advised via Bloomberg (NTMA2) when a switch is closed and of the amount switched. The NTMA reserves the right to simultaneously issue one or more new bonds via the switching mechanism.

To the extent that total demand from all Primary Dealers for the switch exceeds the amount which the NTMA decides is appropriate, orders will be satisfied on a proportional basis. The NTMA reserves the right in its absolute discretion to reduce or reject all or any orders placed by Primary Dealers for a switch.

Subject to market conditions, the NTMA may, at its sole and absolute discretion, facilitate the switching needs of Primary Dealers on a reverse inquiry basis in order to assist the better management of their positions in Irish government bonds.

F. Secondary Market[6]

In order to be considered eligible for selection for market making, trading platforms should be recognised by the Primary Dealer community and the NTMA as being of good market standard. Primary Dealers are not required by the NTMA to follow any specific procedure for the selection of their platform. The status of the selected platform is subject to review as required.

i. Interdealer Market

Quoting Obligations

For the purposes of measurement and comparison, if a Primary Dealer provides quotations for more than five hours per day in any benchmark bond, the five hours with the narrowest bid-offer spread shall be used. The obligations to quote will apply between the hours of 8:00a.m and 4:00p.m every day that the Irish Stock Exchange is open. However, a Primary Dealer will not be obliged to quote on public holidays in the financial centre from which it operates. The NTMA will monitor the bid- offer spreads on a regular basis.

The NTMA and the Primary Dealer group may, from time to time, agree other standards for measuring compliance with the obligation to quote bid and offer prices to other market participants.

In general, the NTMA will regard the bid-offer spreads, maintained by each Primary Dealer on its platform of choice for compliance and in the broader market, as a key component in assessing the Primary Dealer's ability to provide liquidity and show commitment to the Irish Government Bond market.

Primary Dealers are, under normal circumstances, committed to quote executable prices in minimum sizes of €5 million.

Primary Dealers are expected to quote two-way prices, of a minimum size and within maximum spreads for designated benchmark bonds. The maximum spreads are reviewed periodically by the NTMA and may be revised following consultation with the Primary Dealers, in light of the changing maturities of the bonds, new issues and evolving market conditions.

The NTMA would anticipate that competitive forces would result in prices being quoted within the maximum spreads which are intended to be good for all normal market circumstances.

Each Primary Dealer will be expected to play an active role in the trading of Irish Government bonds on the approved electronic trading platforms. A Primary Dealer which is part of a wider group conducting Irish Government bond business in other, separate, capacities, such as funds management, must ensure, in accordance with best practice, strict separation by way of 'Information Barriers' of the business of the Primary Dealer from other separate bond business that may be conducted within the wider group.

4 *Source: National Treasury Management Agency (NTMA) website 'The Primary Dealer System in Irish Government Bonds'*



ii. Dealer to Customer Market

a. NTMA secondary trading function

The NTMA maintains a secondary trading function to trade in its bonds with other market participants. The purpose of the secondary trading function is to support market liquidity and to acquire market intelligence. The NTMA would expect Primary Dealers to actively engage with its secondary trading function at market levels.

b. E-trading

Bloomberg and TradeWeb are the main Dealer to customer platforms used for the Irish government bonds market.

iii. Repo (and Reverse Repos)

The NTMA may, at its sole discretion, supply bond repos to the Primary Dealers in response to their requirements. Under normal circumstances, such transactions will only apply to benchmark bonds and will be in line with current practice and custom in the market, as well as following the necessary legal arrangements.

iv. Reporting Arrangements

The Irish Stock Exchange has provision within its Rules, as approved by the Financial Regulator, for timely reporting to the Exchange by Primary Dealers of each bond transaction (including bond transactions with the NTMA) undertaken by the firm. All trades should be reported to the Irish Stock Exchange before 6.00p.m on the day they are undertaken. Trades entered into before market hours should be included with the trade report for that day. Trades entered into after market hours should be included in the next day's report.

The NTMA will require each Primary Dealer to furnish it daily with its end day net open position in specified bonds. Each Primary Dealer will also be required to supply the NTMA with detailed turnover data certified by its Compliance Office, in arrears and on a monthly basis.

G. Appraisal of the Activity of the Primary Dealers

Appraisal of the activity of the Primary Dealers is carried out on an all-encompassing basis. Their market share of auctions, spreads maintained and turnover achieved are considered important indicators. This appraisal is undertaken on an ongoing basis. The ranking of Primary Dealers is not made public.



H. Contacts

i. Debt Management Office

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ii. AFME Primary Dealer Board Firm Contact Details

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11. Ireland



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A. List of Primary Dealers[1] [2]

FIRM	Italy (IT)	Firm's location
Banca Monte dei Paschi di Siena S.p.A.	X	Siena
Banco Bilbao Vizcaya Argentaria S.A.	X	Bilbao
Banco BPM S.p.A	X	Milan
Banco Santander S.A.	X	Boadilla del Monte
BofA Securities Europe S.A.	X	Paris
Barclays Bank Ireland PLC	X	Dublin
BNP Paribas S.A.	X	Paris
Citibank Europe plc	X	Dublin
Crédit Agricole CIB	X	Paris
Deutsche Bank A.G.	X	Frankfurt
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
Intesa Sanpaolo S.p.A.	X	Milan
J.P. Morgan SE	X	Frankfurt
Mediobanca - Banca di Credito Finanziario S.p.A.,	X	Milan
Morgan Stanley Europe SE	X	Frankfurt
Natixis SA	X	Paris
Nomura Financial Products Europe GmbH	X	Frankfurt
Société Générale Inv. Banking	X	Paris
UBS Europe SE	X	Frankfurt
Unicredit S.p.A.	X	Milan
TOTAL	**21**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

1 *List of the Primary Dealers operating on the Italian Government Bond Market as of March 2026 Source: Italian Department of Treasury*

2 *Please note that NatWest withdrew its PDship in Q4 2026*



B. Credit Rating

Italian debt is currently rated as follows:[3]

- Standard and Poor's: BBB+ (positive)
- Moody's: Baa2 (stable)
- Fitch Ratings: BBB+ (stable)
- DBRS: A (low) (stable)
- Scope: BBB+ (positive)

C. Debt Instruments

The Ministry of the Economy and Finance sets out the issue of ten categories of Government bonds available for both private and institutional investors on the domestic market:

- Treasury Bills (BOTs);
- Treasury Certificates indexed to 6-month Euribor (CCTeus);
- Treasury Bonds (BTPs);
- Treasury Bonds Green (BTP Green)
- Treasury Bonds Indexed to Eurozone Inflation (BTP€is)
- Treasury Bonds Indexed to Italian Inflation (BTP Italia Sì)
- Treasury Bonds Indexed to Italian Inflation (BTP Italia)
- Treasury Bonds Step-up (BTP Futura)
- Treasury Bonds with possible different pay-off (BTP Valore)
- Treasury Bonds with possible different pay-off (BTP Più)

3 *Credit rating updated as of March 2026*



BOND	Maturity	Interest	Medium Denomination	Type of Auction	Tax Rate	Redemption
BOTs	3,6,12 months, or any other maturity within one year (flexible BOTs)	Discount at issuance	€1,000	Competitive auction referred to yield	12.5%	At par, single payment at maturity
CCTeus	From 3 to 10 years	Semi-annual floating coupons, possible discount at issuance	€1,000	Marginal auction with discretional determination of price and quantity issued	12.5%	At par, single payment at maturity
BTPs	2, 3 ,5, 7, 10, 15, 20, 30 and 50 years	Fixed semi-annual coupons, possible discount at issuance	€1,000	Marginal auction with discretional determination of price and quantity issued	12.5%	At par, single payment at maturity
BTP€i	From 5 to 30 years	Semi-annual real coupons, possible discount at issuance and revaluation of principal at maturity	€1,000	Marginal auction with discretional determination of price and quantity issued	12.5%	Single payment at maturity
BTP Green	From 8 to 25 years	Fixed semi-annual coupons, possible discount at issuance	€1,000	Marginal auction with discretional determination of price and quantity	12.5%	At par, single payment at maturity
BTP Italia Si	From 4 to 8 years	Semi-annual coupons consisting of a fixed component and an inflation-indexed component and extra final bonus at maturity	€1,000	Direct placement on the MOT, price at par and coupon rate determined at the end of the placement period	12.5%	At par, single payment at maturity
BTP Italia	From 4 to 8 years	Semi-annual real coupons, revaluation of principal on a semi-annual basis, bonus payment at maturity	€1,000	Direct placement on the MOT, price at par and coupon rate determined at the end of the placement period	12.5%	At par, single payment at maturity
BTP Futura	From 8 to 16 years	Semi-annual coupons with step-up mechanism with increasing rates and bonus payment at maturity	€1,000	Direct placement on the MOT, price at par and coupon rates determined at the end of the placement period	12.5%	At par, single payment at maturity

BTP Valore	4years	Quarterly/semi-annual coupons with step-up mechanism with increasing rates and extra bonus payment at maturity	€1,000	Direct placement on the MOT, price at par and coupon rate determined at the end of the placement period	12.5%	At par, single payment at maturity
BTP Più	8 years	Quarterly coupons with step-up mechanism with increasing rates	€1,000	Direct placement on the MOT, price at par and coupon rates determined at the end of the placement period	12.5%	Single payment at maturity. An option for early redemption at par is also provided at the end of the fourth year upon request by the "investor".

The Republic of Italy also issues other instruments in euros and in other currencies, generally subscribed by institutional investors. These issues are offered on international markets in the form of medium/long-term securities or of commercial papers.

D. Privileges and Obligations of Primary Dealers[4]

i. Privileges for Specialists (Primary Dealers)

Specialists benefit from the following unique privileges:

- Exclusive access to reserved reopenings of Government bond auctions that allow for this option as well as exchange, buyback transactions and tap issues. As far as medium/long-term securities are concerned, reopening shares amount to 30% for the first tranches and 15% for subsequent tranches. The Treasury reserves the right to increase the percentage of supplementary placements for subsequent tranches to 20%. As regards the calculation method, the share to be assigned to each operator is calculated on the basis of two criteria: in proportion to what has been subscribed in the last three auctions relating to the same type of security and segment, and the performance on the electronic secondary market reference according to the following breakdown:

Type of Security	% Reopening	Of Which Primary	Of Which Secondary
BOT	10%	2.5%	7.5%
M/L term – First tranche	30%	15%	15%
M/L term – Subsequent Tranche	15%	5%	10%
M/L term – Subsequent Tranche	20%	5%	15%

- With reference to the additional placements of BOTs, any variations to the percentage of 10% is evaluated from time to time on the basis of market conditions, demand by operators as well as for and debt management purposes, with the goal of optimising the overall volumes issued in this segment.

4 *Source: Italian Treasury's website , Evaluation Criteria of Specialists in Government bonds Year 2026*



- The amount of reopenings for 6 - month /12 - month BOTs is equal to 10% of the nominal amount offered in the auction. The above mentioned 10% is linked to the performance of Specialists observed in the primary market and the secondary market, equally divided. Also, for BOTs the Treasury reserves the right to increase the reopening share by an additional 5%. As regards the methodology for calculating the amount to which each Specialist is entitled in the supplementary 5% quota, this amount is calculated on the basis of the performance of the Specialists observed in primary and secondary market, equally divided.

- Exclusive access for selection of:

  - lead managers of syndicated issuances in Euros,

  - dealers for the US dollar benchmark program,

  - dealers for bilateral buy-back transactions;

- Preference for the participation as counterparty in other issuances in euros and for derivatives transactions;

Candidate Specialists, whose performance is in line with the Treasury's expectations and that are thought to be able to significantly improve the placements results, can be invited to take part in syndicated transactions.

A satisfactory and consistent operational performance by the Specialist is a necessary condition, but not sufficient in itself for being selected to participate in the transactions described above. The Treasury takes into account the levels and continuity in their role as Specialist, but makes its choices based on:

- Their advisory activity related to the specific transaction;

- The possession of an adequate distributional structure with respect to the operation;

- The ability to achieve the targets set by the issuer.

ii. Obligations

Market makers in Italian Government bonds that want to apply for enrolment in the List of Specialists, must reside in the European Union, be a bank or an investment company, operate on regulated markets and/or on wholesale multilateral trading systems whose registered office is in the EU, that meet requirements provided by article 23, paragraph 2, of Regulation 216/2009 as well as:

- Have operated for at least five months, as market makers on Italian government bonds, on at least one of the trading venues included in the List;

- Have signed the protocol agreement with the Bank of Italy to enable participation in auctions, buybacks and exchange transactions of Government bonds and attest that it is aware of what is therein contained and have put in place all that is necessary to fairly use the electronic auction system;

- Be in possession of a suitable organisational structure and of a satisfactory knowledge of the functioning of Italian Government bond markets from normative, technical and organisational points of view, to be checked also through relevant meetings with the Treasury;

- Be in possession of a net regulatory capital equal at least to 50 million euros;

- Participate in the Government securities auctions with continuity and efficiency;

- Contribute to the efficiency of the secondary market and not to compromise the orderly process of market trading;

- Possess an organisational structure suitable for the status of Government Bond Specialist;



- Contribute to the management of public debt and to the debt issuance policy choices, for example, through advisory and research activities;
- Respect the confidentiality of information to which Specialists have access.

E. Primary Market

Bonds can be sold via:

- Public auction to guarantee the access to a large number of investors and maintain a high level of competition and transparency;
- a bank syndicate chosen from Government bond Specialists, that collects final investors' orders (a placement syndicate);
- electronic trading platforms.

The Italian Treasury prefers public auctions for issues on the domestic market, normally limiting the use of the placement syndicate to the introduction of new instruments (like the first issue of BTP€is in 2003 and of CCTeus in 2010) or when very in-depth evaluations need to be made as regards market interest, the quantity to offer or the issue price of the bond, as in the case of long-term BTPs and BTP€is.

A different issue method has been introduced for the BTP Italia, BTP Italia Sì, BTP Futura, BTP Valore, and BTP Più the Government bonds dedicated to retail investors. They use the Italian Exchange's MOT (regulated bond market dedicated to retail trading) electronic platform.[5]

i. Auctions

At the end of every calendar year, the Treasury drafts and publishes the "Annual Auction Calendar" for the next year together with the "Public Debt Management Guidelines", to inform dealers well beforehand on the frequency of auction placements and the quality profile that will guide the issuance policy during the year.[6] A press release is also made before each auction. Aside from announcing the bonds to be issued and their characteristics, it indicates the quantities offered in the auction as well as all relevant dates, including the bond settlement date.

Government securities auctions are conducted through the Isyde system, developed and managed by the Bank of Italy, Market Operations Service – Public Debt Division, with the participation via videoconference of an employee of the Bank of Italy and an official (the Treasury official) from the Ministry of Economy and Finance (MEF), who represents the minister responsible for ensuring the auction is conducted properly. Auction participants' bids have to be transmitted to Bank of Italy in accordance with the technical procedures established in the Agreement between the Bank of Italy itself and the dealers admitted to participate in the auction. Dealers can place bids for each bond offered until 11a.m. of the auction day. The system automatically rejects bids beyond the deadline. Dealers can repeatedly adjust their bids, substituting the previous ones, since the system only considers the final bid made within the deadline as valid.

To ensure data confidentiality, submitted bids are encrypted and decrypted only after 11:00 a.m. Bids are collected and sorted in descending order of price or in ascending order of yield. The summary printouts are an essential part of the auction minutes. The latter are digitally signed by the Treasury Officer and by the Bank of Italy employee. They include the auction results and the circumstances that characterized their execution. Moreover, immediately after the auction's end, the information that most interests the market is broadcast via press release, both by the Bank of Italy and the MEF - and published on their websites - as well as by Bloomberg and Reuters.

The auction mechanism includes recovery procedures in case a dealer's IT system malfunctions. The dealer must contact the Bank of Italy to inform of the problem and obtain authorisation to transmit bids via email.

5 *For complete information on the issuance program please see the 2026 guidelines for public debt management, Auction Execution Methods*

6 *The days in which auctions take place are set in the annual issuance calendar released by the Ministry of Economy and Finance*





Medium/long-term Government bonds and 6/12-month BOTs have reopenings (a supplementary placement) reserved for Government bond Specialists. To be able to access the reopening, Specialists must have taken part in the main auction with at least one valid bid. Bonds are assigned at the marginal price of the ordinary auction for medium/long-term bonds and at the weighted average price of the ordinary auction for BOTs. The amount to assign to each Specialist is proportioned to what the dealer subscribed in the previous auctions and, in part, is linked to the dealer's performance on the secondary market in the wholesale trading venues chosen. Should one or more Specialists, during the reopening, place bids for amounts lower than what they are entitled to, the residual amounts will be redistributed proportionately to the other Specialists using the above mentioned criteria.

The bidding deadline of the reopening reserved for Specialists is extended to 3.30p.m. of the business day following the ordinary auction. Settlement of the supplementary auction is with the same value date as the ordinary auction.

a. Auction Settlement

- The days in which announcements are made, auctions are held and settled, are determined in the annual issuance calendar published by the MEF. Together with the announcement of the bonds to be auctioned, the sizes put on auction are communicated as well as, their settlement dates.

- Presently, the settlement date for all Government bonds is two business days following the auction date (T+2). For BOTs this usually coincides with the maturity of corresponding bonds, so as to facilitate reinvestment. When the settlement date of medium/long-term bonds does not coincide with the date in which the bond's interest begins to accrue (the interest commencement date), subscribers pay the Treasury the corresponding accrued interest. When the settlement date does not fall on the day on which security interest begins to accrue (the dated date), subscribers pay the Treasury the relative accrued interest.

- The settlement of all bonds is through the settlement and payment service run by Monte Titoli and the Bank of Italy.

b. Types of Auctions

The Treasury implements two types of auctions:

- Competitive yield auction for BOTs;

- Marginal price auction with discretionary determination of the allocation price and the quantity issued for BTPs, BTPs Green, CCTeus and BTP€is.

Competitive yield auction[7]

Unlike other Government bonds, BOTs are placed with an auction in which dealers place their bids in yield, not price, terms. Moreover, in a competitive yield auction each bid, if placed, is awarded at the rate proposed. It follows that a competitive yield auction closes with a range of allocation rates. With these, the Bank of Italy calculates the weighted average yield and the corresponding weighted average price.

Authorised dealers can place up to five bids. Their yields must differ by at least one thousandth of one percent. Bids must be of at least 1.5 million euros and at most the entire quantity offered by the Treasury at the auction. Bids for greater amounts will be considered only for the amount on auction. The minimum denomination for investors is 1,000 euros.

Bids at the lowest yields are allocated first, followed by the others in increasing yield order, until the amount on offer is covered. If bids at the final awarded yield cannot be completely satisfied, they will be divided proportionally, rounding off when needed.

To avoid that the weighted average yield is negatively influenced by bids made at yields that are not in line with the market, a minimum acceptable (or safeguard) yield is calculated. Similarly, a maximum acceptable (or exclusion) yield is calculated in order to exclude any speculative bids from the auction.

7 *Competitive auctions in yield terms came into force for BOTs in April 2009. Until then BOTs had been allocated by means of competitive auctions in price terms*



Dealers' bids can be made at positive, negative or null yields. As established by a decree of the Ministry of Economy and Finance, dealers must apply the weighted average price of the auction to investors who subscribe bonds of the same auction.

Marginal Price auction

The marginal price auction is used to place medium/long-term bonds. In a marginal price auction allocated bids are all awarded at the same price, the marginal price. The auction price and quantity are determined discretionally. In this way the quantity issued is not set beforehand but is between a minimum and maximum amount announced in the press release published some days before the auction.

The amount placed is determined by excluding bids made at prices that are not suitable with respect to market conditions, on the basis of a ranking in which dealers' bids are listed anonymously. The lowest price among those bid by awarded dealers is the auction (marginal) price which is applied to all awarded dealers. If bids at the marginal price cannot be completely satisfied, they will be divided proportionally, rounding off when needed.

Dealers can place up to five bids, each at different prices, for a minimum amount of at least 500,000 euros of nominal capital and less than the amount being issued. Bids beyond the latter limit will be accepted up to the amount on offer. The minimum denomination for investors is 1,000 euros.

ii. Syndication

In order to have flexibility to launch the deal when market conditions are suitable, the Treasury does not announce syndicated deals in advance. The quarterly issuance programme announces the bonds which will be issued via auction. It must be considered that the procedure could change, depending on the type of bond (BTP, BTP€I or other instruments).

The procedure begins with an announcement by the Treasury via a press release, a few days before the launch of the syndication.

Leaders are selected among Specialists taking into account several criteria: how Specialists have been performing over the previous months/years; which Specialist is supporting the Treasury in the analysis of the market in terms of demand, performance of previously-issued bonds on the secondary market, and specific expertise of the Specialist in the particular segment or geographical area in which it operates.

The Treasury follows the standard procedure for placing bonds in a syndicated transaction, and for pricing and executing a transaction regarding a Government bond in the euro area.

The key stages of the operation and their results are communicated to all market participants through the key financial information providers (i.e Bloomberg, Reuters, IIIA), press release and the Treasury's website.

F. Secondary Market[8]

i. Interdealer Market

a. Multiplatform Environment[9]

In order to be considered as an authorised Trading Platform on which Primary Dealers quotes and trading activity are evaluated by the Treasury, trading platforms based in the EU must be registered on a list managed by the Italian Treasury.

8 *Source: Evaluation Criterias of Specialists in government bonds 2026*

9 *So far the Treasury has issued a decree for the selection of eligible markets for the evaluation of Primary Dealers. The set-up of the new multi- platform environment, from an organisational point of view, is currently under definition/construction*



Decree No. 853355 of 1 March 2011 specifies the technical and administrative procedures that will be used to verify the requirements for registration in the list of regulated markets and multilateral trading facilities eligible for the evaluation of the activity carried out by Specialists in Italian Government bonds.

b. Platforms Selection Procedure

Decree no. 993039 of 11 November 2011, as modified by Decree no. 99025 of 20 December 2021 (Selection and Evaluation of Specialists in Government Bonds) specifies the selection of trading venues, among those eligible, and also the selection and evaluation of the Specialists themselves.

The potential revision of the Status of the selected platform is regulated by art. 23, paragraph 10 of the Decree no. 216 of December 2009 and Decree no. 853355 of March 2011, art. 4.

ii. Quoting Obligations

The Treasury does not directly set specific quoting obligations for the Specialist (i.e. Primary Dealers) on the market. Indeed, according to the current Italian framework, the Treasury must evaluate the Specialists on quote-driven regulated markets. The banks must therefore fulfill the quoting obligations set up by companies managing the markets (MTS Italy currently). The evaluation carried out by the Treasury is then performed on a relative basis monitoring certain parameters such as quotation quality index, depth contribution index.

On MTS Italy, the allocation of Financial Instruments to each Market Maker shall be based on the following criteria:

- Full coverage of the Financial Instruments. All BTPs, (BOTs), BTP€Is, BTPs Green, CCTeu, having at least 45 days each of residual life at the beginning of the month in which the commitments are valid shall be considered as eligible for Market Makers' commitments purposes.
- Quoting of each Financial Instrument by a number of Market Makers adequate to guarantee actual competition. Each Market Maker is assigned 31 Financial Instruments, including four index linked BTPs, so that each Market Maker shall quote a basket representing the full yield curve and balanced in terms of liquidity. Each Financial Instrument is allocated to at least three Market Makers.
- Half the number of Financial Instruments of each category, quoted with the narrowest average bid/ask spread during the two previous months, shall be considered as liquid.
- The Financial Instruments issued during the relevant current month shall be automatically considered as allocated to all the Market Makers

iii. Dealer to Customer Market

The first three key platforms for the Italian Government Bonds market are Bondvision, Tradeweb and Bloomberg, which have a roughly equal market share.

G. Appraisal of the Primary Dealers' Activity[10]

The Specialists' operational activity is evaluated by the Treasury, according to the criteria outlined in the following paragraphs. For a description of the parameters used and the methodology implemented for the attribution of the score, please refer to the Italian Market Appendices at the end of the Italian chapter.

At the end of each year, usually one calendar year, on the basis of the overall performance evaluation, the Treasury will elaborate a final ranking of Specialists and it will publish the names of the top five Specialists on its website. The Treasury reserves the right, should exceptional circumstances occur during the evaluation period, to modify the criteria contained in the present document. In such circumstances, the final ranking will be revised to take into account the evaluation obtained on the basis of those criteria in effect during the different periods of observation.

10 *Source: Evaluation Criteria of Specialists 2026*

A necessary condition to maintain the qualification of a Specialist is the allocation at auction, on an annual basis, of a primary market quota equal to, at least, 3% of the total annual issuance through auctions by the Treasury. This quota is calculated with a weighting that takes into account the different financial characteristics of the various securities issued. The performance of Specialists in the primary market is evaluated on the basis of quantitative and qualitative criterion.

i. Primary Market Performance – Evaluation Parameters

a. Primary Market Quantitative Index

Each Specialist is assigned a score, between 0 and 28, in proportion to the share allocated in the reference period. The score begins to be assigned with the allocation of a share of at least 3% up to a maximum level of 5.5%.

The score for the primary quantitative parameter is assigned according to the following formula:

$$P_s = \frac{Q_s - Q_{min}}{Q_{MAX} - Q_{min}} \; x \; P_{MAX}$$

Where:

- P_s is the score assigned to the Specialist and cannot exceed 28 points;
- P_{MAX} is the maximum score assigned for the quantitative parameter of the primary market (28 points);
- Q_s is the quota of the primary market allocated during the reference period by the operator whose performance is being evaluated. For values greater than 5.5%, Q_s = 5.5%;
- Q_{min} is the minimum required primary market quota (3%);
- Q_{MAX} is the maximum primary market quota that allows for a score (5.5%).

The quota allocated obtained in the reference period (Qs) is calculated weighting the allocated amounts of each type of bond with weights that take into account the financial characteristics of the same bonds as well as the status of the bonds placed on auction (bonds currently being issued – on-the-run – or no longer being issued – off-the-run) according to the following table (Green BTPs are included in the BTPs):

BONDS	3 month BOT	6 month BOT	12 month BOT	BTP *Short Term*	3 year BTP	5 year BTP	7 year BTP	10 year BTP	15 year BTP	20 year BTP	30 year BTP	50 year BTP	CCTeu
On-the-run	0.25	0.50	1.25	3.50	3.50	5.00	6.00	7.50	13.00	15.00	20.00	25.00	7.00
Off-the-run				1.75	1.75	2.50	3.00	3.75	6.50	7.50	10.00	12.50	7.00
BONDS					3 year BTP€i/ BTP Italia	5 year BTP€i/ BTP Italia	7 year BTP€i/ BTP Italia	10 year BTP€i/ BTP Italia	15 year BTP€i/ BTP Italia	20 year BTP€i/ BTP Italia	30 year BTP€i/ BTP Italia		
On-the-run /Off-the-run					5.00	7.00	8.00	9.5	16	18.00	24.00		

For the purpose of assigning weights, for flexible BOTs, off-the-run BOTs, BTPs, Green BTPs and BTP€is, reference is made to the residual maturity of the bond being issued.

To calculate the allocated quota in a set period of time, the auction settlement date is taken into consideration. The value of the parameter is communicated at least monthly and is assigned every quarter.

The value of the parameter is communicated at least monthly and is translated in points every quarter.



b. *Primary Qualitative Indicator*

The qualitative evaluation of participation in the primary market is made based on the Auction Aggressivity Index (AAI) which measures the contribution of each Specialist's auction strategy in determining the difference between the bond auction price and the prices reported on the secondary market.

The AAI measures the degree of aggressivity of each Specialist's auction participation strategy, in other words, it is the combined effect of the difference between bid prices and market prices (overbidding) associated with bid quantities that ration the amount available to remaining participants (overdemanding).

The score is attributed on the basis of both on-the-run and off-the-run BTPs, BTP€is, Green BTPs and CCTeus.

The score is attributed according to the intensity of the AAI obtained by each Specialist and is assigned according to the following scheme:

Intensity of the AAI parameter	Points
0% < AAI < 0.2%	12
0.2% < AAI < 1.2%	0 - 12, in proportion to the AAI value
AAI > 1.2%	0

For each auction the value of the AAI may be adjusted in case the Treasury receives, before the cut-off, a communication sent by Specialists on significant orders by customers, for a volume above the threshold share, taking into consideration the characteristics of the order itself (whether outright vs switch from other bonds, whether coming from real money investors vs others). These communications will be subjected to some random control and, in any case, the auction behaviour will be evaluated also taking into account the principle stated in article 3, paragraph 1, letter b).

The value of the parameter is communicated at least monthly and is translated in points every quarter.

c. *Indicator of qualitative participation in the BOT auctions*

The qualitative participation indicator in the BOT auctions is aimed at awarding the support offered by the Specialists to the good result of every single BOT auction. The indicator is composed by two sub-indicators:

a. Aggressivity index indicator within the threshold share: it measures the difference between the auction's weighted average yield and the weighted average yield of the bid presented by each Specialist calculated up to the threshold share. The indicator could have an interval between 0 and 10 and its value is a function of a) the positive distance between the auction's weighted average yield and the weighted average yield of the Specialist and b) the amount requested with yield attached lower than auction's weighted average yield.

b. Aggressivity index indicator above the threshold share: it measures the difference between the auction's weighted average yield and the weighted average yield of each Specialist for the only bid quantities above the threshold share. This indicator could have an interval between 10 and 0 and its value is a function of a) the negative distance between the auction's weighted average yield and the weighted average yield of the Specialist and b) the amount requested with yield attached higher than auction's weighted average yield.

The BAAI indicator is calculated by adding up the value of the two sub- indicators a. and b. The score is attributed in relation to the BAAI average value, calculated on each auction object of the evaluation. The maximum score of two points is assigned to the Specialist who has achieved BAAI indicator of at least 8. For lower BAAI indicator the score is proportional.

The value of the parameter is communicated at least monthly and is translated in points every quarter.

d. *Indicator of Continuity of Participation in the Primary Market*

The "Continuity of participation in auctions" parameter is an indicator, calculated on a quarterly basis, that evaluates the regularity of participation of Specialists in all the auctions of Government bonds.

The indicator measures the number of times in which the Specialist, in auctions, did not bid for a quota of at least 5.5% of the maximum quantity offered of each bond being issued. In case of multiple auctions, namely bonds offered together in a single range, the minimum quota of 5.5% is calculated considering the total cumulate amount requested on all bonds offered divided by the maximum cumulated quantity offered.

The indicator is made so as to proportionally penalize (by up to a maximum of 4 points) those Specialists that more frequently did not achieve the minimum level of participation in the auctions, mentioned in the preceding paragraph.

The value of the parameter is communicated at least monthly and is translated in points every quarter.

ii. *Secondary Market Performance – Evaluation Parameters*

a. *Quotation Quality Index – QQI*

The quotation quality index (QQI) is an indicator based on high frequency snapshots (that mimic continuous monitoring) of the orderbook of each bond, for each Specialist, made each market day.

For each snapshot, the Specialist is ranked in the orderbook of the bond with respect to the best-ranked Specialist, both on the bid and ask sides. To calculate the indicator, only snapshots (both on the bid and ask sides) that reveal buy and/ or sale price proposals associated with (visible) quantities of at least €5 million will be considered, with the exception of the nominal BTPs and Green BTPs with a maturity longer than 10 years and the BTP linker segment (BTP Italia and BTP€i) where all proposals will be evaluated. For each bond, the average ranking of the Specialist is calculated, relative to the market day.

To calculate the average ranking (in terms of ranking with respect to the best Specialist), each position in the orderbook is weighted with decreasing coefficients that are in proportion to that position in the orderbook with respect to the best price, thereby rewarding those dealers that continuously show the best prices both for the bid and the ask sides. The absence of a Specialist from the orderbook worsens the average ranking and the performance as measured by the QQI. However, this takes into account the safeguard mechanism if the Specialist is "technically suspended" having just settled a contract. Lower QQI values, which indicate an average overall positioning closer to the best prices, denote a better performance.

The coefficients to weight the ranking in the order book are listed in the following table. To calculate the rank in the order book the number of operators that precede the one being observed is taken into account.

Values Assigned	
Ranking in the orderbook	**Coefficient**
1	0
2	3
3	8
4	9
5	10
...	...
Absent	28

The daily rankings relative to each bond are then aggregated (simple average) by classes of bonds, differentiated by the financial characteristics of the same bonds and according to the following scheme:



BOT – BTP (Green BTP included)						BTP€i/ BTP talia	CCTeu
≤ 18 months	18 months ≤ 3 years	3 ≤ 5 years	5 ≤ 10 years	10 ≤ 24years	>24 years		

For each class of bonds, each Specialist is assigned a class score in proportion to the QQI indicator value. This class score is calculated in reference to the index value obtained by the best Specialist for the given bond class. The score related to nominal bonds with a maturity up to 18 months and between 18 months and 3 years is 0.8. The score related to nominal bonds with a maturity between 10 years and 24 years is 2 while 2.5 for nominal bonds with a maturity above 24 years. A score of 1 is assigned to all other classes. Each Specialist, finally, is assigned an overall score equal to the sum of the class points, rescaled respect to a maximum of 7 points assigned to the Specialist with the highest sum of class points.

The value of the parameter is communicated as a rule weekly and monthly and is assigned every quarter.

b. Cash Traded Volumes

Given the number of open market days during the reference period, the "Cash traded volumes" parameter is calculated with two subsequent weightings. The first takes into account the type of bonds traded whose volumes are weighted according to the same weights mentioned above for the Primary Quantitative Indicator in the Primary Market (See Italian Market appendices), without distinguishing between off the-run and on-the-run. Then the volumes traded by the operator, thus weighted, are proportioned with regards the total volume of cash traded in the trading venues selected, taking into account whether the trade was as a filler or aggressor. Volumes traded as fillers are weighted 1, while those traded as aggressors are weighted 0.4.

The best Specialist is assigned a score of 6 points. All the other Specialists with a market share above that of the average of market makers that are neither Specialists nor Candidate Specialists are proportionally assigned a score between 0 and 6. Those Specialists with a market share less than that of the average of market makers that are neither Specialists nor Candidate Specialists are assigned a score equal to 0.

The value of the parameter is communicated normally weekly and monthly and is translated in points every quarter.

c. Volumes traded through autohedging operations

Given the number of open market days during the reference period, the "Volumes traded through autohedging operations" parameter is calculated with two subsequent weighting steps. The first takes into account the type of bonds traded through autohedging operations, whose volumes are weighted according to the same weights used in the tables mentioned in preceding article 6, paragraph 3, without distinguishing between off-the-run and on-the-run. Afterwards, the volumes thus weighted are divided by the total volumes traded through autohedging operations on the selected trading venues, taking into account if the trade was as filler or aggressor. Volumes traded as fillers are weighted 0.40 while those traded as aggressors are weighted 1.

The Specialist with the highest sum of weighted volumes is assigned a penalty of 3 points. The other specialists are assigned a penalty of between 3 and 0 points proportionally.

The value of the parameter is communicated normally weekly and monthly and is translated in points every quarter.

d. Number of bonds traded as filler

The parameter measures the ability of each Specialist to trade, as filler, the highest possible number of bonds on the selected trading venue, taking into account the financial characteristics of the bonds.



For the calculation of the parameter, bonds traded as filler from each Specialist are analysed for different classes (by type/ class of maturity), as shown in the table referred to in article 11 paragraph 4. For each security, the ratio between the contracts concluded as filler by each Specialist and the total number of contracts concluded is calculated. For each class, the ratios of contracts concluded for all securities within the class are summed, and a ranking is set, with a standardized maximum score assigned to the best Specialist and proportionally to the others. . The score related to nominal bonds with a maturity between 10 years and 24 years is weighted the double with respect to that of the other classes of securities, while bonds with a maturity above 24 years are weighted 2,5. The sum of the scores obtained in each class by each Specialist represents the reference indicator of the parameter.

The best Specialist is assigned 6 points. A score between 0 and 6 is proportionally assigned to the other Specialists. The value of the parameter is communicated normally weekly and monthly and is translated in points every quarter.

e. Contribution to the average size of the contracts traded as filler

The depth contribution index (DCI) is an indicator based on high frequency snapshots (that mimic continuous monitoring), made on each market day, on the order book of each bond, for each Specialist.

For each snapshot, the ranking of the Specialist in the order book of the bond with respect to the best ranked Specialist, both for the bid and ask sides, is recorded with the attached quoted quantity. To calculate the indicator, those snapshots, both on the bid and ask sides, that reveal buy and/or sale price proposals associated with quantities that are equal to at least 5 million euros, will be considered. For nominal BTPs and Green BTPs with a maturity longer than 10 years only buy and/or sell price proposals associated with quantities that are equal to at least 3 million euros will be considered, while for the BTP linker segment (BTP Italia and BTP€i) all proposals are evaluated. Furthermore, all buy and/or sell proposals associated with quoted quantities exceeding 200 million will be considered, for the purposes of calculating the indicator, as if the associated quantity were equal to 200 million. For each bond and for each market day the weighted average of quoted quantities is calculated, weighting these quantities with coefficients that are decreasing in the position of the attached quotes in the order book with respect to the best price, while the hidden quoted quantity will be weighted with a coefficient equal to 0. The higher is the position of a quote, the higher is the weight applied to the attached quantity. Therefore, higher DCI values, which represent an overall higher average quoted quantity, denote a better performance.

The coefficients to weight the ranking in the order book are listed in the following table. Differently from the QQI, to calculate the ranking in the order book the number of operators above the Specialist being observed is not taken into account:

Values Assigned	
Ranking in the orderbook	**Coefficient**
1	1
2	0.8
3	0.5
4	0.3
5	0.15
>5	0

The daily rankings relative to each bond are then aggregated (simple average) by classes of bonds, differentiated by the financial characteristics of the same bonds and according to the following scheme:

BOT – BTP (Green BTP included)						BTP€i/ BTP Italia	CCTeu
≤ 18 months	18 months ≤ 3 years	3 ≤ 5 years	5 ≤ 10 years	10 ≤ 24years	>24 years		



For each class of bonds, each Specialist is assigned a class score in proportion to the DCI indicator value. This class score is calculated in reference to the index value obtained by the best Specialist for the given bond class. Each Specialist, finally, is assigned an overall score equal to the sum of the class points, rescaled respect to a maximum of 4 points assigned to the Specialist with the highest sum of class points.

The value of the parameter is communicated normally weekly and monthly and is translated in points every quarter.

f. Repo Traded Volumes

Given the number of open market days during the reference period, the parameter is calculated, both for the General Collateral segment and for the Special Repo segment, as a percentage of volumes traded through ordinary contracts or Request-for- quote type of contracts, weighted for the duration of the contract, of the overall total of the segment. In weighting for the duration, contracts with a duration above 90 days will be considered as 90-day contracts. The best Specialist is assigned a score, for the General Collateral segment and for the Special Repo segment, respectively up to a maximum score of 2 points and 4 points. A score between 0 and the maximum of each segment is proportionally assigned to the other Specialists with a market share above that of the average of market makers that are neither Specialists nor Candidate Specialists. Those Specialists with a market share less than that of the average of market makers that are neither Specialists nor Candidate Specialists are assigned a score equal to 0.

The value of the parameter is communicated normally weekly and monthly and is translated in points every quarter.

g. Bank of Italy Efficiency Index

For every open market day, bonds quoted are divided into seven classes according to their segment and degree of liquidity. For each class, the following parameters, indicative of each primary dealer's contribution to overall market efficiency, are taken into account:

- Average spread weighted for the exposition time;
- Volume of applications received;
- Number of bonds quoted;
- Number of bonds traded;
- Sum of the quoted quantities weighted for page exposition time.

To allow for the comparison of non-homogeneous quantities, in so far as they refer to bonds with different financial characteristics and different degrees of liquidity, processes of standardization of data used for analysis are carried out. The daily parameters, calculated for each Dealer within the context of each class of liquidity, are subsequently aggregated on a periodical basis in order to complete a comparative evaluation of the behavior of all the Primary Dealers in the market. Next, a comprehensive ranking is constructed, which constitutes the basis for the assigning of points by the Treasury.

At the end of each quarter, 5 points are assigned to the best Specialist. A score between 5 and 0 is assigned to the other Specialists proportionally.

h. Cash Traded Volumes outside the selected venues (EMAR/HRF data)[11]

This parameter, calculated each quarter, assesses the Specialist's trading activity outside the selected platforms, including non-electronic trades. This indicator, the calculation of which takes into account information included in the European harmonized report format (EMAR/HRF), is computed as the percentage of volumes traded by the operator of the total trading activity, analysed for different segments (by type/class of maturity), as shown in the tables referred to in article 6 paragraph 3, without distinction between on-the-run and off-the-run. Volumes traded with final counterparts are weighted twice their nominal value while a weight of 0.75 is applied to volumes traded with dealer counterparties. Volumes traded with the DMO are completely excluded from the evaluation. Volumes traded on non-electronic platforms are weighted 0.75 their nominal value.

11 *The HRF was created by the ESDM in cooperation with the AFME/Primary Dealers in 2006*





The best Specialist is assigned a score of 12 points. A score between 0 and 12 is proportionally assigned to the other Specialists.

i. Repo Distributional Ability on Other Electronic Trading Venues

This is a synthetic indicator that measures the quality of the trading activity of Government bonds outside wholesale regulated markets, on the repo segment, with regards to the diversification of bond types, of counterparties and of systems used. In addition, the indicator evaluates the repo trading activity carried out with the Treasury.

The parameter is calculated each quarter on the basis of data communicated by the Specialist according to the format defined by the Treasury together with the Bank of Italy.

At the end of each quarter, 2 points are assigned to the Specialist with the best performance. A score between 0 and 2 is proportionally assigned to the other Specialists.

iii. Evaluation Criteria of buybacks and exchange transactions

Activity in Exchange and Buyback Transactions

Buy-back and exchange transactions are a strategic instrument for the management of public debt. Given the importance of these transactions and the technical procedures used, the Treasury allows only admits Specialists as counterparties.

A score of up to 5 points is assigned to each Specialist in buy-back and exchange transactions. The maximum score, which will be no lower than 3 points, will be set by the Treasury on the basis of the number and the overall volume of the operations held during the year. The score awarded to each Specialist is assigned proportionally with respect to the best dealer's performance.

Specialists that within the deadlines set for the settlement of exchange or buyback transactions fail to deliver, even partially, the share of bonds sold in the transaction, will be penalized. This penalty will result in a deduction from the score that the Specialists will be assigned on the parameter at year end, equal to 10% of the maximum score potentially assigned at year end (0.3 - 0.5) for each fail, up to a maximum of points achieved by the Specialist.

The parameter and the number of fails, as stated in paragraph 3, are communicated normally each quarter and are translated in points at the end of the year evaluation.

iv. Evaluation Criteria of the Organisational Structure

The adhesion to a Central Counterparty operating on the trading venues selected from among those listed in the Specialists Decree is considered a minimum general requirement for keeping the Specialist status.

The evaluation of the Organisational Structure given by the Treasury is made yearly and assigns up to 10 points. The parameter takes into account the overall assessment given by the Treasury on the Specialist's activity, with reference to aspects concerning the reliability of the organisational structure and the advisory and research ability on themes related to the management of public debt.

In assigning points, the contribution to the efficient functioning of the primary and secondary markets, which is not directly measurable with the indicators mentioned in the preceding articles, is also assessed, in particular with regard to:

- **The participation in Government bonds auctions.** This is evaluated in reference to qualitative aspects such as, for example, the use of at least three available bids for each auction and their corresponding distribution, the insertion of prices that do not determine the activation of the safeguard mechanism or of the exclusion price, recourse to the recovery procedure (fax sending) to present bids at auction limited to cases of an exceptional nature.

- **The strategy of participation in auctions of bonds that are no longer being issued (off-the-run) and for long term nominal BTPs.** This is evaluated considering, each time, the consistency between the suggestions made by the Specialist concerning the bonds on offer and the behaviour in the auction.



- **The participation to the TAP Issues.** It is positive evaluated the participation of the Specialists in TAP Issues in terms of both advisory activity and subscription of bonds**.**

- **The participation to the liquidity management operations**. This is evaluated taking into account the participation to the operations of investing and raising liquidity, as well as to repo operations carried out with the Treasury.

- **The behaviour during the execution of placement syndicates.** The Treasury evaluates the behaviour of all Specialists, independently of the role taken in the operations.

- **The behaviour during the execution of bilateral transactions.** The Treasury will evaluate the behavior of the Specialists involved in the execution of these transactions (in terms of readiness, market neutrality etc.).

- **The contribution to the efficiency of the secondary market.** The activity of operators that contribute more to support the liquidity of Government bonds on the secondary market in those days characterised by higher volatility is positively evaluated. A positive assessment is made with regard to the operators who limit trading practices which, due to the size of the trades, depth of the securities involved and the time frame of the execution, can be considered detrimental to the liquidity, efficiency and good functioning of the market.

- **The limitation to the execution of autohedging transactions.** The behaviour of the Specialist that limits the recourse to autohedging transactions on the selected trading venue is positively evaluated. In particular, each Specialist that executes less than three autohedging transactions during every quarter is assigned a score of 0,5 points (2 points on annual basis). The parameter is communicated on quarterly basis and translated into points on annual basis.

- **The contribution to set up monthly Specialists meetings** via video-conference in an efficient manner both from a logistical and IT perspective.

- **The trading activity on stripped securities**. The activity of Specialists that contribute more to the trading on stripped securities, weighted according to residual maturity and the same weights of the table is positively evaluated. The best Specialist will be given a score up to one point.

- **Contribution to the orderly execution of activities on the primary and secondary markets.** With particular reference: a) to the knowledge and full compliance with the rules contained in Agreement between the Bank of Italy and intermediaries admitted to participate in placements, buybacks and exchange offers of government securities; b) to the knowledge of the Evaluation Criteria of Specialists as well as of the Specialists Decree. The assessment of this requirement is carried out in such a way as to penalize up to a maximum of three points the operators who, on the basis of objective evidence, have demonstrated the lack of knowledge of the provisions of the aforementioned Decrees and the lack of knowledge and/or not fully compliance with the requirements of the aforementioned Agreement.

- **The contribution to the efficiency of the secondary market of the foreign bonds.** The Treasury evaluates positively the commitment of the Specialists to facilitate and enhance the liquidity of the secondary market for the securities issued under the Global format, as well as the periodic reporting activity.



H. Contacts

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European Primary Dealers Handbook

13. Lithuania

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A. List of Primary Dealers[1]

FIRM	LT	Firm's location
AS Citadele Banka	X	Riga
Luminor Bank AS Lithuanian Branch	X	Vilnius
Erste Group AG	X	Vienna
AB SEB bankas	X	Vilnius
AB "Artea" bankas (formerly AB Šiaulių bankas)	X	Šiauliai
Swedbank AB	X	Vilnius
Swedbank AS	X	Riga
TOTAL	**7**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

Lithuanian debt is currently rated as follows[2]:

- Standard and Poor's: A (stable)
- Moody's: A2 (stable)
- Fitch Ratings: A+ (stable)

1 *As of May 2026. For complete information please refer here.*

2 *As of May 2026.*



C. Debt Instruments[3]

The issuer of the Government securities is the Government of the Republic of Lithuania which borrows on behalf of the State and is represented by the Ministry of Finance of the Republic of Lithuania. Government securities are securities issued on domestic or foreign markets attesting to the right of their holder to obtain, within the time limits provided for, an amount corresponding to a nominal value thereof, an interest, or other equivalent.

Depending on their duration, Government securities are categorised as follows:

- Treasury bills: with a maturity shorter than one year; and
- Government bonds: with a maturity exceeding one year.

The Government also issues eurobonds in the international markets. Currently, an investor can buy eurobonds denominated in euros on the secondary market. In January 2014, Lithuania established its Euro Medium Term Note (EMTN). The Programme is unlimited in amount and has no limitations with regards to currency. The Programme's most recent update was on 5 February 2024[4].

Instrument	Description
Treasury bills	Short-term (one-year or less) Government securities. They are sold at a discount and their nominal value is repaid on the maturity date. Interest calculation method used - Act/360
Government Bonds and Eurobonds	Government securities that have maturity longer than one year. Bonds are sold with annual coupon payments, and their nominal value and last coupon are paid on the maturity date. Interest calculation method used - Act/Act

All public Lithuanian Government securities issued in the international markets are listed on the Luxembourg Stock Exchange. The details of those securities as well as accompanying Offering Circulars can be found on the Luxembourg Stock Exchange website.

D. Obligations and Privileges of Primary Dealers

i. Obligations

Only licensed credit institutions and financial brokerage companies that meet the requirements set by the Ministry of Finance for auction participants and have signed the Government Securities (GS) Auction Participant Agreement(s) with the Ministry of Finance can participate in the auctions.

Main responsibilities of an auction participant:

- submit competitive bids, corresponding to market conditions, for each GS auction and purchase at least 1 per cent of all GS sold in auctions each quarter.
- continuously announce bid and ask yields of all GS issues it has, and the amount of GS purchased and sold at the indicated yields in at least one generally recognised and used information/trading system (e.g. NASDAQ, Bloomberg, Refinitiv).

3 *For additional info, refer here.*

4 *The Programme's Offering Circular dated 5 February 2024 and the Supplement dated 20 January 2025, 1 September 2025, and 8 January 2026 can be found here.*



- provide the Ministry of Finance with the monthly reports on transactions in GS.

Other responsibilities of an auction participant are set in the Description of the Requirements for Participants of the Government of the Republic of Lithuania Securities Auction.[5]

ii. Privileges

An auction participant shall be entitled to submit bids for purchase or sale of GS under the procedure established pursuant to the Rules on Auction in Government of the Republic of Lithuania Securities.[6]

E. Primary Market

The Ministry of Finance plans Lithuanian GS auctions and sets Government debt securities' characteristics. The auctions are organised by Nasdaq Vilnius and are held according to the auction schedule.

Only banks and financial brokerage companies that meet requirements set by the Ministry of Finance for auction participants and have signed the GS Auction Participant Agreements with the Ministry of Finance are allowed to participate in the auctions.

i. Schedule of Government Securities Auctions

Lithuanian GS are sold in competitive multi-price auctions. The auctions are usually held on Mondays, and the bids are accepted until 10:30 am. Non-competitive bids are also accepted at the auctions. However, their amounts are limited usually to EUR 0.5 million per one auction participant (maximum amount of non-competitive bids are set for each auction). The non-competitive bids are settled at the weighted average yield rate set in the competitive multi-price auction part.

ii. Results of the Government Securities Auctions

The settlement for the GS in the primary market takes place two business days after the auction (T+2) or five business days after the eurobond auction (T+5). The settlement for the GS in the primary market is organised by the Lithuanian Central Depository (Nasdaq CSD SE Lithuanian branch) and is compliant with the Delivery versus Payment principle. All Government domestic debt securities are registered at the Nasdaq CSD SE Lithuanian branch and included in the official list of Nasdaq Vilnius.

In case of Eurobond auctions, the settlement is organised by Nasdaq CSD SE Lithuanian branch via their link with Clearstream Luxembourg and the Eurobonds are listed on the Luxembourg Stock Exchange.

F. Secondary Market

Secondary trading in auctioned GS takes place on Nasdaq Vilnius, according to its established rules, as well as outside the stock exchange.

Auction participants shall provide the Ministry of Finance with the information on primary and secondary market trades executed during the previous month in the Harmonised Reporting Format as agreed by the EFC Sub-Committee on EU Sovereign Debt Markets. These reports are later consolidated into the Euro Market Activity Report (EMAR). The trades to be reported include Lithuanian GS denominated in euros.

5 *Current version as of 29 July 2025*

6 *Refer here for further information.*



G. Contacts

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European Primary Dealers Handbook

14. The Netherlands

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A. List of Primary Dealers and Commercial Paper Dealers[1] [2]

FIRM	Netherlands (NL) Primary Dealers	European Commercial Paper Dealers	Firm's location
ABN AMRO Bank N.V.	X	X	Amsterdam
Banco Santander	X		Madrid
BofA Securities Europe S.A.	X	X	Paris
Barclays Bank Ireland plc	X	X	Dublin
Bred Banque Populaire		X	Paris
Citigroup Global Markets Europe A.G.	X		Frankfurt
Goldman Sachs Bank Europe SE	X		Frankfurt
HSBC Continental Europe S.A.	X		Paris
ING Bank NV		X	Amsterdam
Jefferies GmbH	X		Frankfurt
JP Morgan SE	X	X	Frankfurt
Morgan Stanley	X		Frankfurt
Natixis S.A.	X		Paris
Nomura Financial Products Europe GmbH	X		Frankfurt
Coöperatieve Rabobank U.A.	X	X	Utrecht
Société Générale	X		Paris
TOTAL	**14**	**7**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

1 *List of the Primary Dealers operating on the Dutch Government Bond Market as of March 2026. For complete information please refer to the DSTA website*

2 *Please note that NatWest withdrew its PDship in Q4 2026*



B. Credit Rating

Dutch debt is currently rated as follows:[3]

- Standard and Poor's: AAA (stable)
- Moody's: Aaa (stable)
- Fitch Ratings: AAA (stable)
- DBRS: AAA (stable)

C. Privileges and Obligations of Primary Dealers

i. Rights of a Primary Dealer

- Primary Dealers have the right to participate in the primary issuance of Dutch State Loans (DSL), that are taking place through a Tap auction or a Dutch Direct Auction (DDA). Primary Dealers are entitled to compensation for their participation in Tap auctions and DDAs.
- They have the right to use the title of 'Primary Dealer for the Dutch State'. In addition, Primary Dealers have the right to strip and reconstitute DSLs designated by the DSTA, the minimum amount for this is €1 million.
- Primary Dealers have access to a repo facility for each DSL and DTC. Under the repo facility, Primary Dealers are entitled to obtain a bond via a buy/sell-back transaction with the DSTA. Privileges do not apply to, and cannot be extended to, third parties.
- Primary Dealers inform the DSTA of developments in the primary and secondary markets. They are also entitled to participate in meetings, whether or not by telephone, between the DSTA and other Primary Dealers to discuss these developments in the primary and secondary markets.
- Primary Dealers have the right to be consulted regarding the DSTA's choice of trading systems. In choosing, the DSTA shall seek to preserve Primary Dealer privileges and governance of DSL market rules.
- Primary Dealers are listed on the DTC register, granting them access to DTC auctions and secondary market trading in DTCs.
- Primary Dealers are entitled to receive, from the DSTA, all relevant public information about issuance policy and other public market operations.

ii. Obligations of a Primary Dealer

- Primary Dealers are supposed to participate in DSL primary issuance taking place through Tap auctions and via DDAs. Primary Dealers shall subscribe to or participate in an issuance independently of subscription or participation by other Primary Dealers.
- Primary Dealers are obliged to sign the ISDA Master Agreement in conformity with the terms and conditions of the Dutch State in order to enter into swap transactions with the State of the Netherlands, unless such swap transactions are executed via a platform to which the State of The Netherlands is also connected and as part of the rules applicable to such platform submitted for clearing to Eurex Clearing AG.
- Primary Dealers support a liquid secondary market in DSLs and promote price discovery by making a market in DSLs on a designated electronic trading system.

3 *Credit rating as of March 2026*



- Primary Dealers are consulted regarding the choice of designated trading systems. Primary Dealers act in accordance with the obligations, rules and regulations applicable to designated electronic trading systems. Concerning decision- making on rules regarding DSL quotation and the publication of DSL price-information, the DSTA shall take account of the interest of the Primary Dealers and Primary Dealers shall promote the interests of the State of the Netherlands and its DSLs.

- Primary Dealers actively promote and develop products related to DSLs. As part of this, Primary Dealers conduct research on DSLs and the Dutch economy. Findings are made available to clients and to the DSTA. Primary Dealers provide specific research support at the DSTA's request. By mutual arrangement the DSTA is available for road shows and other investor meetings.

- Primary Dealers shall inform the DSTA of developments in the financial markets and specific developments affecting DSLs, DTCs and related products. Primary Dealers shall submit secondary market trade reports. These reports shall be signed by the Primary Dealer. If requested by the DSTA, Primary Dealers shall co-operate in an audit of these reports. In addition, the DSTA is permitted to gather information from all major data vendors on turnover and market share on DSLs and DTCs of individual Primary Dealers.

- During DDAs, primary dealers are obliged to sell DSLs to end-investors at the same price as the auction price.

D. Primary Market

Dutch States Loans are issued using tap auction and the Dutch Direct Auction

i. Tap Auction

Dutch State Loans are reopened using the tap auctions. Tap auctions are also used for initial openings of short-dated bonds.

The tap auction technique consists of the seller announcing the price and the buyer indicating the desired amount.

In the case of DSLs, this entails the following. The DSTA announces the bonds it will issue or re-open in the next three months through the publication of its quarterly issuance calendar. In principle, this calendar is published on the second to last Friday of the preceding quarter. Bond auctions usually take place on the second and fourth Tuesdays of the month (though there are not always two auctions a month). On the Wednesday prior to the auction, the DSTA will confirm the auction and will announce the target issuance volume.

On the issue date at 10 a.m. (CET), the DSTA announces the price at which Primary Dealers can buy the bond. During the tap auction, the DSTA may revise the price at any time. The price is announced on the screens of MTS Netherlands and Bloomberg DSTA. Primary dealers, who are connected to the MTS system, may input their orders from their internal systems. Prior to the auction, at 9.15 a.m. (CET), each Primary Dealer is offered the possibility to take up 3% of the maximum targeted range against the average price set during the auction. The Primary Dealers can accept this offer via Bloomberg chat until 9.20 a.m. (CEST). If a Primary Dealer makes use of this possibility, the transaction is binding after 9.20 a.m. (CET), and the nominal amount so pre-allocated is taken into account in the total volume issued at the auction.

During the auction, the DSTA adjusts the price upward or downward if capital market developments in general, or demand for the bond in particular, require it. Only Primary Dealers are entitled to participate at auction. Individual and professional investors may participate through Primary Dealers or through their own banks.

Once the DSTA reaches the desired amount (specified before the auction through a target range) the auction is closed. In contrast to a Dutch Auction, this is a multiple price auction. The benefit of the tap-method for participants is that they know immediately what amount they have bought, for what price, so that they can hedge the interest rate risk immediately.

ii. Dutch Direct Auction[4]

For large initial issues of longer dated benchmark bonds, the DSTA uses a technique called the Dutch Direct Auction (DDA). The Dutch Direct Auction (DDA) is a concept designed by the Dutch State Treasury Agency (DSTA) to engage end investors directly in the primary issuance of debt securities. This unique auction is applied for initial issues benchmark bonds and can also be used for larger re-openings of existing bonds. A large volume of a bond can instantly be placed with a broad and diversified investor base via this system.

The DDA is a transparent rules-based auction, where allocation is decided solely upon the price composition of the order book. This type of auction creates a level playing field for all investors in a certain group (either real money or 'other'). The DSTA is the sole book runner in this auction which safeguards the confidentiality of the participating investors. The Dutch Direct Auction eliminates the winner's curse as all bids are allocated at a single uniform price.

The DSTA introduced this auctioning system in 2003 and has used it ever since for launches of bonds with a maturity of more than 5 years. For the primary issuance of the 3-year, 5-year and 7-year bonds the regular tap auction is also used. Although the rules may change in time, below you can find a general outline of the DDA.

Dutch Treasury Certificates are issued using Dutch Auctions

a. Investors

The Primary Dealers of the Dutch State assist the DSTA with marketing and contact with investors. The investors subscribe their bids via the Primary dealer of their choice. For the purposes of the auction, the investors are classified into two groups: real money (long term) accounts and others (short term). Real money accounts include typical buy-and- hold-clients such as Asset and Fund managers, Central banks, Insurance companies, Pension funds and Private clients. The group classified as 'other clients', is composed of trading accounts such as Hedge funds and trading desks.

Treasuries and ALM accounts of banks are from 2014 on classified as 'real money' accounts, whereas all remaining accounts of banks are classified as 'other' accounts. This change in classification reflects the changes in regulation (such as Basel III) due to which treasuries and ALM accounts of banks are required to hold larger liquidity buffers. As highly rated sovereign bonds are an important asset class for liquidity purposes, the DSTA has decided to label bank treasuries (including ALM desks) as 'real money' investors.

b. Bidding

On the day of the auction, bidding starts at 10.00a.m. CET and the book is closed no later than 5.00p.m. The allocation is communicated no later than 9.00a.m. the following day. Bids in this type of auction are not submitted as a price or yield, because there may be a time lag between placing the orders and the actual allocation (therefore the price at the time of allocation would not necessarily reflect the market). Alternatively, a reference bond is chosen against which the new auctioned bond is priced. A liquid existing bond with a similar maturity term as the auctioned bond would be suitable as a reference bond. The price of the reference bond should be highly correlated with the price of the auctioned new bond. For the Euro area, German bonds usually fit these criteria.

Investors submit their bids at a yield spread versus the chosen reference bond. The minimum bid is €1,000. A range of the yield spreads at which the orders can be placed is communicated prior to the auction and can be altered by the DSTA at any time during the auction. This spread guidance consists of several basis points (1 basis point is 0.01%) and the increments equal half a basis point. Next to bids at a certain spread, orders can also be placed "at best". These orders will be regarded as bids against the lowest spread in the "spread guidance".

c. Allocation

The DSTA is the sole book runner at this auction and decides solely on the allocation. The allocation rules of the Dutch Direct Auction are clear and transparent and are always communicated beforehand. The orders at the lowest spread and "at best" are allocated first.

4 *Source: DSTA website, Dutch Direct Auction description*



Next, orders at a spread 0.5 basis points higher are allocated (and so on) until the required volume is allocated. The highest allocated spread is called the cut-off spread. Orders below the cut-off spread are always allocated in full. Orders at the cut-off spread may be allocated only partially. At the cut-off spread, the percentage allocated to real money clients can differ to the percentage allocated to other accounts.

The DSTA reserves the right to allocate a minimum of 35% of the total volume to trading accounts in order to strike the right balance between tradability and buy-and- hold investors. All allocations are assigned at the cut-off spread, including the orders entered at lower spreads and at best. This way the 'winner's curse' is eliminated.

d. Pricing

The auction price of the new bond is determined no later than 12.00p.m. the following day. The first step in pricing the new bond is the determination of the market price and the corresponding yield of the reference bond. The time of pricing is determined by the DSTA and communicated immediately to the Primary Dealers. By adding the cut-off spread resulting from the auction to the determined yield of the reference bond, the yield of the auctioned new bond emerges. All investors pay the price corresponding to this yield. All investors receive the bonds at this price.

During the process of the DDA, several updates via Bloomberg are issued. These updates give a practical insight into the DDA process.

iii. Dutch Auction

For new issuance of Dutch Treasury Certificates, otherwise known as Treasury Bills, a single price auction is used. This method of auctioning T-bills is unique within the euro area as most countries use multiple-price auctions, as such this auction is internationally known as a 'Dutch auction' due to the uniform price. Primary Dealers and Single Market Specialists enter their yield-bids via Bloomberg, with only the DSTA having insight in the book building and deciding how much it wishes to allocate at a certain cut-off yield within a pre-announced target range. Nominal bids at an interest rate below the cut-off yield are allotted in full. Nominal bids at an interest rate equal to the cut-off yield can either be allotted in full or in part. This type of auction avoids the so called 'winner's curse', wherein the winner of a common value auction tends to overpay due to incomplete information. As the DTSA communicates the allotted amounts directly after the auction, uncertainty about the allocation is limited.

Whilst in principle Dutch Treasury Certificates are auctioned twice a month, during times of increased need of funding (e.g. between October 2008 and January 2009), auctions may happen more often.

a. Calendar[5]

Issuance of bonds and bills takes place in accordance with a pre-announced calendar (for all types of aucitons). At the end of December, the DSTA publishes a funding plans for the following year as well as the issuance calendar for the first quarter.

During the year, definitive quarterly issuance calendars are made public. Publication and dissemination of quarterly calendars takes place approximately two weeks prior to the new quarter, i.e. at the end of March, June and September.

b. Settlement

The DSTA has decided to further harmonise the standard settlement period for OTC transactions in DSLs in primary markets with secondary markets. Therefore, as of 6 October 2014 the standard settlement period for newly issued DSLs is T+2. T+2 was already standard practice for DTCs. This modification followed the new European regulation on Central Securities Depositories (CSDR).

5 *Access this year's auction calendar on the Dutch Treasury website*

E. Secondary Market[6]

i. Interdealer Market[7]

a. Foreword

Primary Dealers may select a platform of choice to fulfil their quotation obligations, provided that the platform meets certain objective criteria.

The aim of the quoting obligation is to provide to all market participants an arbitrage-free reference price. In April 2024, the DSTA has selected two platforms; Brokertec Europe Ltd and MTS Amsterdam NV. However, the application is open-ended. Eligibility criteria include, amongst other things, that the bid and ask prices at which Primary Dealers can execute trades on the designated platform are available to investors in real time and at reasonable commercial terms.

The basics of the framework of the multi-platform environment are laid out in several annexes to the General Conditions to the Primary Dealer contract, which can be found on the Dutch Treasury website www.dsta.nl

b. Selection of Designated Electronic System

For an e-trading platform to be eligible as a designated electronic trading system, it must:

- Be a Regulated Market or a Multilateral Trading Facility under the Markets in Financial Instruments Directive 2014/65/EU (MiFID II).
- Offer access to all PDs equally and fairly. The fee structure of the platform must be non-discriminatory; i.e. be based on objective criteria and must be made public. There should be no prohibitively high fees for market takers who are Primary Dealers.
- Make public current bid and offer prices at those levels which are advertised through the trading system on a continuous basis during normal trading hours on reasonable commercial terms to market participants. Bid and offer prices must be made available free of charge to private individuals at those levels which are advertised through the trading system on a continuous basis during normal trading hours.
- Make public a list of market makers and market takers on the platform.
- Provide the DSTA with all the market statistics needed to appraise the performance of its Primary Dealers and to monitor compliance with their market making commitment. If requested by the DSTA, platforms must co-operate in an audit of these statistics. The format under which the statistics are provided is set by the DSTA in consultation with the designated electronic trading systems and the Primary Dealers.
- Agree that the DSTA publishes a list of designated electronic trading systems.

For a Trading System to be designated, it must send a duly signed application form to the DSTA satisfying that it fulfills the above criteria. The DSTA appraises applications pursuant to the above-mentioned conditions. For a trading system to remain a designated electronic trading system, it must comply with the conditions stated above. To demonstrate compliance, designated electronic trading systems shall provide all necessary information and shall cooperate in an audit of this information upon the request of the DSTA. If a designated electronic trading system fails to meet one or more of the conditions stated above, the DSTA brings that fact to the attention of the trading system concerned. The DSTA shall communicate to the trading system a period of time within which the trading system can demonstrate that it fully complies with the conditions. If, at the DSTA's discretion, the envisaged compliance is not realised within that period, the DSTA has the right to withdraw the status of designated electronic trading system. The DSTA shall inform the trading system as well as all Primary Dealers without delay.

6 *General Primary Dealer Conditions 2026*

7 *Source: General Primary Dealer Conditions 2026 annex 6; Dutch Treasury Website*



c. *Dutch Treasury Quoting Obligations*[8]

Each Primary Dealer is required to make market for outstanding DSLs by providing quotations on Designated Electronic Trading System(s). The ranking of the quotation score is calculated as follows:

- the individual DSL daily score is calculated based only on quotes in volumes in conformity with table 2 and 3 below. The daily quotation score is calculated as the simple average score over all DSLs;
- the monthly quotation score is calculated as the simple average of the daily quotation score for a whole calendar month starting on the first (business) day of such month and ending on the last (business) day of such month;
- the three month average is calculated as the simple average of the monthly quotation scores;
- PDs are ranked according to their three month average starting with the PD with the highest average and ending with the PD with the lowest average;
- data points with less than 120 minutes of quoted time will be left out of the calculations.

Outliers with more than two standard deviation will be left out of the calculations (i) only if more than 75% of data points still remain following the proposed deleted data points, and (ii) until at least 75% of the data points remain.

The Primary Dealers are exempted from the quotation obligation on Eurosystem Target 2 holidays. The Primary Dealers must submit in their business plan (or any update thereof as may be requested by the DSTA) to the DSTA a calendar of holidays during which they would like to be exempted from their obligation. A calendar for only one country can be submitted per Primary Dealer. A Primary Dealer shall be exempted from its quotation obligations on the holidays reported in its business plan. Additionally, all Primary Dealers shall be exempted from their DSL quotation obligation on days on which more than half of the primary Dealers are exempted from the DSL quotation obligation. The DSTA reserves the right to exempt Primary Dealers from their DSL quotation obligation on other days at its own discretion. When exercising this right the DSTA shall inform the Primary Dealers in a timely manner. If the Primary Dealer does not submit a calendar in its business plan to the DSTA, the DSTA will use The public holiday calendar of the domicile country of the Primary Dealer.

In the situation where a Primary Dealer quotes on more than one Designated Electronic Trading System, only the quotes on the trading system on which the Primary Dealer has showed the best compliance score that day (when considering the total quoting performance of all DSLs) shall be taken into consideration when evaluating the fulfilment of the quotation obligation.

In the event that a certain Primary Dealer was not yet appointed in the calendar month preceding the auction concerned, it is assumed that it has fulfilled its quotation obligation for this auction.

The Primary Dealers will be informed of their quotation score on a daily and monthly basis. If requested by the Primary Dealers, the DSTA will co-operate in an audit of these reports. The format under which the information is provided, is set by the DSTA in consultation with the Primary Dealers and electronic trading systems.

8 *General Primary Dealer Conditions 2026 | Publicatie | DSTA.nl*



Table 1: *Quotation obligations DSLs*

	Max b/o spread[9]	Minimum quantity
DSLs 1¼ years to 3½ years*	π6h + σ6h**	€ 10 million
DSLs 3½ years to 6½ years*	π6h + σ6h**	€ 10 million
DSLs 6½ years to 11½ years*	π6h + σ6h**	€ 10 million
DSLs 11½ years to 16½ years*	π6h + σ6h**	€ 5 million
DSLs over 16½ years*	π6h + σ6h**	€ 5 million

* Remaining maturity

** π6h = average of the PDs 6 best hours quotes, σ6h= standard deviation of the PDs 6 best hours quotes

Table 2: *Individual DSL compliance score*

	Score formula
π6h < X< π6h + σ6h	100%
π6h + σ6h ≤ X< π6h + 2σ6h	50%
X≥ π6 + 2σ6h	0

X = individual DSL score of best 6 hours quoted

π6h = average of the PDs 6 best hours quotes, σ6h= standard deviation of the PDs 6 best hours quotes

Anytime quoted above 6 hours, will receive additional points according to below schedule:

	Score formula
π6h** < Y< π6h + σ6h**	(*Time quoted* – 360) / 360
π6h + σ6h ≤ Y< π6h + 2σ6h	[(*Time quoted* – 360) / 360] * (1 / 2)
Y≥ π6h + 2σ6h	0

Y = individual DSL score of additional time quoted

π6h = average of the PDs 6 best hours quotes, σ6h= standard deviation of the PDs 6 best hours quotes

ii. Dealer to Customer Market

Amongst others, Bloomberg, MTS Bondvision and Tradeweb are the most used trading platforms for Dutch government bonds.

Retail investors can access information on the prices for DSLs and DTCs on MTS Netherlands and Brokertec Europe. The time delay ranges from 5 to 15 minutes.

9 *If the average of the Primary Dealers quotes is wider than the standard max b/o spread, the maximum b/o spread will be one standard deviation of the average spread of the 6 best hours quotation of all Primary Dealers that have quoted that DSL.*



iii. Repo Facility

Primary Dealers have access to a repo facility for each DSL or DTC, to be used only to facilitate their role as a market maker. Under the repo facility, Primary Dealers are entitled to obtain, until the settlement date of the next issuance for the DSL or DTC concerned and up to 5 business days before the maturity date of the relevant DSL or DTC, part of the unsold portion of the bond via a buy/sell-back transaction with the DSTA. When the next moment of issuance is not published, the maximum term for borrowing under the repo facility is 1 month. The minimum nominal amount for repo transactions is 10 million euro.

The rate paid by the DSTA is at least 25 basis points below the rate charged for a General Collateral transaction with the same maturity. Primary Dealers may offer the same effective amount of General Collateral for an identical period of time, via a sell/ buy-back transaction. The DSTA may require the same effective amount of General Collateral or euro-denominated DTCs and DSLs for an identical period of time, via a sell/buy-back transaction.

F. Appraisal of Performance and Sanctions

Primary Dealer status may be continued for another year if the Primary Dealer resubmits a business plan. If the relationship with a Primary Dealer is continued, the Primary Dealer and the DSTA will confirm this by each signing the new one-year contract.

The DSTA appraises Primary Dealer performance pursuant to the Primary Dealer Contract. Primary Dealers are obliged to provide information to that end at the request of the DSTA. If Primary Dealers fail to meet one or more of the obligations under the Primary Dealer Contract, the DSTA brings that fact to the attention of the Primary Dealer concerned. The DSTA shall communicate to the Primary Dealer concerned a period of time within which the Primary Dealer can demonstrate that he complies in full with the obligations. If the envisaged compliance is not realised within that period, the DSTA has the right, at its discretion, to suspend privileges for the Primary Dealer concerned. The DSTA shall inform the Primary Dealer concerned without delay.

Assessment criteria

The main criteria for appraising the Primary Dealer activity are: (1) performance in the primary and secondary markets for DSLs and DTCs, (2) the fulfillment of the quotation obligation on a selected platform and (3) the promotion and development of products related to DSLs and the provision of research material.

Primary Dealer ranking method

The performance of Primary Dealers is periodically evaluated with respect to the volumes purchased in auctions (including DDAs). The DSTA (Dutch State Treasury Agency) publishes the top five performing Primary Dealers in DSLs, DTCs and CP. For DSLs, this is based on duration weighted nominal amounts purchased or placed through tap auctions and DDAs, for DTCs and CP, it is unweighted. The weights for the DSLs duration weighted ranking are published annually and the 2026 weights are included below, by maturity[10].

DSL maturing in	Weighting factor
2026 - 2029	2
2030 – 2032	6
2033 – 2035	8
2036 – 2038	10
2039 – 2044	12
2045 - 2053	14
2054 - onwards	20

10 *Dealers | Subjects | english.dsta.nl*





G. Contacts

i. Debt Management Office

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CITIGROUP GLOBAL MARKETS EUROPE	
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GOLDMAN SACHS	
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European Primary Dealers Handbook

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A. List of Primary Dealers[1]

FIRM	LT	Firm's location
Danske Bank	X	Copenhagen
Deutsche Bank	X	Frankfurt
DNB Carnegie	X	Stockholm
Nordea	X	Helsinki
Skandinaviska Enskilda Banken	X	Stockholm
TOTAL	**6**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

Norway debt is currently rated as follows:[2]

- Fitch Ratings*: AAA (stable)
- Morningstar DBRS*: AAA
- R&I*: AAA
- Moody's: Aaa (stable)
- Scope Ratings*: AAA (stable)
- Standard and Poor's*: AAA (stable)
- JCR*: AAA (stable)

*Unsolicited rating

1 *List of the Primary Dealers operating on the Norwegian Government Bond Market as of May 2026. For complete information please refer to this link.*

2 *Credit rating as of February 2026*



C. Debt Instruments

i. Domestic Debt Instruments:

Government Bonds:

The central government of Norway issues long-term borrowing (government bonds) with fixed coupon. Under its mandate, Norwegian DMO aims to maintain a yield curve for government securities up to 10 years. But the mandate permits the issuance of bonds with longer maturity. Norwegian bonds are generally issued with 3, 5, 7, and 10 years maturity. Norwegian DMO may issue bonds with longer maturities (15 and 20 years) on a periodic basis.

The target shares of debt issues in different maturity segments are: a minimum 10% of borrowing through short-term bonds (with a maturity of up to four years), a minimum of 10% of through medium-term bonds (over four years and up to seven years), and a minimum of 50% through long-term bond (over seven years).

Treasury Bills:

The Norwegian government engages in issuing T-bills with zero-coupon securities with maturities of one year or less. Norwegian T-bills are issued with 3, 6, and 12 months maturities.

ii. Foreign Debt Instruments

Norwegian government only borrows in NOK.

D. Privileges and Duties of Primary Dealers

To promote liquidity in the Norwegian government securities market, Norges Bank has appointed Norwegian and Nordic banks as Primary Dealers. Primary Dealers are required to provide binding bid and ask quotations for each government security on the Bloomberg E-Bond System.

Primary Dealers are also eligible to enter into repurchase agreements with Norges Bank covering all outstanding government securities. Pursuant to such arrangements, they may temporarily acquire securities from the government's securities with a corresponding agreement to sell back the securities at a later date.

Primary Dealers possess the exclusive right—and corresponding obligation—to participate as bidders in government bond auctions.

E. Primary Market

The ministry of finance of Norway is responsible for government debt but has delegated the operational tasks in debt management to the central bank, Norges Bank. Under a mandate from the ministry, Norges Bank is responsible for meeting the government's borrowing needs as determined by the ministry and for administration of the existing stock of government debt. Norwegian government bonds are issued by Norges Bank in the name of the Ministry of Finance under a mandate laid down by the Ministry. As non-oil budget deficits in Norway are funded by Government Pension Fund Global, the central government's budget is balanced. Government's borrowings, instead, are used to finance capital transactions in the budget.

Norwegian government securities are issued by auction, syndication or by another method determined by Norges Bank.



For these issuances, Norges Bank applies a uniform-price format when offering Norwegian government bonds and Treasury bills in auctions. In uniform price auctions, all successful bidders pay the same lowest accepted price, the equilibrium price. Bids are ordered from the highest to the lowest price, and allocations are made accordingly. All tenders at the equilibrium price will receive an allotment on a pro-rata basis, meaning each bidder at that price receives the same proportion of their bid so that the total allocation matches the amount offered for sale. Tenders are submitted in lots of NOK 1 million, bid prices must be quoted to two decimal places for securities with maturities of more than 12 months, and to four decimal places for securities with maturities of less than 12 months.

A preliminary auction calendar for each year is announced in December of the previous year. The issuance of bonds is announced at 12:00 noon two banking days prior to the auction. Bond auctions are held at 10:15-11:00 am on the auction date. Buyback auctions are held at 9:15-10:00 am on the auction date.

The issuance of Treasury bills issues is announced at 12:00 noon two banking days prior to the auction. Treasury bill auctions are held at 10:15-11:00 am on the auction date. New Treasury bills are introduced on International Money Market (IMM) dates, which are third Wednesday of March, June, September, and December. Treasury bills can be reopened to increase the volume outstanding.

Bond syndications are undertaken independently of the auction calendar. Norges Bank decides on the composition of the syndicate on an offering-by-offering basis.

Government bonds of Norway are listed on Oslo Børs (Oslo Stock Exchange), with each series of government bonds receiving a ticker code with the letter combination NST (referring to the Norwegian government as issuer) and a number for bond series.

F. Secondary Market

In over-the-counter trading of Norwegian government bonds, buyers and sellers both submit ownership transfer information to the Norwegian Central Securities Depository (VPS). Trades are normally settled two days after they have been reported to the VPS.

Primary dealers are required to maintain binding bid and ask prices for minimum volume of all the government securities outstanding on Bloomberg E-Bond trading system, with quoting parameters determined by the DMO and periodically reviewed in consultation with the dealer community. Thus, primary dealers act as government securities market makers. Dealers may widen quoted bid/offer spreads by up to three times the standard level around data releases, market announcements, and auction windows.

The government has its own stock of all its securities. Primary dealers can borrow bonds from the government to be able to quote ask prices at any given time. The government may loan government securities to primary dealers upon request for periods of up to one week at a time.



G. Contacts

i. Debt Management Office

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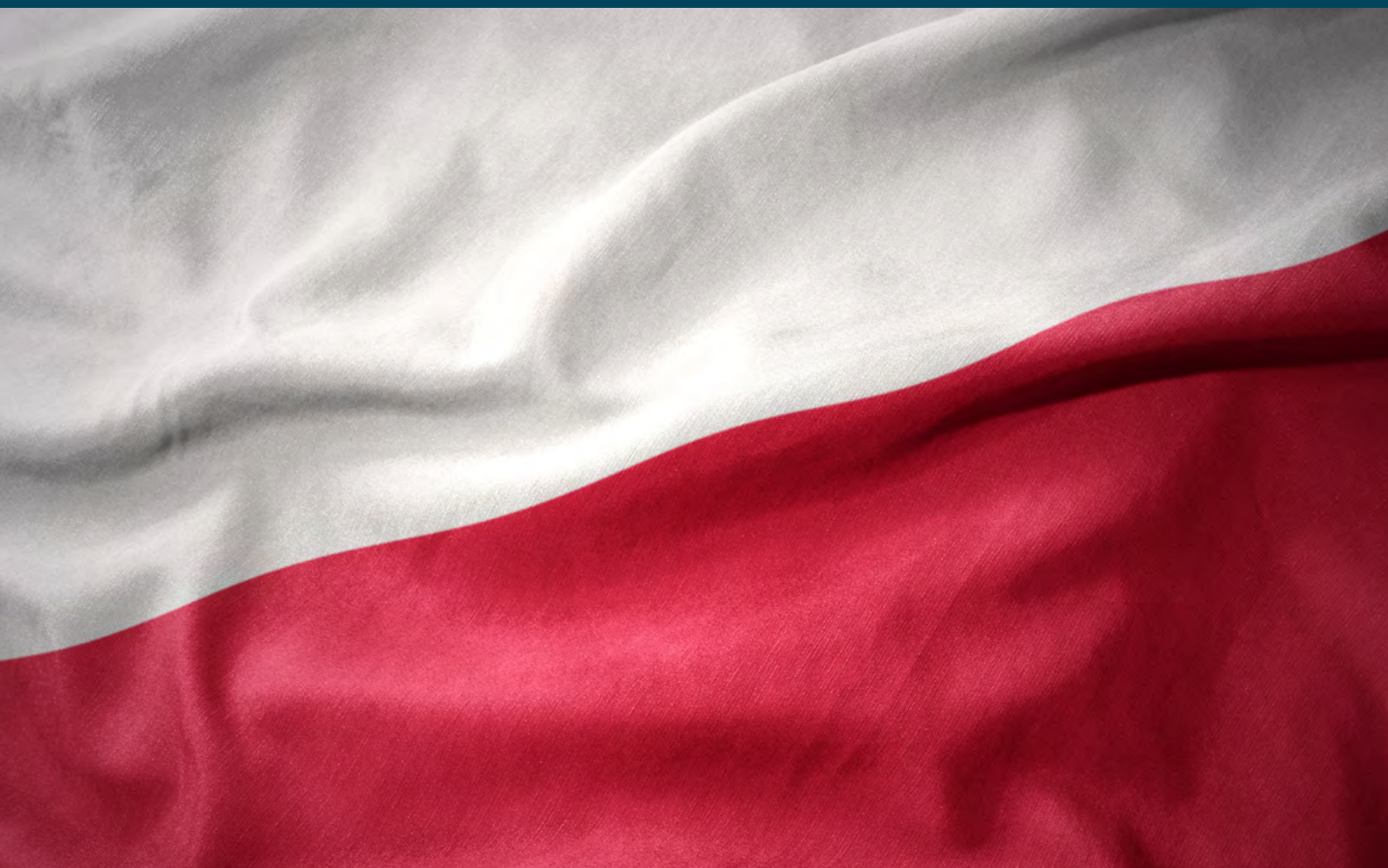
ii. AFME Primary Dealer Board Firm Contact Details

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European Primary Dealers Handbook

16. Poland

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A. List of Primary Dealers[1]

Firm	Poland (PL)	Firm's location
Bank Handlowy w Warszawie S.A. (Citi Handlowy)	X	Poland
Bank Pekao S.A.	X	Poland
BNP Paribas S.A.	X	France
Deutsche Bank A.G.	X	Germany
Erste Bank Polska S.A.	X	Poland
Goldman Sachs Bank Europe SE	X	Germany
ING Bank Śląski S.A.	X	Poland
J.P. Morgan SE	X	Germany
mBank S.A.	X	Poland
PKO Bank Polski SA	X	Poland
Société Générale S.A. Oddział w Polsce	X	Poland
Total	**11**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

Polish debt is currently rated as follows:[2]

- Standard & Poor's: A- (stable)
- Moody's: A2 (negative)
- Fitch Ratings: A- (negative)
- DBRS: A (negative)

1 *AFME Harmonised Reporting Format Table operating in Poland as of March 2026: https://www.gov.pl/web/finance/primary-dealers*

2 *Ratings correct as of March 2026. Source: Polish Ministry of Finance*



C. Debt Instruments

Treasury securities (TS) denominated in the domestic currency.

- T-bills (face value PLN 10,000)
- T-bonds (face value PLN 1,000)

T-bonds may be issued, as:

- zero-coupons bonds: 2Y tenor
- fixed rate bonds: 5Y- 30Y tenor
- floating rate bonds
- inflation-linked bonds

Treasury bills are offered for sale on the domestic market at a discount and redeemed at their face value – with maturity up to 52 weeks.

Treasury securities on domestic market are sold through auctions held by the National Bank of Poland (NBP) and private placements.

Foreign currency denominated bonds are sold through syndicates and private placements.

Detailed conditions of a particular TS issue i.e.: maturity date, type of coupon, maximum value of the issue and its currency are determined in the Letters of Issue published by the Minister of Finance.

D. Rights and Obligations of Primary Dealers

The System of Treasury Securities Dealers (TSDs) was introduced at the beginning of 2003. Participation in the TSD system is limited to Polish and foreign banks, which meet the requirements stated in the Rules and Regulations Governing the Activities of the TSD.[3]

3 *For an exhaustive list of the obligations and rights of TSDs refer to Rules and Regulations Governing the Activities of the Treasury Securities Dealer of January 1, 2026*



Main Obligations and Rights of TSDs are outlined below

Obligations	Rights
TSDs are obliged to participate in the TS auctions and to purchase each quarter no less than minimum required share (50% divided by the number of TSDs; updated each quarter) of the total face value of TS sold at sale auctions, switching auctions and T-bill auctions within a given evaluation period and weighted by: • 0.5 - for TS with maturity less than 4 years • 1.5 - for TS with maturity equal or above 4 years	TSDs are entitled to exclusive submission of bids at auctions (including switching and buy-back auctions).
TSDs are obliged to submit TS quotes on Electronic market by presenting bid and offer prices in accordance with the rules relevant for the Electronic market for at least 5 hours a day.	TSDs are entitled to exclusive submission of bids at T-bond additional sale and T-bills additional sale.
TSDs are obliged to participate in everyday fixing sessions of TS.	TSDs have exclusive rights or preferences in concluding individual transactions with the Ministry of Finance concerning: a) repo and buy-sell back transactions, b) hedging transactions, c) private placement transaactions, d) TS issued on foreign markets, e) other financial market transactions defined by the Ministry of Finance.
TSDs are obliged to co-operate with the Minister towards ensuring liquidity, efficiency and transparency of the TS market.	TSDs, have exclusive right to use the title of “Treasury Securities Dealer”(TSD) during the term of the agreement for fulfilling the function of TSD.
TSDs are obliged to undertake actions aimed at widening the investor base and to promote the TS market.	TSDs have the right to participate in regular meetings with representatives of the MoF to discuss the issuance policy, plans for financing the State budget borrowing needs and financial market conditions and to solve material, organisational and technical problems connected with functioning of the TS market (TS Market Participants Council)
TSDs are obliged undertake actions supporting liquidity of international bonds.	TSD has priority over non-TSD counterparties for transactions concluded on Electronic market.
TSD and Applicants are obliged to achieve not less than the minimum percentage share in the total nominal value of outright transactions concluded by all TSDs and Applicants on the Electronic market for a given Evaluation period.	TSD has right to quote listed non-fixing TS to improve its scoring for the assessment.



E. Primary Market

Auction Procedures[4]

Treasury securities (T-bonds and T-bills) on domestic market are sold through auctions and private placements.

Direct access to auctions is limited to Primary Dealers and the state-owned Bank Gospodarstwa Krajowego (BGK).

Sale of the Treasury Securities at auctions on the domestic market in Poland is performed by issue agent - the National Bank of Poland (NBP). NBP developed the electronic auction platform named SKARBNET4 .

Auctions take place in accordance with an auction calendar. Auction calendars and information on TS auction details are published on the Ministry of Finance website www.gov.pl/web/finance/public-debt, in REUTERS [PLMINFIN] and BLOOMBERG [PLMF].

Auctions are announced to the public two working days (T-bonds) or one working day (T-bills) before the auction day. The auction participants submit bids in electronic form, by means of electronic auction system, on the auction date, by the time specified in the Information on auction. The auction participant may cancel the submitted bid before the deadline. The minimum face value of the bid submitted by the auction participant is specified in the Information on the auction. Settlement of the auction is effected two working days after the auction.

Treasury bonds transactions are settled in the Central Securities Depository of Poland (KDPW SA).

Sale auction[5]

T-bond and T-bill sale auctions are carried out in uniform price formula. Bids are submitted by Treasury Securities Dealers (TSDs) to the National Bank of Poland by 11:00a.m CET on the auction date. Upon receipt of a bid summary from the NBP, the Minister of Finance makes a decision on accepted minimum price for TS with a given maturity. Bids with higher price are accepted in whole while bids presenting accepted minimum price can be accepted with a reduction or in whole. Investors may place non-competitive bids on T-bond and T-bill sale auctions. Investors placing non-competitive bids pay for the purchased securities price equal to the minimum price set at the given auction.

TSDs, that purchased Treasury securities at the sale auction, have the right to purchase on the auction day any Treasury securities sold at the sale auction, within additional sale, at the minimum price set at the sale auction. TSD may purchase Treasury securities in the amount corresponding to the product of the nominal value of all Treasury securities purchased by that TSD at the sales auction and the percentage multiplier corresponding to the position of that TSD in the last published TSD ranking.

4 *Further information can be found on the Ministry of Finance website: https://www.gov.pl/web/finance/t-bills-and-t-bonds*

5 *Further information on auction procedures can be found on the Ministry of Finance website: https://www.gov.pl/web/finance/auction- procedures-t-bills-and-t-bonds*



Schedule of TS sale auction and TS additional sale is presented in the table below.

	T-BONDS	T-BILLS
	SALE AUCTION	
Issue agent	National Bank of Poland	
Auction participants	Treasury Securities Dealers (TSDs) + BGK	
Auction format	Uniform-price auction - each of the bidders buys securities at a minimum price accepted at auction	
Publication of information on auction	Day T-2, time 15:00	Day T-1, time 15:00
Deadline for placing bids	Day T, time 11:00	Day T, time 11:00
Minimum bid face value	1,000,000 PLN	100,000 PLN
Publication of information on auction results	Day T, time 11:30	Day T, time 11:30
Auction settlement[1]	Day T+2, time 12:30	Day T+2, time 14:00
	ADDITIONAL SALE	
Sale format and participants	Each TSDs, that purchased TS at the sale auction, has the right to purchase during additional sale any TS offered at the sale auction, at the minimum price set at the sale auction	
Publication of information	Day T, time 11:30	Day T, time 11:30
Deadline for placing bids	Day T, time specified in the announcement published after the sale auction	
Minimum bid face value	1,000 PLN	10,000 PLN
Publication of information on results	Day T, not later than at 14:30	Day T, not later than at 14:30
Settlement [1]	Day T+2, time 12:30	Day T+2, time 14:00
[1] Payment for the TS sold through auction and additional sale is usually made two days after an auction but under reasonable circumstances may be set on other day.		

T- bonds switching auctions

At a switching auction the Minister of Finance buys back bonds with near redemption dates before their maturity date, while the settlement of the transaction is effected by giving the bondholder new bonds of a different series. Bought-back securities are cancelled. The operation is conducted without cash flows.

Treasury bond switching auctions are carried out in uniform price formula. The Minister of Finance determines the minimum price of T-bonds sold, which is a settlement price for all accepted bids for bonds of a given maturity.

The Minister of Finance publishes information on switching auctions two working days before the auction day. One working day before the auction the Minister of Finance announces clean prices of buy-back/source bonds. Auction participants may place one non-competitive bid, determining amount of bought-back bonds without giving price of settlement bonds. Auction participants who have purchased bonds on switching auction are entitled to purchase additional bonds in number representing the difference between the sum of the purchased securities of a given series and its rounding up to the nearest multiple of 1000 (cash purchase).



SWITCHING AUCTION	
Issue agent	National Bank of Poland
Auction participants	TSDs + BGK
Auction format	Uniform-price auction - MoF determines the minimum price of T-bonds sold, which is a settlement price for all accepted bids for bonds of a given maturity
Publication of information auction	Day T-2, time 15:00
Publication of information on switching prices	Day T-1, time 15:00
Deadline for placing bids	Day T time 11:00
Minimum bid face value	1,000,000 PLN
Publication of information on auction results	Day T, time 12:00
Deadline for cash purchase bids approval	Day T, time 12:15
Publication of information on cash purchase results	Day T, time 12:30
Auction settlement[1]	Day T+2, time 12:30
[1] Auction settlement is usually made two days after an auction but under reasonable circumstances may be set on another day.	

Buy-back auctions

The Minister of Finance publishes information on buy-back auction two working days before the auction day. Buy-back auctions are held in the multi-price auction system i.e. each of the bidders sells securities at the price submitted in the bid. Upon receipt a bid summary from the NBP, the Minister of Finance takes a decision on the maximum price of bonds accepted for each series. Bids with lower price are accepted in whole; bids with maximum price are accepted with a reduction or in whole. Settlement of the auction is effected two working days after the auction.

F. Secondary Market

Trading on the secondary market in Treasury bills and bonds denominated in PLN is conducted on the non-regulated OTC market and the Treasury BondSpot Poland electronic platform (former MTS Poland) operated by BondSpot S.A. (former MTS-CeTO S.A.). Trading on the secondary market in Treasury bonds is also performed on regulated markets of the Warsaw Stock Exchange and BondSpot S.A. Foreign bonds issued by the State Treasury after 1995 are registered on the foreign stock exchanges. However, trading in those securities is concentrated on non-regulated interbank markets.

Treasury BondSpot Poland

Treasury BondSpot Poland (formerly: Electronic Treasury Securities Market by 2004, then MTS Poland and since 2009 under the present name) is an electronic secondary trading market dedicated for wholesale Treasury securities. It has become an integral part of the Primary Dealership system which was developed by the Ministry of Finance in cooperation with the National Bank of Poland, the National Depository for Securities and banking environment in 2002. Now it is run by BondSpot S.A. owned mainly by Warsaw Stock Exchange. Currently, Treasury BondSpot Poland has 25 participants, including 11 banks holding the status of Primary Dealer. Treasury BondSpot Poland participants can act on the market either in the capacity of Market Makers, Market Takers or Institutional Investors. Primary Dealers are obliged to participate in the market as market makers.



G. Contacts

i. Debt Management Office

Ministry of Finance, Poland
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16. Poland

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European Primary Dealers Handbook

17.Portugal

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A. List of Primary Dealers[1]

i. Bond Market (OEVT)

FIRM	Portugal (PT)	Firm's Location
Banco Santander S.A.	X	Madrid
Bank of America Securities Europe SA	X	Paris
Barclays Bank Ireland PLC	X	Dublin
BBVA S.A.	X	Madrid
BNP Paribas S.A.	X	Paris
Caixa Banco de Investimento, S.A.	X	Lisbon
Citibank Europe plc	X	Frankfurt
Crédit Agricole CIB	X	Paris
Deutsche Bank AG	X	Frankfurt
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
J.P. Morgan SE	X	Frankfurt
Jefferies GmbH	X	Frankfurt
Morgan Stanley Europe SE	X	Frankfurt
Nomura Financial Products Europe GmbH	X	Frankfurt
Novo Banco, S.A.	X	Lisbon
TOTAL	**16**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

Millenniumbcp and CaixaBank are also authorised as Other Auction Participants (OMP).

1 *List of the Primary Dealers operating on the Portuguese Government Bond and T Bills Market as of August 2026. For complete information please refer to the Portuguese Treasury website http://www.igcp.pt*



ii. T Bills Market (EBT)

FIRM	Portugal (PT)	Firm's Location
Banco Santander S.A.	X	Madrid
Bankinter, S.A.	X	Madrid
Bank of America Securities Europe SA	X	Paris
Barclays Bank Ireland PLC	X	Dublin
BBVA S.A.	X	Bilbao
BNP Paribas S.A.	X	Paris
CaixaBank, S.A.	X	Valencia
Caixa Geral de Depósitos	X	Lisbon
Citibank Europe plc	X	Frankfurt
Crédit Agricole CIB	X	Paris
Deutsche Bank, AG	X	Frankfurt
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe SA	X	Paris
J.P. Morgan SE	X	Frankfurt
Jefferies GmbH	X	Frankfurt
Millenniumbcp	X	Lisbon
Morgan Stanley Europe SE	X	Frankfurt
Nomura Financial Products Europe GmbH	X	Frankfurt
Novo Banco, S.A.	X	Lisbon
TOTAL	**19**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members



B. Credit Rating

Portuguese debt is currently rated as follows:[2]

- Standard and Poor's: A+ (positive)
- Moody's: A3 (stable)
- Fitch Ratings: A (positive)
- DBRS: A (high) (positive)

C. Debt Instruments

Fixed Rate Bonds (OT)

Obrigações do Tesouro (OT) are the main instrument used by the Republic of Portugal to satisfy its borrowing requirements. OTs are medium- and long-term book-entry securities issued by syndication, auction or by tap with:

- Maturities of between 1 and 50 years;
- Bearing a fixed interest rate coupon or not (zero coupon);
- Redeemable on maturity at nominal value; and

Two methods have been adopted, by Agência de Gestão da Tesouraria e da Dívida Pública briefly called IGCP, E.P.E. for the issue of OT in the primary market through banking syndicate and via auction. The former has been used for launching new OT lines, since it fulfills the dual objective of simultaneously placing a larger amount of securities at market prices and achieving a greater diversification of the investor base, both geographically and by type of investor. New OT are subsequently reopened via auction in order to increase their initial amount outstanding.

All OT lines are admitted to trading on the designated electronic platforms for Portuguese Public Debt: MTS, BrokerTec, BGC Partners and Euronext Lisbon.

The placement of OT in the primary market is ensured by a group of financial institutions with the status of Primary Dealers (OEVT) or Other Auction Participants (OMP). Both OEVT and OMP contribute to the objectives defined for the management of government debt through their participation in the primary and secondary bond markets. OEVT have the obligation of promoting the liquidity of these instruments in the secondary market.

Treasury Bills (BT)

BT issuance was resumed according to a strategy aimed at developing a liquid market for these instruments, of international size and capable of contributing to further broaden and diversify the investor base for Portuguese government debt.

BT are short-term securities with a face value of one euro, which can be issued with maturities of up to one year. They are issued at discount and placed via auction or limited subscription offer and redeemable on maturity at nominal value.

The placement of BT in the primary market is ensured by a group of banks recognised by IGCP, E.P.E as Treasury Bill Specialists (EBT). The EBT are required to offer recognized domestic and international placement capabilities so as to ensure a wide distribution of the new issues and to promote the liquidity of the secondary market through their role as market makers on the designated platforms.

BT are placed via regular auctions, according to a pre-announced calendar, designed to guarantee that the amount issued per line is enough to ensure the liquidity of the new issue from the start. BT are admitted to trading on the designated platforms for Portuguese Public Debt and transactions follow standard settlement procedures.

2 *Credit rating updated as of August 2026*



Floating Rate Bonds (OTRV)

Obrigações do Tesouro de Rendimento Variável (OTRV) are book-entry securities governed by Portuguese law representing medium- and long-term loans of the Republic of Portugal. They were created to diversify the public debt instruments and distribution channels available to investors in addition to promote the broadening of the Portuguese Republic's investor base.

The common characteristics of OTRV include:

- the nominal value of each OTRV corresponds to €1,000.00 (one thousand Euros);
- the maximum subscription per investor is €1,000,000.00 (one million Euros), corresponding to 1,000 (one thousand) bonds;
- the nominal interest rate applicable is floating;
- OTRV can be issued for a maturity of up to 10 years and the redemption (bullet) is made on the maturity date at nominal value.

OTRV are placed on the market by one or more credit institutions specifically mandated by IGCP, E.P.E. for this purpose. Potential investors can subscribe OTRV from any authorised financial intermediary in Portugal during the respective subscription period defined by IGCP, E.P.E.

If demand is greater than the overall nominal value of OTRV on offer, they will be assigned on a pro rata basis, according to the successive application of the criteria listed in the documentation relating to each transaction, as defined by IGCP, E.P.E. in conjunction with the credit institutions involved.

Saving Certificates (CA) and Treasury Certificates (CT)

The savings' instruments are issued with the objective of capturing households' savings. Their main feature is the fact that they are retail distributed, that is, they are issued directly to single investors and they have small minimum subscription amounts. These instruments can only be subscribed by households; they are non-tradable and may only be transferred upon the death of the owner.

The issue of savings certificates series F can be performed directly at the counters of the entities for the purpose contracted by IGCP, E.P.E., CTT (see online Post Office Branches), Banco BIG, Citizen Spaces (see Shops and Citizen Spaces), as well as via Internet, subscription service AforroNet for those already subscribed to the service provided by IGCP, E.P.E (see instructions no. 3/3017).

EMTN

Since January 2009 there has been the option to issue under the Euro Medium Term Note Programme (EMTN), which currently amounts to €15,000,000,000 in order to diversify the investor base and to potentially benefit from favourable market conditions. The last time the program was renewed was in June 2025.

Other Instruments

To satisfy the State's specific short-term financing needs, the IGCP, E.P.E. resorts to repo transactions (or financing repos). Financing repos are set up bilaterally between the IGCP, E.P.E. and the OEVT or the EBT and consist of the sale of government bond (OT) or Treasury Bills (BT), issued for that purpose, with the simultaneous agreement for the repurchase of those securities at a specified time and price.



D. Privileges and obligations of Primary Dealers

i. Market Participants in the Bond Market

The placement of Obrigações do Tesouro (OT) or Portuguese bonds in the primary market is ensured by a group of financial institutions to which the IGCP, E.P.E., has granted the status of Primary Dealers (OEVT) or Other Auction Participants (OMP).

The status of OEVT and OMP is granted on the basis of an assessment of the capability of the financial institutions to consistently place and trade Portuguese Government debt instruments in international, European or domestic markets, ensuring access to a regular investor base and contributing to the liquidity of these instruments in the secondary market.

a. Rights of a Primary Dealer (OEVT)

The Primary Dealers and financial intermediaries are recognised by the IGCP for their capacity to place OT and to ensure the liquidity of these securities in the secondary market. These institutions are entitled to:

- Participation in the competitive phase and exclusive access to the non-competitive phase of auctions;
- Exclusive access to OT reverse auctions;
- Preference in the formation of syndicates and in other forms of placement of Government debt;
- Privileged hearing in matters of common interest;
- Access to market facilities created by the IGCP E.P.E., namely the repo window Preference in transactions related to the active management of government debt;
- Regular feedback regarding its performance accordingly to the scorecard;

b. Obligations of Primary Dealers (OEVT)

Their main duties are to:

- Participate actively in OT auctions, by bidding regularly under normal market conditions and by subscribing to a share no lower than 2% of the amount placed in the competitive phase of the auctions (annually assess: the compliance with this duty should be observed considering a period of two-years);
- Actively participate in the secondary market of government bonds (OT), acting in accordance with good market practices and ensuring the liquidity, efficiency and regularity of the trading conditions of these securities;
- To actively participate in the OT secondary market, acting as market makers through any of the electronic trading systems designated by IGCP, E.P.E., maintaining a share of no less than 2% of this market's turnover (the compliance with this duty is assessed for a 2-year period);
- Permanently update via a specialized remote information system a page of widespread access with the quotes of benchmark OT;
- Provide, according to the form and requirements of the IGCP, E.P.E. the information required for the monitoring of participants' activity in the secondary market and to check compliance with the provisions of this Regulation;
- Comply with all rules adopted by the IGCP, E.P.E. regarding the scope and the object of the present Regulation;
- Provide information and act as advisers to IGCP, E.P.E. in the monitoring of financial markets;



- Timely inform the IGCP, E.P.E. about their difficulty in performing any of the obligations laid down in this Regulation, namely in the case of abnormal or extraordinary market conditions and await the IGCP's consent to the change in the form of compliance, or of non-compliance, with any of the duties provided for in this Regulation;

- Keep the contact list permanently updated in the required format.

c. Other Auction Participants (OMP)

The OMP status is assigned to institutions which, while not fulfilling the Primary Dealers requirements, contribute to achieving the goals set for the management of government debt by their participation in the primary and secondary debt market. OMP status may be granted to institutions that:

- Wish to apply for the OEVT status and wish to show in this way that they meet the necessary requisites;

- Have the capacity to place and trade Portuguese government debt securities in order to contribute to the broadening of the investor base and/or to the liquidity of these instruments in the secondary market;

- Offer guarantees for the physical and financial settlement of bonds in compliance with their form of creation and registration as well as with the procedures determined by the IGCP, E.P.E. for this purpose.

d. OMP Rights and Obligations

OMP have the right to participate in the competitive phase of bond auctions. OMP are obliged to:

- Regularly participate in bond auctions, by bidding under normal market conditions and by subscribing bonds in at least two auctions out of all auctions held during the year;

- Participate in the secondary market, through any of the electronic trading systems designated by IGCP, E.P.E. as market maker or market dealer and act in accordance with good market practices;

- Comply with all the rules adopted by the IGCP, E.P.E. on the scope and purpose of this Regulation.

ii. Market Participants in the Treasury Bill Market

Participation in BT auctions is confined to institutions that have been granted the status of Treasury Bill Specialist (EBT). The EBT status is granted by IGCP, E.P.E. on the basis of an assessment of the capability of the financial institutions to consistently place and trade BT in international, European or domestic markets, ensuring the access to a regular investor base and contributing to the liquidity of these instruments in the secondary market.

a. Rights of a Treasury Bill Specialist (EBT)

Treasury Bill Specialists are entitled to have:

- Exclusive access to the competitive and non-competitive phases of BT auctions;

- Preference in other forms of placement of BT;

- Access to the facilities created by the IGCP to support the market, namely the BT repo window of last resort;

- Privileged hearing on matters of common interest;

- Access to IGCP's repo facility.

b. Obligations of a Treasury Bill Specialist (EBT)

Treasury Bill Specialists are bound to:

- Actively participate in BT auctions, by bidding regularly under normal market conditions and by subscribing to a share no lower than 2% of the amount placed in the competitive phase of auctions (the compliance with this duty is assessed for a 1-year period);



- Actively participate in the secondary market of BT, acting in accordance with good market practice and ensuring the liquidity, efficiency and regularity of the trading conditions of these securities;
- Actively participate in the BT secondary market, acting as market makers through any of the electronic trading systems designated by IGCP, E.P.E., maintaining a share of no less than 2 per cent of the turnover of this market segment (the compliance with this duty is assessed for a 1-year period);
- Permanently update via a specialized remote information system a page of widespread access with the quotes of BT;
- Supply, according to the form and requirements of the IGCP, E.P.E. the information required for following up their activity in the secondary market and for monitoring compliance with the provisions of this Regulation;
- Respect all rules adopted by the IGCP, E.P.E. regarding the scope and objective of this Regulation;
- Operate as privileged consultants of the IGCP, E.P.E. in monitoring financial markets;
- Timely inform the IGCP, E.P.E. about the difficulty in complying with any of the duties laid down in this Regulation, namely in case of abnormal or extraordinary market conditions, and await the IGCP's consent on the change in the form of compliance, or of non-compliance, with any of the duties provided for in this Regulation;
- Access to IGCP's repo facility.

E. Primary Bonds Market

Bonds may be placed by auction or by a consortium of financial institutions. Provided that they form part of an existing bond series, they may also be placed by subscription offer, limited to one or several financial institutions.

i. Auction Systems

a. Description of the Portuguese Bonds (OT) Auction

An indicative number of auctions of fixed-rate government bonds (OT) to be held are released every quarter by the IGCP,

E.P.E. which may be periodically adjusted to borrowing requirements and to the corresponding financing strategy. Besides the auctions envisaged, the IGCP, E.P.E. may hold other auctions, announcing them at least three business days in advance. Auctions of OT with different maturities can be held simultaneously.

The OT auctions can be held on the 2nd or 4th Wednesday of the month and are normally held on the second Wednesday of the month.

The specific characteristics of each auction are announced directly to the Primary Dealers (OEVT), to the Other Auction Participants (OMP) and to the market, up to three days before the auction date.

The settlement shall be made on the second business day following the competitive phase of the auction and on the first business day following the non-competitive auction date. OTs shall be delivered against the respective payment. Exceptionally, the IGCP, E.P.E. may set an alternative settlement date, disclosing it in the announcement of the respective auction.

OT auctions are supported by an electronic system: the Bloomberg Auction System (BAS).

The auctions are carried out in two consecutive phases – competitive and non-competitive – and are only accessible to financial intermediaries authorised by the IGCP, E.P.E., i.e. institutions to which the status of Primary Dealer (OEVT) or Other Auction Participants (OMP – only to competitive phase) has been granted.



b. Phases Competitive Auction

- Open to the Primary Dealers (OEVT) and Other Auction Participants (OMP);
- Each participant may submit bids, in multiples of €1 million, with a total value which cannot exceed the upper limit of the overall indicative amount announced;
- Bids are ranked in decreasing order of the price offered;
- The IGCP, E.P.E. shall determine the minimum price depending on the amount placed, thereby setting the cut-off price;
- The IGCP, E.P.E. shall determine the minimum price depending on the amount placed, thereby setting the cut-off price (single/uniform price method);
- All bids offering a price greater than or equal to the cut-off price, unless the total of such bids exceeds the amount that IGCP, E.P.E. has decided to place in the auction shall be met at cut-off price;
- The bids with a price equal to the cut-off price are allotted on a pro-rata basis (according to €1,000 lots);
- The IGCP, E.P.E. may decide to place an amount up to one-third higher than that was announced and can also opt not to place part of, or the entire, amount announced;
- Bids should be entered in the auction system in the thirty-minute period preceding the deadline indicated in the auction announcement, which unless otherwise indicated by the IGCP, E.P.E. shall be 11.30 CET of the auction day. The auction results are announced up to 15 minutes after that time, usually in the three-minute period following the deadline.

Non-Competitive Auction

- Only Primary Dealers (OEVT) shall have access to this phase.
- In the non-competitive phase, subscription shall be made at the same price of the competitive phase of the auction;
- In the non-competitive phase it is offered for subscription 30% of the amount actually subscribed in the competitive phase, and composed of two parts:
    - 20% of the amount actually placed in the competitive phase is attributed to each Primary Dealer according to the percentage of their participation in the amount placed in the competitive phase of the last three OT auctions (an auction, in this respect, is considered to be that which is held on a particular day, regardless of whether it had one or more lines of OT);
    - A maximum of 10% of the amount actually placed in the competitive phase is attributed to the five Primary Dealers (2% to each Primary Dealer) that have ranked in the first five positions in the ranking criterion of the quoting obligations (as defined by the IGCP, E.P.E.) in the month previous to the auction, as long as (i) the quoting obligations of such Primary Dealer have been fulfilled in the same period, and (ii) the subscription share of such Primary Dealer in the competitive phase of the auction has been no less than 2% of the amount placed.
- The period for the submission of bids for the non-competitive phase will end at 15.00 (16.00 CET) of the following business day.
- The settlement of the amount subscribed by each institution shall be made on the second business day following the competitive phase of the auction and on the first business day following the non-competitive auction date. OT shall be delivered against the respective payment. Exceptionally, the IGCP, E.P.E., may set an alternative settlement date, disclosing it in the announcement of the respective auction.

ii. Reverse Auction System

17. Portugal



Reverse auctions are one of the methods used to implement the Republic of Portugal's Debt Buybacks and Exchanges.

a. Foreword

A debt exchange programme was developed in 2001 as part of the Republic of Portugal debt management strategy, which aimed to enhance the liquidity of the debt market and to act as an instrument for managing the refinancing risk.

In the Euro debt market, liquidity has emerged as one of the main factors explaining the spreads among issues of different sovereigns, the size of the issues and the trading conditions being the main determinants of liquidity.

Since the start of stage three of EMU in 1999, the borrowing needs of the Republic of Portugal are being met mainly through the issuance of Treasury Bonds in the Euro market. Nevertheless, the Portuguese government debt still includes a certain number of loans that are not liquid due to their small size, their coupons paying much higher than current market yields or the nature of the instrument or the market where it was issued.

The debt buybacks and exchanges include the early redemption of loans or other less-liquid securities and their refinancing through the issuance of standard Treasury bonds (OT). In the past, the main aim of the debt exchange transactions were the acceleration of the substitution of new OT issues for old and less liquid debt. Recently, this type of transaction has been predominantly aimed at minimizing the refinancing risk resulting from the year's redemptions.

Different methods can be used for the execution of the buybacks:

- Buyback windows: during a pre-defined period of time, the IGCP is available to buyback certain securities at a pre-defined price;
- Buyback auctions: procedures identical to the OT regular auctions with settlement against cash. Securities are bought back at competitive prices;
- Bilateral buybacks: The IGCP, E.P.E. may also execute, from time to time, bilateral repurchases;
- Exchange auctions: procedures identical to the OT regular auctions, securities being bought back in exchange for other securities.

b. Principle of the Reverse Auction

The specific characteristics of each auction are announced directly to the Primary Dealers (OEVT) up to three days before the auction date. The time of the reverse auction is indicated in the auction announcement.

Reverse auctions only have a competitive phase and are supported by an electronic system – the Bloomberg Auction System (BAS). Access to these auctions is limited to financial intermediaries to whom Primary Dealer (OEVT) status has been granted by the IGCP, E.P.E.

Each participant may submit a maximum of five bids, in multiples of €1 million, the total of which cannot exceed the indicative amount of the auction.

OT are ranked in increasing order of the price offered until the price for which the amount of bids equals or exceeds the amount that the IGCP decides to buy back (until the cut-off price is reached). Should the total amount of bids with prices lower or equal to the cut-off price be more than the amount the IGCP decides to buy back, the bids with a price equal to the cut-off price are allotted on a pro-rata basis (according to €1,000 lots).

Should the total amount of bids with prices lower or equal to the cut-off price be more than the amount IGCP decides to buy back, the bids with a price equal to the cut-off price are allotted on a pro rata basis (according to €1,000 lots).



iii. Syndications

Banking syndicates are the method typically used for the launch of new lines of OT, since this method fulfils the dual objective of simultaneously placing a larger amount of securities at market prices and achieving a greater diversification of the investor base, both geographically and by type of investor.

The issuance of OT is the main source of funding for the Republic of Portugal. The new OT series are launched via syndicate and their amount is subsequently increased through auctions, using an electronic multi-price auction system (the Bloomberg Auction System). The syndicated placement includes a pot system for the book-building, which enables the IGCP to intervene in the allocation of investors and to select those of greater quality, so as to ensure that the new issue achieves a good performance in the secondary market, thereby facilitating the placement of subsequent reopenings via auction.

Every quarter, the IGCP, E.P.E. announces the expected OT issuance for the period (the combination of a syndicated issue and/or the number of auctions that are expected in that period for existing OT lines).

The syndicate members (leads and co-leads) include all OT Primary dealers (OEVT) and they are selected taking into account their evaluation performance over the past three years as well as their relative reward in the same period.

Key stages of the Operation: Bilateral discussion with Primary Dealers; Decision on maturity; Mandate announcement; Assessment market conditions; Decision for a potential transaction; Press release after pricing.

F. Treasury Bills Primary Market

i. Description of the Treasury Bills (BT) Auction

An indicative calendar of BT auctions is released every quarter by the IGCP, E.P.E. which may be periodically adjusted to borrowing requirements and to the corresponding financing strategy. More than one series may be issued simultaneously.

The BT auctions can be held on the 1st or 3rd Wednesday of each month and are normally held on the third Wednesday of the month.

The specific characteristics of each auction are announced directly to the Treasury Bill Specialists (EBT) and to the market, up to three days before the auction date. Settlement takes place two working days after the auction date (T+2).

BT auctions are supported by an electronic system: the Bloomberg Auction System (BAS) and follow a multi-price auction model.

The auctions are carried out in two consecutive phases - competitive and non-competitive - and are only accessible to financial intermediaries authorised by IGCP, i.e. institutions to which the status of Treasury Bill Specialist (EBT) has been granted.

ii. Phases

Competitive Auction

- Open only to Treasury Bill Specialists (EBT);
- Each participant may submit a maximum of five bids per line, in multiples of €1 million, the total of which cannot exceed the indicative amount of the auction, divided by the number of lines;
- Bids are ranked in ascending order of the interest rate required, bids whose interest rates are lower than or equal to the maximum interest rate accepted shall be satisfied;



- Should the total amount of bids exceed the amount that the IGCP decided to place in the auction, the bids with a rate equal to the cut-off rate are allotted on a pro-rata basis (according to €1,000 lots);

- The IGCP, E.P.E. may decide to place an amount up to one-third higher than that announced and may also decide not to place part of, or the entire, amount announced.

Bids should be entered in the auction system in the thirty-minute period preceding the deadline indicated in the auction announcement, which unless otherwise indicated by the IGCP, E.P.E. shall be at ten hours and thirty minutes [11.30 CET (Central European Time)] of the auction day. The auction results are announced up to 15 minutes after that time, usually in the three-minute period following the deadline.

Non-Competitive Auction

- Open only to the Treasury Bill Specialists (EBT);

- The non-competitive auction will amount to a maximum of 40% of the amount allocated at the competitive auction, divided into two different components:

    - 25% of the amount allocated at the competitive auction will be allocated to the Treasury Bill Specialists, depending on their share of the amounts allocated in the previous three competitive auctions (single or multiple line auctions will always be counted as one auction);

    - A maximum of 15% of the amount allocated at the competitive auction, depending exclusively on compliance, will be allocated as follows: up to five Treasury Bill Specialists will be awarded an extra 3% of the amount allocated at the competitive auction. These five Treasury Bill Specialists will have to be compliant and rank in the first five positions on the compliance criterion (as defined by the IGCP, E.P.E.). The relevant monthly appraisal for each non-competitive auction will be the latest one sent by the IGCP, E.P.E. as at the competitive auction date;

- Notwithstanding special circumstances, the competitive phase of auctions will end at 10.30a.m. (11.30a.m. CET) and the period for the submission of bids for the non-competitive phase will end at 15.00 (16.00 CET) of the following business day;

- The settlement of the amount subscribed by each institution shall be made on the 2nd business day following the competitive phase of the auction and on the 1st business day following the non-competitive phase of the auction. The BT shall be delivered against the respective payment.

G. Secondary Market[3]

i. Framework of the Secondary Market for Government Debt

The secondary market for Portuguese Government debt underwent a profound change with the addition of two other recognised electronic platforms in 2010 increasing the competitiveness among the trading environment of the Portuguese Republic Debt. Apart from MTS, BrokerTec and BGC Partners (former BGC-eSpeed) were then accepted as recognised platforms to trade OT and BT.

Following this reform, the secondary market structure is based on three complementary segments: Regulated markets:

- Electronic platforms - the wholesale segment for specialists,

- The retail segment, mainly for the trading of small lots and which is also a regulated market and where the majority of OT lines are listed – Eurolist by Euronext managed by Euronext Lisbon;

Non-regulated markets:

- The Over-the-Counter (OTC) segment.

3 *Source Agência de Gestão da Tesouraria e da Dívida Pública – IGCP, E.P.E http://www.igcp.pt*



The creation of a multiple electronic platform environment led to a greater participation of non-resident investors and financial intermediaries, resulting in greater liquidity and turnover in the government bond market.

All government bonds (OT) and Treasury bills (BT) issued by the Republic of Portugal are admitted to trading on electronic platforms.

The larger OT have also been admitted to trading on Euronext Lisbon, and they are also actively traded on the electronic platforms MTS, BrokerTec and BGC Partners (former BGC-eSpeed).[4]

New OT and BT lines are admitted to trading immediately after being issued for the first time and once the pricing is defined; initially they are traded in the grey market.

The market making requirements for OT are set forth on the market rules, which can be downloaded from the market operator website.

ii. Requirements for Designated Electronic Trading Systems

An e-trading platform must comply with the following criteria, in order to be eligible as a designated electronic trading system for Portuguese public debt:

- Be a Regulated Market or a Multilateral Trading Facility under the Markets in Financial Instruments Directive (MiFID);
- Offer access to all Primary Dealers equally and fairly. The fee structure of the platform must be non-discriminatory, and made public;
- There should be no prohibitively high fees for market takers who are Primary Dealers;
- Make public current bid and offer prices at those levels which are advertised through the trading system on a continuous basis during normal trading hours on reasonable commercial terms to market participants. Bid and offer prices must be made available free of charge to private individuals at those levels which are advertised through the trading system on a continuous basis during normal trading hours;
- Make public a list of market makers and market takers on the platform;
- Be continuously supported by at least one Primary Dealer promoting price discovery by making a market on Portuguese public debt securities on the system;
- Provide the IGCP, E.P.E. with all the market statistics needed to appraise the performance of its Primary Dealers and to monitor compliance with their market making commitment. If requested by the IGCP, E.P.E. platforms must cooperate with an audit of these statistics. The format under which these statistics are provided is set by the IGCP, E.P.E.;
- Agree that IGCP, E.P.E. publishes a list of designated electronic trading systems.

iii. IGCP Repo Facility

Through its Repo Facility, IGCP offers Primary Dealers (OEVT) and Treasury Bill Specialists (EBT) the possibility to carry out repurchase agreement operations (repo) to source specific OT and BT. The Repo Facility aims to act as a backstop to secondary market activity on Portuguese government bonds and bills and marks an effort to support and improve the overall liquidity of the Portuguese debt market.

Repo transactions are generally conducted for short maturities (up to 2 weeks) and pricing is based on the prevailing €STR swap rate for the relevant maturity, less a specialness spread. The facility is subject to counterparty and transaction size limits.

4 *Source: MTS markets*



H. Quoting Obligations

Primary Dealers commit to continuously quote firm prices for all the securities subject to quoting obligations for a minimum of EUR 5 million amounts both for bid and offer sides at least seven hours per day.

Primary Dealers are allowed to select at their discretion, the platform on which they comply with their quoting obligations. This platform need not be the same for all the securities that a Primary Dealer is committed to quote. The platform can also change from one day to another. However, for every security on any given day, the quoting obligations must be complied with on at least one single platform. The quoting obligations cannot be split across platforms intra-day.

All fixed-rate Government bonds (OT) and Treasury Bills (BT) are currently admitted to trading on the designated platforms.

New OT and BT lines are admitted to trading immediately after being issued for the first time and once the pricing is defined; initially they are traded in the grey market.

The market making requirements for OT are set forth on the market rules, which can be downloaded from the market operator website.

One of the criteria used by the IGCP, E.P.E. to appraise the performance of the Primary Dealers, both on the OT and the BT segments, is compliance with market-making obligations set by the IGCP, E.P.E. and fulfilled on designated platforms.

An OEVT has fulfilled its quoting obligation if it has established a compliance ratio of at least 80% for each entire calendar month. For an OEVT to be compliant on any given security, it must provide quotes for a minimum of seven hours a day in one of the designated platforms (BGC Partbers/ BrokerTec/ MTS), and the bid offer spread of such quotes cannot exceed in more than 50% the average of all quotes from all OEVTs that quoted that security for at least seven hours, on the same day. If any of these conditions are not met, the OEVT is non-compliant for that security.

An EBT has fulfilled its quoting obligation if it has established a compliance ratio of at least 80% for each entire calendar month. For an EBT to be compliant on any given security, it must provide quotes for a minimum of seven hours a day in one of the designated platforms (BGC Partners/ BrokerTec/ MTS), and the bid offer spread of such quote cannot exceed in more than 50% the average of all quotes from all EBTs that quoted that security for at least seven hours, on the same day. If any of these conditions are not met, the EBT is non-compliant on that security.

An OEVT or EBT can achieve additional points on the market making activity if:

- Quote more than the minimum amount required;
- Comply with the requirements in the specially volatile days.



I. OEVT Performance Appraisal[5]

CRITERIA	DESCRIPTION	SCORE	COMMENTS
A. PRIMARY MARKET			
a.1. Primary Market Share	The OEVTs share of the amount placed by the IGCP, E.P.E. at the competitive phase of the OT auctions.	32.5	Adjusted by the regular participation and aggressive behavior
	Penalty of aggressive bidding YTD in OT auctions (score)	(negative)	
B. SECONDARY MARKET			
b.1. Market Making Compliance	The PD's compliance on quoting obligations in designated platforms. Obtained from the daily average of the percentage of bonds where PD's were compliant + the daily average quoting bid- offer spread ranking.	15	Adjusted for the volatility and Bid-Offer Spread target
b.2. Additional Amount Quoted	The PD's additional amount quoted on designated platforms	5	Adjusted for the volatility and Bid-Offer Spread target
b.3. Interdealer Passive turnover	Assessment of passive turnover vs active turnover on the designated platforms.	5	
C. BROADENING THE BASE OF INVESTORS			
c.1. Meetings with investors	Overall assessment of PD's performance in the relationship with investors.	5	
c.2. Turnover with end investors	The PD's share of reported turnover with end investors in Harmonized Reporting Format.	17.5	
D. OTHER CRITERIA			
d.1. Qualitative appraisal of global relationship	The Primary Dealer's involvement regarding advisory and marketing roles.	7.5	
E. EBT PERFORMANCE APPRAISAL			
e.1. EBT Performance Appraisal	The PD's EBT total score.	12.5	The best EBT receives the maximum score and the others receive a score proportional to their shares.
COMPOUND EVALUATION	**The Primary Dealer's compound index will be the sum of the points collected in each different criteria.**	**100**	**For each quantitative criterion, the best Primary Dealer receives the maximum score and the others receive a score proportional to their shares, while for each qualitative criterion, the score that each Primary Dealer receives will be its best grade.**
RANKING	**Ranking position of the Primary Dealer according to the above compound index.**		

5 *Information provided by the Agência de Gestão da Tesouraria e da Dívida Pública – IGCP, E.P.E as of 06th August 2026*



J. EBT Performance Appraisal[6]

CRITERIA	DESCRIPTION	SCORE	COMMENTS
A. PRIMARY MARKET			
a.1. Primary Market Share	The EBT's share of the amount placed by the IGCP, E.P.E. at the competitive phase of the BT auctions.	45	
B. SECONDARY MARKET			
b.1. Market Making Compliance	The PD's compliance on quoting obligations in designated platforms. Obtained from the daily average of the percentage of bonds where PD's were compliant + the daily average quoting bid-offer spread ranking.	15	
b.2. Additional Amount Quoted	The EBT's additional amount quoted on designated platforms	5	
b.3. Market Making Compliance Volatility Adjusted	The EBT's compliance on quoting obligations in designated platforms weighted by daily volatility	10	
C. BROADENING THE BASE OF INVESTORS			
c.1. Turnover with end investors	The EBT's share of reported turnover.	25	This criteria will be based on the monthly report of total turnover sent by each EBT to the IGCP, E.P.E..
COMPOUND EVALUATION	**The EBT's compound index will be the sum of the points collected in the different criteria.**	**100**	**For each quantitative criterion, the best EBT receives the maximum score and the others receive a score proportional to their shares, while for each qualitative criterion the score that each Primary Dealer receives will be its best grade.**
OVERALL RANKING	**Ranking position of the EBT according to the above compound index.**		

6 *Information provided by the Agência de Gestão da Tesouraria e da Dívida Pública – IGCP, E.P.E as of 06th August 2026*



K. Contacts

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ii. AFME Primary Dealer Board Firm Contact Details

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17. Portugal

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DEUTSCHE BANK	
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17. Portugal



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European Primary Dealers Handbook

18. Slovakia

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A. List of Primary Dealers[1]

FIRM	Slovakia (SK)	Firm's location
Barclays Bank Ireland plc	X	Dublin
Citibank Europe plc	X	Dublin
Československá obchodná banka, a.s. (KBC)	X	Bratislava
Deutsche Bank AG	X	Frankfurt
JP Morgan SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
Slovenská sporitel'ňa, a.s. (Erste Group)	X	Bratislava
Tatra banka, a.s. (RBI Group)	X	Bratislava
UniCredit Bank AG	X	Munich
Všeobecná úverová banka, a.s. (Intesa Sanpaolo)	X	Bratislava
TOTAL	**10**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

Natixis S.A., Société Générale S. A. and UniCredit AG are classified as Recognised Dealers.

1 *List of Primary Dealers operating on the Slovakian market as of March 2026: https://www.ardal.sk/en/government-securities/primary-dealers/ list-of-pd*



B. Credit Rating

The Slovak Republic's debt is currently rated as follows:[2]

- Standard & Poor's: A+ (stable)
- Moody's: A3 (stable)
- Fitch: A- (stable)
- DBRS: A (low) (stable)

C. Debt Instruments

There are two categories of "GDS" (Government Debt Securities).

- Treasury Bonds (T-Bonds)
- Treasury Bills (T-Bills)

Treasury Bonds
Maturity: Medium and long-term tenor securities.

Coupon: fixed or floating rate, issued in one part or in several tranches Principal: repaid at the face value on the maturity date.

Issued on the primary market via auctions, underwriting, syndicated issues, by direct selling to investors, by exchange for other state securities, to the own portfolio.

Listed on Bratislava Stock Exchange on the main quote market, or other similar organised market eligible for the ECB.

Treasury Bills
Maturity: up to one year.

Interest: discount/premium at issuance.

Principal: repaid at the face value on the maturity date.

Issued on the primary market via auctions under competitive and non-competitive bids, underwriting, by direct selling to investors, by exchange for other state securities, to the own portfolio.

Listed on Bratislava Stock Exchange on the main quote market, or other similarly organised markets eligible for ECB.

D. Rights and Duties of Primary Dealers

The placement of Government Debt Securities (GDS) in the primary market is ensured by a group of financial institutions to which ARDAL – the Debt and Liquidity Management Agency[3] – has granted the status of Primary Dealers (PDs). As such, they are entitled to a set of rights and must comply with a set of duties.

2 *Credit rating updated as of June 2026*

3 *For further information on the ARDAL see http://www.ardal.sk/en*





The rights and duties are listed in the table below.

Rights	Duties
The right to participate on the primary and secondary market.	The PD shall participate in an auction of the GDS independently of other participants in auctions, and are required to achieve at least 3% of the GDS weighted by tenor sold via auctions within the calendar year.
The right to use the title "Primary Dealer of the Slovak Government Debt Securities".	Primary dealers shall support a liquid secondary market in state bonds and shall abstain from activities incompatible with this obligation.
The PD has the right to trade the GDS at the secondary market platform MTS Slovakia.	Primary dealers shall quote prices for benchmark issues on screens of major data vendors; they shall promote price discovery and shall be market makers on the designated electronic trading system.
Privileges do not apply to and cannot be extended to third parties.	Primary dealers shall act in accordance with the obligations, rules and regulations applicable to the designated electronic trading system.
Primary dealers are entitled and encouraged to advise the ARDAL and to participate in meetings with the ARDAL to discuss developments in the primary and secondary markets.	The PD shall quote on the secondary market platform MTS Slovakia in accordance with the MTS Slovakia market rules including the Annex.
Primary dealers are entitled to receive from the ARDAL all relevant information regarding issuance policy and future financial requirements of the government.	Primary dealers shall actively promote and participate in development of products related to GDS, such as repos and indices.
Primary dealers will be addressed in preference in case of other financial needs of the state.	Primary dealers shall promote state bonds, e.g. by organising presentations or meetings with investors.
The PDs have the right to bid for a non-competitive sale of the GDS.	Primary dealers shall conduct research on state securities and the Slovak economy. Findings shall be made available to clients and to the ARDAL. Primary dealers shall provide specific research support at the ARDAL's request.
	Primary dealers shall inform the ARDAL of developments in the financial markets and specific developments affecting state debt securities and related products.
	Primary dealers shall submit secondary market trade reports in accordance with the Euro Market Activity Report (formerly HRF).[4] These reports shall be signed by a person acting on behalf of the PD. If requested by the ARDAL, primary dealers shall co- operate in an audit of these reports.
	ARDAL suggests primary dealers set up Money-Market credit line to Slovak Republic for trades on money market worth at least EUR €100 million with tenor at least 14 days. Primary dealers are obliged to provide two-way quotes at values of interbank market for deposits on demand during each trade day of TARGET system.

4 *In order to become a primary dealer, the institution must sign a contract with the ARDAL ("Contract on Participation in the Primary dealership").*



E. Primary Market

The GDS are sold through public auctions which ensures a high level of competition and transparency to the selling process. Auctions are organised by the ARDAL in the name of the Ministry of Finance.

i. Auctions

a. Date and Terms of the Auction

The auctions' calendar for the forthcoming quarter is published by the ARDAL by 15th of March, June, September and December respectively. The ARDAL may publish a calendar for the half-year or the entire year by the 15th day in the month preceding the given period.

Notification of the terms of the auctions is usually published by the ARDAL five working days ahead of the auction day.[5] If required by the ARDAL or the primary dealers, several auctions can take place on the same day.

b. Auction Type

There are three types of auction methods used for the placement of GDS:

Multiple price auction (American type): The PD/RDs making competitive bids specify the price (the yield) they are willing to receive for the use of their funds. Successful bidders pay for the debt securities a price equivalent to the price quoted in the respective bid.

Single price auction (Dutch type): The PD/RDs making competitive bids specify the price (the yield) they are willing to receive for the use of their funds. Successful bidders pay for the debt securities a "flat" price equivalent to the last accepted price, regardless of the price they bid.

Non-competitive auction: Trades are executed at the average price resulting from competitive auction. The non-competitive auction is reserved only for PDs.

c. Evaluation of Bids

A PD or RD may submit bids with different prices (yields) and amounts on own behalf and/or on behalf of clients. The evaluation of bids is based on a Bloomberg auction algorithm.

Bids accepted by the ARDAL with last price (yield) can be proportionately reduced via a Bloomberg auction algorithm.

d. Auction Participants

Only PDs and RDs who have a valid dealer Contract with the ARDAL are authorised to submit bids in auctions.

In addition, the National Bank of Slovakia (the "NBS") is authorised to submit bids (via the non-competitive subscriptions) on the account of foreign central banks and associated organisations of which the Slovak Republic is a member.

e. Submission of Bids

Bids are submitted electronically via a Bloomberg auction system. Bids may be assigned and modified at any time before the deadline. In order to submit, the face value of the bid must be at least EUR €1 million. The increasing bidding amount is €100,000.[6] In exceptional circumstances, where the ARDAL is prevented from organising the auction in a standard manner or the primary dealers are prevented from submitting bids in a standard manner, the submission or bids by other means is allowed (i.e. via email, fax). In a competitive auction the Dealer may submit bids with different prices (yield to maturity, hereinafter referred to as "YTM") on their own behalf and/or on behalf of clients. Evaluation of bids is realized on the principles of the algorithm of Bloomberg auction systems. Bids submitted with the last accepted price (the last YTM) can be shortened based on the Bloomberg auction system cut-off algorithm.

5 *Source: Primary Dealer Rights and Duties*

6 *The announcement of the terms includes the following minimum amount of data: issuer name; isin code; abbreviated name of a bond (and identification of the issued part); issue period; issue size; face value; issue date; maturity date; interest type; coupon interest yield in % p.a. (if available); payment agent (address); secondary market; auction type; auction date; settlement date (cash & security); price/ytm (at subscribing); accrued interest yield (if other than zero interest); issuer´s account number*



The ARDAL announces to the Primary dealers at the latest one hour before GDS non-competitive part of auction beginning coefficient for calculating the maximum bid (the "coefficient"). ARDAL agrees that the coefficient value does not exceed 25%. The Primary dealer can submit to non-competitive part of auction only one bid on their own behalf. Bids on behalf of a client will not be accepted.

f. Publication of Auction results

The results of the auctions are published immediately after the evaluation of bids.

The bidders will see the allocation of the accepted bids via the Bloomberg auction system. In addition, aggregate results of the auction are disclosed through Reuters and Bloomberg pages DLMA.

Subsequently, the ARDAL delivers a voucher which serves as a confirmation of the deal, the purchase reservation and a call for payment.

Following the auction, a summary of results is published on the ARDAL website www.ardal.sk/en and delivered to the press, while a detailed account of the auction results is delivered to the Ministry of Finance and the National Bank of Slovakia.

g. Settlement

The cash settlement day, i.e. the day of payment for the debt securities, is the second business day following the auction. The day of cash settlement is crucial for the issue date, i.e. the interest of T-bonds and T-bills.

The PD/RD is responsible for the timely payment of funds to the Issuer's account for all deals arising from the accepted by the Issuer.

The SDS are credited to the proprietary account of the final owner (or custody) on the day of the proprietary settlement at the moment of identification of PD/RD's payment

The state securities which are not paid on the day of cash settlement will not be issued.

Delay in payment for the state securities bought in an auction means that the PD/RD owes the Issuer not only the trade amount but also the SDS' applicable accrual.

The appeal for payment containing the accrued amount is sent as soon as possible by the ARDAL to the PDs/RDs the day following "delay day".

If the PD/RD does not pay for the state securities within two business days from the date of the cash settlement, the ARDAL is authorised to cancel the deal.

The settlement can be delayed if the PD/RD submits to the ARDAL a satisfactory reason for the delay in fund payments after the day of settlement, and it is possible for the penalty to be remitted. If no relevant reasons are submitted, the PD/RD can be prevented from participating in some activities (e.g. competitive auctions, non-competitive auctions, syndicate participation, other transactions).

F. Secondary Market

MTS Slovakia is the dedicated Secondary market platform of Slovak Government Bonds. MTS Slovakia operates as a segment of MTS Cash Domestic Market MTF managed by MTS S. p. A.



G. Evaluation of Primary Dealers

The ARDAL evaluates the PD´s fulfilment of duties, trading behaviour and performance according to the criteria stated in the article below. The PD is obliged to provide respective information for that purpose at the request of the ARDAL.

If the PD fails to meet one or more obligations, the ARDAL brings that fact to the attention of the PD concerned in writing. The ARDAL shall communicate to the PD concerned a period of time within which the PD can demonstrate that he complies in full extent with his obligations. If, at the ARDAL's discretion, the envisaged compliance is not realised within that period, the ARDAL has the right to suspend privileges for the PD concerned. The ARDAL shall inform the PD concerned without delay in written form.

ARDAL can obtain information on turnover and market share in trading with Government Debt Securities (GDS) of individual PDs from other sources as well.

i. Primary dealers' evaluation criteria

Primary market of Government debt securities

- The share of GDS sold in auctions weighted by maturity during the time period.
- The evaluation of this criterion is based on individual auction results.
- The weight of this criterion on total evaluation is 50%.

Secondary market of Government debt securities – MTS quoting

- The share of performance points of particular PD on sum of performance points of all PDs. The evaluation of this criterion is based on MTS reports.
- The weight of this criterion on total evaluation is 20%.

Secondary market of Government debt securities – Trades The share of GDS trades on secondary market.

- The evaluation of this criterion is based on EMAR reports.
- The weight of this criterion on total evaluation is 10%.

Money market credit line

- ARDAL suggests PD to set up Money-Market credit line to Slovak Republic for trades on financial market worth at least EUR 100 million with tenor at least 14 days and to provide two-way quotes at values of interbank market for deposits on demand.
- The share of performance points of particular PD on sum of points of all PDs. The evaluation of this criterion is based on provided money market loans and quotations.
- The performance points of particular PD will be based on its location in one of three groups: 1 – ARDAL is satisfied with fulfilling of the criterion (2 performance points), 2 - ARDAL is partially satisfied with fulfilling of the criterion (1 performance point) a 3 - ARDAL is not satisfied with fulfilling of the criterion (0 performance points).
- The weight of this criterion on total evaluation is 10%.



Issuer support – qualitative information and research support, auction preferences response, timely submission of the EMAR report, cooperation in buybacks of GDS and support in unexpected market conditions

- The share of performance points of particular PD on sum of points of all PDs. The evaluation of this criterion is based on qualitative assessment of ARDAL.
- The performance points of particular PD will be based on its location in one of three groups: 1 – ARDAL is satisfied with fulfilling of the criterion (2 performance points), 2 - ARDAL is partially satisfied with fulfilling of the criterion (1 performance point) a 3 - ARDAL is not satisfied with fulfilling of the criterion (0 performance points).
- The weight of this criterion on total evaluation is 10%

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European Primary Dealers Handbook

19. Slovenia

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A. List of Primary Dealers[1]

i. Government Bonds

FIRM	Slovenia (SL)	Firm's Location
Barclays Bank Ireland plc	X	Dublin
BNP Paribas S.A.	X	Paris
Citigroup Global Markets Europe A.G.	X	Frankfurt
Commerzbank AG	X	Frankfurt
Credit Agricole CIB	X	Paris
Deutsche Bank AG	X	Frankfurt
DZ Bank	X	Frankfurt
Erste Group Bank AG	X	Vienna
Goldman Sachs International	X	London
HSBC Continental Europe SA	X	Paris
Jefferies GmbH	X	Frankfurt
J.P. Morgan SE	X	Frankfurt
Morgan Stanley Europe SE	X	Frankfurt
OTP banka d.d.	X	Ljubljana
Raiffeisen Bank	X	Vienna
Unicredit Banka Slovenija d.d.	X	Ljubljana
TOTAL	**16**	

ii. T-Bills

FIRM	Slovenia (SL)	Firm's Location
BKS Bank AG, Bančna podružnica	X	Ljubljana
ILIRIKA borzno posredniška hiša	X	Ljubljana
Jefferies GmbH	X	Frankfurt
Nova Ljubljanska Banka	X	Ljubljana
OTP banka d.d.	X	Ljubljana
Raiffeisen Bank	X	Vienna
Unicredit banka Slovenija d.d.	X	Ljubljana
TOTAL	**7**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *For more information please visit the website of the Ministry of Finance of the Republic of Slovenia: https://www.gov.si/en/state-authorities/ ministries/ ministry-of-finance/, please note the website is currently under construction and some of its contents may be incomplete.*



B. Credit Rating

The Republic of Slovenia's debt is currently rated as follows:[2]

- Standard & Poor's: AA (stable)
- Moody's: A2 (stable)
- Fitch: A+ (stable)
- DBRS: AA (low) (stable)

C. Debt Instruments[3]

The main instruments used to satisfy the Slovenian central government's funding needs are Government Bonds and Treasury Bills. The Euro-denominated government bonds and the Treasury Bills are issued as dematerialised securities in book-entry form in the local Central Securities Depositary (CSD): the KDD - Central Securities Clearing Corporation Inc., Ljubljana.

The Benchmark Government bonds have the following standardised structure:

- Issue size: €1 billion – €3 billion
- Coupon: fixed annual
- Maturity: 3, 5, 7, 10, 11, 15-25, 30 years
- Repayment: bullet, in nominal value at maturity / non-callable
- Denomination: €1000
- Governing law: Slovenian law
- Listing: Ljubljana Stock Exchange

In addition to conventional benchmark bonds, Slovenia has used a range of other instruments and formats to diversify its funding and investor base. These include inflation-linked bonds, floating-rate notes and bonds targeted at retail investors. Slovenia has also been active in sustainable finance, issuing sovereign Sustainability Bonds since 2021 and its inaugural Sustainability-Linked Bond (SLB) in 2025. In addition, Slovenia has explored the use of distributed ledger technology (DLT) in sovereign debt issuance, including through a DLT-based digital bond issuance.

Foreign currency bonds were first introduced in 2012 in order to ensure funding, market access and broaden the investor base by way of a USD-denominated Reg S 144A bond issue. All of the USD bond issues have been issued in Clearstream Banking, société anonyme, Luxembourg, Euroclear Bank S.A./N.V. and The Depository Trust Company with English law as governing law and have been listed on the Luxembourg Stock Exchange. In 2016, 2017 and 2018 Slovenia reduced the size of outstanding USD bonds by carrying out several buybacks and exchanges. Slovenia subsequently further diversified its funding sources and investor base by accessing the Japanese and Chinese domestic debt capital markets. In September 2024, Slovenia entered the Japanese Samurai bond market with its inaugural JPY-denominated offering, followed by a second Samurai bond issuance in November 2025. In March 2026, Slovenia established an RMB 15 billion debt financing instruments programme with the National Association of Financial Market Institutional Investors (NAFMII) and subsequently completed its inaugural RMB-denominated Panda Bond issuance in the China Interbank Bond Market.

2 *Credit rating as of September 2026*

3 *Links with both of the international central securities depositories (ICSD) Clearstream Banking société anonyme, Luxembourg and Euroclear Bank S.A./N.V. have been operational for the Slovenian government securities since the end of 2007*



The main characteristics of the Treasury Bills are:

- Issue size: There are provisional issue amounts set before each auction[4]
- Maturity: 3, 6, 12 and 18 months
- Repayment: nominal T-Bill value paid at maturity
- Interest: Discount, interest paid at maturity as the cashed-in difference between the selling price and the nominal value
- Denomination: €1000
- Governing law: Slovenian law

Slovenian Euro-denominated Government Bonds and Treasury Bills are listed on the stock exchange market (EEA Regulated Market) of the Ljubljana Stock Exchange (Ljubljanska borza D.D. - LJSE), on the bond segment.

D. Privileges and Obligations of Primary Dealers

i. Selection Criteria

A Primary Dealer is required to fulfil the following criteria:

- To be a financial institution licensed and authorised to conduct business in the nature contemplated herein under the laws of the jurisdiction in which it is incorporated.
- To have a high level of management, depth and experience, dealing capability, as well as marketing strength and strategy, including proven geographic and institutional distribution capacity.
- To have been a Designated Electronic Trading System (DETS)[5] Participant for at least six months and to have a past record of active secondary trading of Government securities, particularly Government bonds. To act as Primary Dealer for at least three entities, which include other EMU countries, the European Union and international organisations (applicable to non-resident institutions).
- To prove a record of support of the Government securities market and promotion of Government securities through adequate analysis, research and publications.
- To, in the opinion of the Ministry of Finance, maintain sufficient resources in terms of human resources, finances and such organisation of its syndicate desk, trading and sales forces so as to support an efficient primary and secondary market for Government bonds.
- To, in the opinion of the Ministry of Finance, maintain the highest standards in financial business practice, consistent with the Ministry of Finance's objective to achieve an orderly, efficient and liquid Government bond market.

The Primary Dealers are selected based on the selection criteria defined in the previous paragraph, the performance index evaluation[6] of the Primary Dealers in the preceding contractual period and other criteria that the Ministry of Finance might consider relevant.

The Ministry of Finance reserves the right to define the number of Primary Dealers in the Primary Dealer Group as well as the proportion between resident and non-resident Primary Dealers.

4 *Provisional issue amount per auction is published in the Offer to purchase the Treasury Bills 5 business days*

5 *DETS means the electronic trading platform or the electronic trading platforms designated by the Ministry of Finance for the wholesale intradealer trading of Government Bonds based on the decision made*

6 *For description of the performance evaluation criteria please refer to paragraph G.*



ii. Privileges and Obligations

Privileges	Obligations
The exclusive right to the title of Primary Dealer of Government Bonds.	To be an active counterparty to the Ministry of Finance's debt issuance activities.
The exclusive right to directly participate in the syndicated Government bond offerings as well as in Government bonds auctions.	To submit bids of investors in the Auctions.
The exclusive right to participate in the non-competitive phase of Government Bond Auctions.	To actively assist the Ministry of Finance in the Buyback operations in line with the request of the Ministry of Finance sent to the Primary Dealer, especially by providing price guidance and information on the offered terms of the Buyback operations to the Government bond holders.
The exclusive right to directly participate in Buyback operations.	To be a system participant in the DETS and act in accordance with its Rules and to contribute on best efforts basis to the liquidity of the secondary market trading of the Government bonds.
The exclusive right to participate in the Primary Dealer Committee as defined in the Primary Dealer Agreement	To display good code of conduct in the clearing and settlement of the trades in Government Bonds, with a view to minimizing failed trades.
The right to become a System participant in the Designated Electronic Trading System and have a representative in the Market Committee established by the platform.	To report to the Ministry of Finance in agreed form and frequency.
To discuss estimates of the Republic of Slovenia borrowing needs and issuance planning, introduction of new financial instruments, selection of issuing and Buy-back methods, operating rules, choice of markets for primary market transactions.	To observe and follow all of the applicable laws, statutes and regulations imposing any and all of the selling restrictions for the sale of Government bonds in any country where they are placed or sold by the Primary Dealer.
To select by a decision taken by the Primary Dealers in a Primary Dealer Committee meeting, an electronic platform or electronic platforms as DETS from a list of electronic trading platforms fulfilling the selection criteria set jointly by the Ministry of Finance and Primary Dealer Group.	To actively promote the Government bonds market by adequate analysis, research and publications and to seek placement of Government bonds with end investors.
	To allocate and maintain sufficient resources in terms of human resources, financial situation and organisation of its syndicate desk, trading and sales forces to support efficient primary and secondary market of Government bonds.
	To maintain the highest standards in financial business practice, consistent with the Ministry of Finance's objective to achieve an orderly, efficient and liquid Government bond market.
	To participate in the Primary Dealer Committee.



iii. Primary Dealers for Treasury Bills

The Ministry of Finance selects Primary Dealers for Treasury Bills from banks fulfilling general criteria such as adequate licences for securities trading and a minimum capital requirement. In addition, it also assesses the capability of these financial institutions to place the Treasury Bill issues.

The Primary Dealers have the exclusive right to participate in the Treasury Bill auctions. They are obliged to submit bids of investors in the Auctions.

Due to the small scope of the Treasury Bills programme and the small size of issues, the Treasury Bills do not meet the selection criteria for trading on DETS and therefore there is currently no quoting obligation for the Primary Dealers for Treasury Bills. Their performance is evaluated solely on the basis of their activities in the primary market.

E. Primary Market

Government Bonds may be offered via syndication or auction. The Primary Dealers have the exclusive right to directly participate in the syndicated Government Bond offerings as well as in Government Bond auctions. With the objective of achieving a broader investor base and a more diversified geographical and institutional distribution, the syndication method has been used for new issues of Government Bonds. Existing Government Bonds may be re-opened via auction in order to increase their initial outstanding amount and to improve the liquidity of the issue. However, since 2007 the Republic has not held any auctions to issue Government Bonds and currently does not plan to issue Government Bonds by way of auctions in 2026.

Treasury Bills are issued by auctions. They are issued with maturity terms of three, six, twelve, and eighteen months. Treasury Bills are listed on the Ljubljana Stock Exchange. The auction calendar is determined by the Ministry of Finance following adoption of the yearly funding programme and is published on the Ministry of Finance's website. The auction calendar might be adjusted in the course of the year.

i. Government Securities Auctions

a. General Description

The Treasury Bill auctions are executed according to the Rules of the Republic of Slovenia. The auctions of short-term government securities are carried out through the Bloomberg Auction System (BAS). If the Ministry of Finance decides to hold Government bond auctions in any one year, they will also be executed via BAS.

Treasury Bill auctions are executed in a single phase by competitive bidding, using a Dutch algorithm. The bond auctions are executed in two phases:

- 1st phase: Competitive bidding, using American allocation algorithm
- 2nd phase: Non-competitive bidding

b. Competitive Bidding for Government Securities

- Invitation to the Primary Dealers is sent through Bloomberg Auction System (BAS) at least five business days before the auction date. The general public is notified of the auction by the publication of the offer to the public to purchase the securities on the Ministry of Finance's website.
- Primary Dealers submit the bids in their own name and for their own account as well as for the account of investors. Primary Dealers are not obliged to submit bids in their own name and for their own account.
- Each Primary Dealer can submit an unlimited number of Competitive Bids. The minimum bid amount is €100,000 for Government Bonds and €1,000 for the Treasury Bills.



- The bids submitted are ranked according to price in descending order. Should the total amount of bids with prices up to the lowest price accepted (the cut-off price) be higher than the size of issue that the Ministry decides to place, the bids with the cut-off price are allotted on pro-rata basis.

- Bids for the Government Bonds are accepted at the bid price, bids for the Treasury bills are accepted at the uniform price (the lowest bid price accepted).

- Unless otherwise indicated by the Ministry of Finance, the bids should be entered into BAS from 8:30a.m. until 12:00p.m. CET and the competitive bidding allocation is completed at 2:00p.m. CET on the auction day.

c. Non-Competitive Bidding for Government Bonds

- Only Primary Dealers may submit bids in their own name and for their account in the Non-competitive phase of the Auction. Submission of Non-competitive Bids is not obligatory.

- The subscription of Non-competitive Bids is made at the lowest price accepted in the first phase – which is the competitive bidding phase of the auction.

- The maximum size of the Non-competitive phase is equal to 25% of the amount allocated in the Competitive phase of the Auction.

- Each Primary Dealer may submit one Non-competitive Bid only in the amount of up to the maximum amount offered this phase. If the sum of Non-competitive Bids submitted exceeds the maximum size of this phase, Primary Dealers who have participated in this phase of the Auction have the right to subscribe their bids at least at the Guaranteed Allocation Amount. The Guaranteed Allocation Amount is calculated as the maximum amount offered in the Non- competitive phase divided by the number of all of the Primary Dealers in the Primary Dealer Group. The sum of all Guaranteed Allocation Amounts shall not exceed the total Non-competitive Allocation amount.

- Unless otherwise indicated by the Ministry of Finance, the bids should be entered into BAS from 8:30a.m. until 12:00a.m. CET and the competitive bidding allocation is completed at 2:00p.m. CET on the auction day.

- Unless otherwise announced by the Ministry of Finance, the Non-competitive bids should be entered in BAS from

- 2.30p.m. CET until 3.00p.m. CET and allocation is completed in BAS at 3:30p.m. CET on the auction day.

d. Publication of the Auction Results and Settlement

The results of the auction will be published on the day of the auction after 3.30p.m. CET on the Ministry of Finance's website and on Reuters (pages–MFSLO) and Bloomberg (page: ASUM SLTS for Treasury Bills and ASUM SLBS for Bonds) information systems. Settlement takes place two business days after auction (T+2).

ii. Bond Buyback and Exchange Transactions

a. The Criteria for Buyback and Exchange Transactions

The main criteria for the execution of these transactions are set by the first paragraph of the Article 82 of the Public Finance Act, which stipulates that the buybacks or exchanges of government securities may be executed, when this results in:

- support of measures aimed at achieving macroeconomic equilibrium;

- government debt costs reduction; or

- debt portfolio enhancement without increasing the outstanding central government debt amount.

In addition, the following criteria for the government bond buybacks and exchanges are determined by the annual financing programme:

- decrease of interest expenditure;



- increase of the average central government budget debt maturity and achieved quality of the portfolio structure of central government budget debt by substituting the bonds of the shorter remaining maturity with the bonds of a longer maturity and thus decreasing the refinancing risk;

- positive financial break-even economics through a buyback of bonds with a shorter remaining maturity and issuance of bonds with longer maturities taking advantage of current market interest rates, which are highly likely to increase in the future - given the expected near-future broader macroeconomic and financial situation. This strategy should have a positive effect on the financing costs as well as on the central government budget cash-flow management costs created by holding a liquidity buffer;

- positive effect on the central government budget with respect to the change in outstanding central government debt;

- the choice of bonds for the buyback in/or exchange execution in a way that will enable the Republic of Slovenia to achieve a much higher participation of the bond holders and subsequently lower premium for the buyback and/or lower discount for the exchange.

The main goal of the buyback and exchange programme is to enhance the liquidity of the Government bonds by early redemption of the less liquid securities. In addition, buybacks contribute to the consolidation of the government debt portfolio, larger sizes of new benchmark issues, building of the Government Bond yield curve.

b. Buyback and Exchange Transaction Execution

The buyback and exchange transactions of government securities will be executed either via auctions, within the respective auction rules, or in any other manner that is in line with financial market standards.

The buyback and exchange transactions of government securities will be taking place pending market conditions, expressions of interest for such transactions in the markets and the liquidity of the central government budget. During the year, the Ministry of Finance will ascertain the level of interest for a buyback or exchange of the securities with the investors and primary dealers. If interest of the government bond holders for sale of the bonds will be identified at a level that could facilitate a transaction, the Ministry of Finance will determine the securities for it, the indicative total size of buyback or exchange, the time of public announcement of the buyback or exchange offer, and, in case of an exchange, the list of new securities which will be offered in exchange and their exchange ratio.

iii. Syndication

Within the framework of the long-term financing instruments, a public offering of benchmark bonds, issued on European or other financial markets via syndication represents the primary choice.[7] The offering is placed via syndicate (lead managers, managers) in line with standard market procedures for syndicated deals. Lead managers are selected from the group of primary dealers according to their performance and according to the specific needs related to the new issue. A syndicated government bond issue is announced to the public by the Lead managers in agreement with the issuer in the form of the standard IIIA screen announcement and other messages/ announcements on information systems. After the pricing the details of the deal are released via information systems. In addition, a press release containing pricing and distribution information is released by the lead managers and by the issuer's public relations office.

7 *The Method of issuance is expressly mentioned in the yearly Financing Programme published on the website of the Ministry of Finance.*



F. Secondary Market

i. Interdealer Market

a. Foreword

Euro denominated government bonds are listed on the Ljubljana Stock exchange and are traded over the Stock Exchange electronic platform (the BTS) in accordance with the LJSE Rules. There is no obligation for the Primary Dealers to trade the government bonds on the Ljubljana Stock Exchange market. The Primary Dealers contribute to the liquidity of the euro denominated government bond market by trading on the DETS in accordance with its Rules as well as with their other intra- dealer and customer trading. They are expected to allocate and maintain sufficient resources in terms of human resources, financial situation and organisation of its trading and sales forces to support an orderly, efficient and liquid secondary market of government bonds.

Treasury Bills are listed on the Ljubljana Stock Exchange and are traded over the Stock Exchange electronic platform (the BTS) in accordance with the LJSE Rules. Due to the small scope of the Treasury Bills programme and small size of issues, the Treasury Bills do not meet the selection criteria for trading on DETS. There is no quoting obligation for the Primary Dealers for Treasury Bills.

b. Designated Electronic Trading Platform(s)

The choice of electronic trading platforms designated by the Republic of Slovenia for the trading of Government Bonds is based on the decision made by the Primary Dealers (in a Primary Dealer Committee meeting) on the selection of electronic platform(s) from a list of electronic trading platforms, which fulfil the selection criteria set jointly by the Ministry of Finance and the Primary Dealers:[8]

- No additional direct or indirect costs for the connection to the trading platform for domestic banks;
- Availability of data on daily quoting performances and concluded trades, and other data required by the Ministry of Finance for the purpose of monitoring the market;
- An adequate settlement system (settlement of trades through Euroclear/ Clearstream and domestic KDD); and
- The agreement on the introduction of the specific platform among all Primary Dealers.

The decision whereby a Primary Dealer selects a specific platform is taken by voting in the Primary Dealer committee meeting. This is confirmed by the minutes of the meeting. In line with the Primary Dealer group selection period defined in the Primary Dealer Agreement, the status of selected platform is subject to review on an annual basis.

c. Quoting Obligations

DETS – MTS Slovenia Market Making Obligations[9]

Based on the Primary Dealer Agreement, the Primary Dealers for Slovenian Government bonds are market makers on MTS Slovenia. They must quote and conclude trades according to the Rules of MTS Slovenia.

Market Makers commit to market-making obligations on each MTS Slovenia Trading Day Quotes on the Market, for at least five (5) hours in relation to each Financial Instrument assigned to it from time to time by MTS, and to do so in compliance with the Quoting/ Spread Obligations specified below.

8 *The platform selection criteria and the choice of the Designated Electronic Trading Platform is governed by the Primary Dealer Agreement.*

9 *Source: https://www.mtsmarkets.com/products/mts-cash/cash-markets/slovenia*



Maturity bucket	Minimum quote size (Euro million)	Maximum bid/offer Spread	Maximum quote size divergence
A (1.25-3.5 years)	1	Complete spread based on time-weighted average spread quoted by all Participants over their best 5 hours plus one standard deviation	
B (3.5-6.5 years)	1		50%
C (6.5- 13.5 years)	1		
D (13.5+ years)	1		

NB: Spread is expressed in 'cents' i.e. 0.01% of the par value of the Financial Instrument when quoted in price except where "basis points" is mentioned, i.e. 0.01% of annual interest paid until maturity.

The Slovenian Treasury assesses market makers performance on the basis of a daily performance index with four different criteria with different weights within the index:

- Time of quoting on platform;
- Bid-ask spread of quotes;
- Volume of exposure during quoting on the platform; and
- Time of the beginning of quoting.

Each market maker's performance is calculated daily on the basis of the above index and is sent to the market makers by e-mail by 9.00a.m CET the next day at the latest.

Other Interdealer Platforms

MTS Slovenia is the only DETS, i.e. the only intradealer platform on which the Primary Dealers are obliged to quote the government bonds by virtue of their obligations under the Primary Dealer Agreement.

However, based on the information gathered from the Primary Dealers' monthly EMAR/HRF reports, the government bonds are traded also on other intradealer platforms (mainly on Bloomberg) As the Primary Dealers are not obliged on a contractual basis to quote on anything other than DETS, this information may vary.

ii. Dealer to Customer Market

a. E-Trading

On a regular, systematic basis, the DMO has access only to information on Dealer to Customer trading of the Primary Dealers from their monthly EMAR/HRF reports. Based on the EMAR/HRF reports, the government bondsare traded on Bloomberg, TradeWeb, MTS BondVision, MarketAxess and BGC Brokers - eSpeed. As the PDs are not obliged on contractual basis to quote/trade on other than DETS, this information may vary over the period of time. Slovenia does not gather information on trading of other (non-Primary Dealer) market participants' dealer to customer E-trading.

b. Retail Market

The size of the retail trading of Primary Dealers is reported by Primary Dealers in their monthly EMAR/HRF. OTP Banka d.d. is market maker for certain debt securities issued by the Republic of Slovenia (including retail bonds) on the Ljubljana Stock Exchange.

iii. Securities Lending

To improve the effectiveness of secondary trading in government securities and to contain the risk of failed transactions, the DMO has in place the securities lending program. The repo instrument entails all governmental securities listed on MTS Slovenia and is available to all primary dealers for Slovenian government bonds. The program represents one of the key elements for secondary market development.



G. Appraisal of the Activity of Primary Dealers

a. Performance Index

The Ministry of Finance monitors and assesses the performance of Primary Dealers for Government Bonds on the basis of the performance index (PI) calculated from the following elements:

- The Primary Dealer's performance on the DETS (PI_{ID});
- The Primary Dealer's performance in the Secondary market trading of Government securities excluding the DETS ($PI_{non\text{-}ID}$);
- The Primary Dealer's performance on Buy-back operations according to the Programme of Financing (BBO); and
- The qualitative assessment of the service supplied by the Primary Dealer (Q).

Primary Dealers' performance on the DETS and secondary market trading is considered following the data in reports structured according to the European harmonised reporting format, which is sent to the Ministry of Finance by each of the Primary Dealers on the tenth working day of each month at the latest.

b. Qualitative Assessment

The qualitative assessment of the Primary Dealer's service is evaluated by:

- Evaluation of the Primary Dealer performance in syndicated issues; and
- Evaluation of the Primary Dealer's promotion of Government securities, market information and analysis as well as strategic and economic information, advice and research.

The monthly performance evaluation of the Primary Dealers calculated on the basis of the performance index is sent to the Primary Dealers by the end of the following month.

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European Primary Dealers Handbook

20. Spain

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A. List of Primary Dealers[1]

FIRM	Bonos & Obligaciones del Estado (Government bonds)	Letras del Tesoro (T-bills)
Banco Cooperativo Español S.A.		X
Banco Bilbao Vizcaya Argentaria S.A.	X	X
Banco Santander S.A.	X	X
Bankinter S.A.	X	X
Barclays Bank Ireland plc	X	X
BNP Paribas S.A.	X	X
Caixa Bank S.A.	X	X
Cecabank S.A.	X	X
Citibank Europe plc	X	X
Crédit Agricole CIB	X	X
Deutsche Bank AG	X	X
Goldman Sachs Bank Europe SE	X	X
HSBC Continental Europe S.A.	X	X
Intesa Sanpaolo Spa	X	X
JP Morgan SE	X	X
Morgan Stanley Europe SE	X	X
Natixis S.A.	X	X
Nomura Financial Products Europe GmbH	X	X
Société Générale S.A.	X	X
TOTAL in each group	**18**	**19**

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

1 *List of Primary Dealers operating in Spain as of March 2026*



B. Credit Rating

Spanish debt is currently rated as follows:[2]

- Standard and Poor's: A+ (stable)
- Moody's: A3 (stable)
- Fitch Ratings: A (stable)
- DBRS: A (high) (stable)

C. Debt Instruments

i. Spanish Government Bonds: Bonos y Obligaciones del Estado

Bonos and Obligaciones del Estado are Treasury Securities with maturities above two years. Bonos and Obligaciones have exactly the same features, except for their maturity. Maturities of Bonos range from two to five years, while Obligaciones have maturities of more than five years.

The main features of Bonos and Obligaciones del Estado are the following:

- Government Bonds are interest-bearing securities, with annual coupons, as opposed to Letras (which pay all interest at maturity).
- Bids must be made for at least €1,000 (Pta166,386), or a multiple of this minimum amount. In addition, the minimum face value to be traded is €1,000.
- Government Bonds are issued in consecutive tranches in order to reach a global issue size which may grant high liquidity.
- Issues are made through competitive auctions. New benchmarks of 10 years and longer, as well as other types of bonds such as, linkers are issued via syndication, instead. These issues are subsequently reopened (tapped) through auctions.
- Coupons are paid on a yearly basis and reflect the "nominal" interest on the security.

The Treasury currently issues Government Bonds with the following maturities:

- Three- and five- year Bonos del Estado.
- Ten-, fifteen-, thirty-, and fifty- year Obligaciones del Estado.

ii. Spanish Treasury Bills: Letras del Tesoro

Letras del Tesoro are short-term fixed income instruments which exist only in book-entry form. They were created in June 1987, when the book-entry system was established.

Bids must be made for at least €1,000 (Pta166,386), or a multiple of this minimum amount.

Letras are issued in auctions. These instruments are issued at a discount, which means that the purchase price is lower than the amount which will be rendered at redemption. The difference between the price rendered by the Treasury at maturity (EUR1,000) and the purchase price will be the return of the Letra.

2 *Credit rating updated as of March 2026*





The return on Letras del Tesoro is free from withholding tax; nevertheless, the return must be considered as part of personal income for taxation purposes (provided that the investor is a Spanish resident). Returns on Letras del Tesoro obtained by non-residents are not taxed in Spain.

The Treasury currently issues three types of Letras del Tesoro, each one with a different maturity:

- Three-month Letras del Tesoro
- Six-month Letras del Tesoro
- Nine-month Letras del Tesoro
- Twelve-month Letras del Tesoro

D. Privileges and Obligations of Primary Dealers

i. Rights of a Primary Dealer (Bonds and T-Bills)[3]

a. Participation in Treasury Auctions

Only Primary Dealers in Government Bonds may present requests in the thirty minutes before the closing of the period of the presentation of requests in each Government Bond auction.

b. Access to Second Rounds

Primary Dealers in Government Bonds may gain exclusive access to a second round of the Government Bonds auction which are held after bids are entered and resolved on in first round of auction. The second round will be carried out between the end of the auction and 12:00p.m of the previous day of the effective date (D+3).

A maximum of 24% of the nominal amount of each bond allocated at auction will be issued in this second phase.

All bids will be met at the rounded-up weighted average price arising from the auction phase. However, when calling auctions, the General Secretariat of the Treasury and Financial Policy may specify some other allocation method for second round sales. Making use of this prerogative, at present and due to market conditions, bids for the second round will be allotted at the rounded weighted marginal price resulting from the auction phase.

The share of the second round that can be obtained by each Primary Dealer that qualifies will be equal to that market maker's combined allotment in both the current auction and the previous auction of the similar bond. If it is the first auction of a bond, the share will be the combined allotment in the current auction and the latest auction of the closest benchmark. With respect to Letras del Tesoro, the share of the second round that can be obtained by each Primary Dealer that qualifies will be equal to that market maker's combined allotment in both the current auction and the previous auction of the similar Letra.

The maximum percentage of the second round for each Primary Dealer is divided into several tranches:

- A 24% of the nominal allotted in the auction, which the Treasury may distribute among the most active market makers, according to the last evaluation periods previous to the auction and those market makers that have also complied with the minimum quoting obligations during the last evaluation period previous to the auction.
- A 20% of the nominal allotted in the auction, which the Treasury may distribute among those market makers that have complied with the minimum quoting obligations during the last evaluation period previous to the auction and that are not among the most active market makers, according to the last evaluation periods previous to the auction.
- A 4% of the nominal allotted in the auction, among the most active market makers, according to the last evaluation periods previous to the auction and that have not complied with the minimum quoting obligations during the last evaluation period previous to the auction.

3 *Source: Tesoro Publico website*



- A 0%, to those market makers which have not been among the most active market makers, according to the last evaluation periods previous to the auction and that have not complied with the minimum quoting obligations during the last evaluation period previous to the auction.

c. Stripping and Reconstitution of Government Debt Securities (Bonds only)

Bonos and Obligaciones Primary Dealers are the only entities authorised to strip and reconstitute strippable Government Debt securities.

d. Other Debt and Treasury Management Operations

The status of a Primary Dealer in Government Bonds will be valued in the selection of counterparties for other Debt management and allocation operations which may be carried out by the Treasury, such as syndicated issues in Euros, financial exchange transactions and foreign currency issues. Likewise, the status of a Primary Dealer in Letras del Tesoro will be valued in the selection of counterparties for other Debt and treasury management operations which may be carried out by the General Secretariat of the Treasury and International Finance, such as the Treasury liquidity auctions.

e. The receipt of information on the Treasury's financing policy.

f. Participation where applicable in the setting of objectives for issues of short-, medium- and long-term Treasury debt instruments.

g. Representation on the Public Debt Market Advisory Commission.

ii. Obligations of a Primary Dealer (Bonds and T-Bills)

a. Participation in Auctions

(i) Government Bonds (Bonos and Obligaciones)

Each Primary Dealer must present at each auction requests for a minimal nominal value of 3% of the amount sold by the Treasury for each type of instrument at prices not less than the marginal cost of sale, less 5 cents for three year Government Bonds; 10 cents for five year Government Bonds; 15 cents for ten year Government Bonds, and 30 cents for Government Bonds of more than ten years.

Excluded from the calculation of the fulfilment of this obligation will be those auctions in which any of the two following conditions are present:

- When the yield corresponding to the marginal price of the auction is set 2 or more basis points below the yield corresponding to the offer price in the existing secondary market five minutes before the auction is held.
- When 40% of the volume issued is concentrated on one sole company.

(ii) Treasury Bills (Letras del Tesoro)

Each Primary Dealer must present at each auction requests to a minimum value of 3% of the amount sold by the General Secretariat of the Treasury and International Finance for each type of Treasury Bill, at yields not higher than that corresponding to the marginal price plus two basis points over the aforementioned yield.

Excluded from the calculation of the fulfilment of this obligation will be those auctions where any of the two following conditions are present:

- When the yield corresponding to the marginal price of the auction is set 2 or more basis points below the yield corresponding to the offer price in the existing secondary market five minutes before the auction is held.
- When 40% of the volume issued is concentrated on one sole company.

b. To guarantee the liquidity of the secondary market in Government Bonds and stripped securities and Treasury Bills complying with the listing obligations imposed by the General Secretariat of the Treasury and International Finance.



The listing obligations of Government Bonds and Treasury Bills will be fulfilled when respectively the listings, using the maximum differentials and the minimum volumes agreed by the General Secretariat of the Treasury and International Finance, are maintained on each one of the working days according to the calendar approved by the General Secretariat of the Treasury and International Finance, on the screens of the regulated markets or multilateral trading systems which are determined by the General Secretariat, during, at least, five hours between 08:30 and 17:15 of each day for the aforementioned working days.

The General Secretariat of the Treasury and International Finance may modify the listing conditions, following consultation with the Primary Dealers.

Moreover, with regard to Government Bonds:

a. Each Primary Dealer must obligatorily list the benchmarks that are defined as the market benchmark which have been agreed by the General Secretariat of the Treasury, following consultation with the Primary Dealers. In the listing of these benchmarks the maximum differentials of demand and offer prices and the minimum listed volumes agreed by the General Secretariat of the Treasury and International Finance, following consultation with the Primary Dealers, must be respected.

b. Each Primary Dealer must obligatorily list stripped principals in accordance with the conditions of maximum differentials and the minimum volumes agreed by the General Secretariat of the Treasury and International Finance, following consultation with the Primary Dealers.

For the listing of the stripped principals, the Primary Dealers may be divided into groups. In this way, the General Secretariat of the Treasury may design baskets following consultation with the Primary Dealers in which may be included the stripped principals whose quoting will be obligatory. Each basket will be assigned to a group of Primary Dealers. For the preparation of the baskets the maturity of the references that constitute them will be taken into account, in such a way that they are similar in duration and liquidity. The baskets will be modified periodically.

c. To provide the information that the General Secretariat of the Treasury and International Finance may request on the Debt market in general and the Primary Dealer's activity in particular.

d. To ensure through their actions the smooth functioning of the market, respecting the operating obligations that are established and avoiding carrying out actions that could negatively affect the market or the Government Debt.

E. Primary Market[4]

i. Issuance and Auction Procedure

a. Auction Calendar

At the start of each year, the Treasury publishes a calendar setting out the auction dates for Government debt instruments, with dates for the presentation of bids and the settlement and issuance of securities.

The calendar published may be modified as the year goes on, depending on the needs and opportunities arising for the Treasury of the market itself. Special auctions may be called for example, for the launch of new public debt instrument. The Treasury can also cancel a scheduled auction included in the calendar.

b. The Auction

- The bids submitted are classified by descending order of price.
- Auctions are generally run on a modified Dutch auction basis, combining elements of the latter (single price) with elements of standard auctions (multiple prices).
- The bids submitted are classified by descending order of price.

4 *Source: Spanish Treasury website www.tesoro.es/en/deuda-publica/mercado/mercadoprimario*





- The General Director of the Treasury, at the proposal of a committee made up of two representatives from the Bank of Spain and two from the General Directorate of the Treasury and Financial Policy, decides the nominal amount to be issued and, on the basis of the last bid admitted, the stop-out price, on which the marginal interest rate is calculated.

- All bids at or above this minimum are accepted, unless the pro rata formula is being used (affecting only bids made at the marginal price). Non competitive bids are accepted in their entirety.

- The allocation price of securities is calculated as follows: bids made at the minimum price are accepted at the same; bids falling between the minimum and rounded-up weighted average price also pay the price actually bid; and bids higher than the rounded-up weighted average price and non competitive bids pay the rounded-up weighted average price.

- The auction could be solved by means of another method if the General Directory of the Treasury and Financial Policy decided it. For example, in 2002 the 10 year Government auctions were run on a multiple price system: bids higher than minimum price pay the price bid while non competitive bids pay the weighted average price.

c. Calling of Auctions

Auctions are called by Resolution of the General Secretariat of the Treasury and Financial Policy, specifying the following details:

- Issue and redemption dates of the corresponding Debt securities;

- Date and latest time for lodging bids with the Bank of Spain;

- Allocation date;

- Settlement date;

- Date and latest time for payment of the securities allocated;

- Nominal amount offered (discretionary);

- Minimum nominal amount of bids (where appropriate);

- The possibility (or otherwise) of submitting non competitive bids;

- Annual nominal interest rate and coupon payment dates (in the case of Bonos and Obligaciones);

- The 'special' nature of the auction (where appropriate);

- Any additional conditions applying.

In Bonos and Obligaciones auctions, the technique used is aggregation, or issuance by tranche, whereby the issue of a determined security is kept open over several consecutive auctions (three at least). The securities allocated at such auctions are fungible, by virtue of sharing the same nominal coupon and the same interest payment and redemption dates. When the total nominal amount issued reaches a certain level of liquidity that is considered sufficient, the corresponding reference is closed and a new benchmark is issued.

Also, in the case of Bonos and Obligaciones, a series of placement objectives are set for auctions in consultation with Primary Dealers, thereby helping to stabilise financing flows. These objectives are set prior to each auction, on T-2 for Wednesday auctions and T-3 for those held on Thursdays. Objectives refer both to the amount targeted and the maximum amount to be issued and are binding as regards first-round issues. Minimum issue amounts are also set, currently €180 million for 3- and 5-year Bonos, and €90 million for 15- and 30-year Obligaciones.



d. Presentation of Bids

Any individual or legal entity, resident or non-resident, may bid for and subscribe to Treasury securities. Bids can be submitted at any branch of the Bank of Spain, following the Bank's own procedures and within the date and time limits established in the Resolution calling the auction.

Investors other than Account Holders in the Book-Entry System can enter their bids directly or through a Management Institution or a placement agent authorised by the General Secretariat of the Treasury and Financial Policy.

Management Institutions and Account Holders in the Book-Entry System must lodge their bids with the Bank of Spain between 8.30a.m and 10.00a.m on the day of the auction via their computer terminals with the Bank of Spain Settlement Service, or by calling them in via the Money Market Telephone Service. In the case of Primary Dealers, the deadline is extended to 10.30a.m.

Individuals going directly through the Bank of Spain must submit their bids two days before, specifying the Management Institution which will act as a depository for their securities.

Bids are considered firm orders for the purchase of the Debt instrument applied for, subject to the terms of the issue, and failure to pay in full on the payment date set will give rise to the corresponding liability or, as the case may be, loss of the deposit made previously as a guarantee.

Bids may be of two types:

Competitive bids

Bidders indicate their best price for the Debt instrument in question. Bid prices must be expressed as a percentage of the nominal value, with three decimal places in the case of Letras del Tesoro (the last decimal place being 0 or 5), two decimal places for Bonos del Estado (the last decimal place freely selected from 0 to 9 inclusive) and two decimal places for Obligaciones del Estado (the last decimal place being 0 or 5). Notwithstanding this, the Treasury may modify these formulae if circumstances so advise. Competitive bids that do not specify a price will be deemed null and void. The General Director of the Treasury and Financial Policy may limit the number and maximum amount of competitive bids that each auction participant can submit, and set a minimum or stop-out price.

Non-competitive bids

Debt buyers do not specify a bid price, but accept the weighted average price resulting from the auction. The overall nominal amount of non-competitive bids per bidder may not exceed in general €1 million.

Bids must amount to at least €1,000 for both competitive and non- competitive bids. As for these minimum amounts, the bids submitted must be multiples of €5,000.

Investors other than Account Holders in the Book-Entry System presenting their bids directly to the Bank of Spain must make a prior deposit -in cash or by cheque- of 2% of the nominal amount bid for, in guarantee of payment. The deposit may be made in cash, by debit order in the current account held at the Bank of Spain branch where the bid has been lodged, or by bank or current account cheque made out to the Treasury or the Bank of Spain. Cheque deposits must be made far enough in advance for the Bank of Spain, through its clearing systems, to ensure they will be honoured before the close of the bid submission period. The deposit will be part of the payment if the bid is successful. If the bid fails, or the auction is declared void, the Bank of Spain will return the deposit to the bidder, ordering such repayment on the first business day following the resolution of the auction, and the institutions concerned will return the money in the shortest possible time.

e. Publication of Results

Auction results are made known by procedures that guarantee the most equal distribution of information to all operators. Specifically, they are published on the day of the auction on the Treasury's website http://www.tesoro.es, Reuters (TESORES 07 Y TESORES 08), and Bloomberg (TES05 Y TES06) and Telerate (38631/2 y 38633/4). They are also printed in the Boletín Oficial del Estado pursuant to the Resolution of the General Secretariat of the Treasury and Financial Policy.



The information published includes:

- Nominal amount bid;
- Nominal amount allocated;
- Stop-out price;
- Rounded-off weighted average price of accepted bids;
- Price or prices payable on the debt allocated;
- Internal rate of return corresponding to the weighted average price and stop-out price of Letras, Bonos and Obligaciones auctions.

f. Second Round

After Bonos and Obligaciones/Letras bids have been entered and resolved in the auction, a second round will be held exclusively for Public Debt Market makers.

The second round will take place between the end of the auction and 12:00 P.M of the previous day of the effective date (D+3).

A maximum of 24% of the nominal amount of each bond/Letra allocated at auction will be issued in this second phase. All bids for Bonos y Obligaciones will be met at the rounded-up weighted average price arising from the auction phase and in the Letras case, all bids will be met at the rounded-up weighted average interest rate arising from the auction phase. However, when calling auctions, the General Secretariat of the Treasury and Financial Policy may specify some other allocation method for second round sales. Making use of this prerogative, at present and due to market conditions, bids for the second round will be allotted at the rounded weighted marginal price resulting from the auction phase.

The share of the second round that can be obtained by each Primary Dealer that qualifies will be equal to that Primary Dealer's combined allotment in both the current auction and the previous auction of the similar bond or Letra. If it is the first auction of a bond, the share will be the combined allotment in the current auction and the latest auction of the closest benchmark.

The maximum percentage of the second round for each Primary Dealer is divided into several tranches:

- 24% of the nominal allotted in the auction, which the Treasury may distribute among the most active Primary Dealers, according to the last evaluation periods previous to the auction and those Primary Dealers that have also complied with the minimum quoting obligations during the last evaluation period previous to the auction.
- 20% of the nominal allotted in the auction, which the Treasury may distribute among those Primary Dealers that have complied with the minimum quoting obligations during the last evaluation period previous to the auction and that are not among the most active Primary Dealers, according to the last evaluation periods previous to the auction.
- 4% of the nominal allotted in the auction, among the most active Primary Dealers, according to the last evaluation periods previous to the auction and that have not complied with the minimum quoting obligations during the last evaluation period previous to the auction.
- 0%, to those Primary Dealers which have not been among the most active market makers, according to the last evaluation periods previous to the auction and that have not complied with the minimum quoting obligations during the last evaluation period previous to the auction.

g. Payment of the Nominal Value Allocated at Auction

In the case of bids entered directly to the Bank of Spain, the nominal amount allocated shall be paid by crediting the difference between the subscription price and the deposit made in the Treasury's account at the central bank. Payment should be made prior to the date and time limits set in the auction call.

In the case of bidders submitting through a Management Institution (Entidad Gestora), the corresponding amounts will be duly debited on the payment date in the current accounts specified for billing. Alternatively, the Market member may deposit at the Treasury the amount corresponding to its own and third-party subscriptions. Finally, the Management Institution must furnish the subscribers whose bids they channeled with a certificate setting out the nominal amount subscribed and the cash sum to be deposited in the Treasury's account.

Likewise, the Bank of Spain must provide subscribers whose bids it received directly, with a certificate accrediting the nominal amount subscribed and the cash amount to be paid to the Treasury, and make the entries corresponding to the Debt allocated in the third-party accounts of the Management Institution stipulated by the bids' presenter.

h. Distribution of the Securities

The balances arising from the Treasury securities' subscription shall be credited in their holders' accounts on the day of issuance. From this date onwards, these balances may be mobilised by Account Holders in Iberclear for secondary market transactions or securities transfers.

The balances of individuals subscribing through a Management Institution shall likewise be credited in the latter's account on the day of issuance.

In the case of individuals subscribing through a placement agent other than a Management Institution specified as domicile or who operate through a Bank of Spain branch giving a domiciliation other than that of a Bank of Spain Direct Account, the credit entry in the domiciling Management Instiituion shall be recorded at a later date, once the Book-Entry System has informed each entity affected of the amounts and the identifying data of the subscribers of each institution.

ii. Redemptions and Exchanges

On the redemption date set for each security, or the first business day that follows, the Book-Entry System will credit the nominal amount of the redeemed security balances in the Bank of Spain cash account specified as domicile by the Management Institutions and other account holders, debiting the same amount in the corresponding securities account.

The Management Institutions (on their own and third parties' behalf) and Account Holders (on their own behalf only) wishing to opt for the voluntary redemption of securities, when this option was provided for in the issue terms, will notify such request by fax on the date and at the time established in each case by the Book-Entry System.

Requests for voluntary redemption imply that the applicant is then in possession of a sufficient balance of the security to be redeemed, free of resale commitments, and that it may only draw on such balance by means of repo transactions till the day before redemption. As such, the voluntary early redemption option shall not apply to balances subject to re-sale commitments and balances immobilised in the Book-Entry System.

On the day of redemption, the Book-Entry System will credit the nominal amount of these securities in each institution's cash account, after debiting the same amount in the corresponding securities account.

The cash balancing entries for redemption of balances corresponding to securities immobilised in respect of guarantees, pledges etc., shall remain untouched until such immobilisation is lifted, as per the procedure set out in Bank of Spain Circular 16/1987.

If issue conditions provide for proportional redemption, this will be carried out as described above.

Government Debt exchange auctions are a discretionary formula used by the Treasury to withdraw from the market certain references, replacing them with others.



The main aims the Treasury pursues through its exchange programmes are:

- To rationalise the structure of government debt maturities by eliminating illiquid references with little residual life.
- To alter the maturities curve of outstanding debt, lengthening or shortening it.
- To ensure that enough strippable bonds are outstanding in order to ensure that Bono and Obligación stripping and reconstitution operations are backed by sufficient liquidity.
- To build up the liquidity and depth of the Public Debt market, in order to attract investor savings within the single capital market defined by European Economic and Monetary Union, and ensure the Spanish Treasury can successfully compete with other sovereign issuers.

F. Secondary Market

a. Trading Systems

Secondary market trades are conducted through three systems (the first two reserved exclusively for market members):

- Through blind brokers (the blind market), also known as the "first tier" in which only Public Debt members can participate. Trading is electronically conducted without knowledge of the identity of the counterparty (hence the term 'blind'). This is the core of the Public Debt activity, as participating agents undertake to quote bid and offer prices at relatively narrow spreads (around 5 basis points in keenly traded issues), thereby guaranteeing the market's overall liquidity. Transaction size is a minimum of €5 million. Blind market trades may only be to maturity, whether in spot or forward transactions. Repos are not permitted. Profits and losses are settled daily by marking to market, and the corresponding adjustments made on the operations Value date.
- The bilateral trading system, direct or via broker, also known as the "second tier", channels all remaining operations between Account Holders. The support for this market is provided by the Bank of Spain Settlement Service. In this segment, participants can operate to maturity (in spot or forward, double or repo transactions). Operations can be entity-to-entity or through a broker. In the second case, the broker matches the operation and notifies each party of its counterparty -who is identified under this system. Both parties then notify the Bank of Spain Settlement Service of the terms of the transaction to enable its subsequent clearance and settlement.
- The third and last trading system comprises transactions between Management Institutions and their clients.

b. Type of Operations

Several types of operations may be conducted.

1. Single transactions

Here, the transaction is one way only. Securities are sold along with all the rights attached: coupon payment, redemption value, etc. Debt is considered transferred to maturity, allowing the new owner to transact in it freely on the secondary market under any authorised format. Single operations can be:

- **Spot transactions**: settlement takes place within the five business days following the transaction date.
- **Forward transactions**: settlement takes place after the fifth business day following the transaction. The key elements of each operation (price agreed, execution date, nominal value, effective value, etc.) must be notified to the Bank of Spain and may not be modified thereafter.



2. *Double or Buy-Back Transactions*

When contracting parties simultaneously agree two single transactions, a buy and a sell, one spot and the other forward or both forward. The buyer in the first transaction will be the seller in the second and vice versa. These are firm transactions, with the sale and repurchase price previously agreed at a given date. This buy-back arrangement entitles the holder of the asset to collect coupon payments on maturity. Double operations can be divided into:

- Ordinary repos or "simultáneas": both buying and selling transactions refer to the same type of instrument and are for the same nominal value. The buyer can transact freely with the securities purchased, regardless of the buy-back date set.

- Blocked or "Spanish" repos: the difference vs. ordinary repos is that the securities are not transferred to all effects and, as such, buy-back transactions can only take place up to the date set for their return. The buyer, however, is entitled to collect coupon payments falling due in the interim. This kind of repo cannot be traded on the blind market.

3. *Stripping and Reconstitution*

Linked to Bonos del Estado and Obligaciones del Estado strips.

Stripping takes place when a strippable bond is withdrawn from the Book-Entry System and replaced by new securities with an implicit yield arising from the cash flow generated by the same bond's coupons and principal.

Reconstitution is the reverse process, i.e. all the outstanding securities with an implicit yield arising from the different cash flows of a strippable bond are withdrawn from the Book-Entry System and replaced by the bond itself.

Stripping and reconstitution transactions can only be processed by strippable debt Primary Dealers, who take on a series of commitments subject to annual review. Strip and reconstitution orders must be for a minimum nominal amount of €500,000, while additional amounts must be multiples of €100,000.

Public Debt Market Members who are not authorised to process strip and reconstitution orders, and agents who are not market members, may only hold stripped securities by acquiring them from the institutions authorised to strip. By the same token, they can only replace the stripped securities in their possession with strippable bonds if they sell the former and buy the latter, but may under no circumstances reconstitute.

c. *Book Entry System*

The Book-Entry System managed by the Bank of Spain is responsible for the clearance and settlement of Public Debt market operations. Each market member holds an account in the Book-Entry System, where transactions in its securities are recorded.

The procedure used is one of cash on delivery. During each session, Account Holders notify the Book-Entry System of transactions channeled through the Bank of Spain Settlement Service, specifying the following:

- the type of operation
- the reference transacted
- the nominal amount
- the price
- the counterparty
- the record date agreed



The Book-Entry System records all this information and, on the established record date, debits or credits the securities accounts against the corresponding cash accounts held by Account Holders at the Bank of Spain. The record date most commonly used in Bonos and Obligaciones del Estado operations is T+3, i.e. 3 business days after the transaction. In the case of Letras del Tesoro, value and transaction dates tend to coincide.

Individuals or institutions who are not members of the Public Debt market -i.e. who do not hold accounts in the Book-Entry System- have to channel transactions through a Management Institution (for Direct Account holders, the Bank of Spain itself acts in this capacity). The Management Institution can be that in which the securities are registered or any other. It must notify transactions to the Book-Entry System on the business day prior to the record date established, except where the unit value of the transaction exceeds €500,000, in which case it may notify on the record date itself.

Transactions may also be settled against payment on third parties' behalf through the Bank of Spain Settlement Service.

Non-resident investors can also clear and settle their transactions through Euroclear and Cedel, international clearing and settlement systems linked to Spain's Book-Entry System through the third-party accounts of two Management Institutions, acting as their depositories.

Transactions between Euroclear or Cedel clients are cleared and settled internally, without notification to or intervention by the Spanish Book-Entry System.

When the transaction is between one Euroclear and one Cedel client, clearing and settlement is again internal, although in this case the third-party accounts held at each system's depository will reflect the corresponding change in their respective balances on the record date established.

When transactions are between a Euroclear or Cedel client and a non-depository individual or institution, two alternatives can arise:

- if the intervention of the Euroclear or Cedel depository is restricted to informing the Bank of Spain Settlement Service of the securities transfer, the settlement will be processed by Euroclear or Cedel;
- if the depository is linked to the transaction, it will use the clearing and settlement services of the Book-Entry System in the form described above.

G. Appraisal of the Activity of the Primary Dealers

The General Secretariat of the Treasury and International Finance evaluates monthly the activity of Market Makers in Government Bonds, in accordance with the following areas:

- Participation in the Bonos and Obligaciones auctions.
- Participation in exchanges and buy-backs done by the General Secretariat of the Treasury and International Finance.
- Listing of Bonos and Obligaciones in the regulated markets or multilateral trading systems determined by the General Secretariat of the Treasury and International Finance.
- Participation in the total monthly trading in Bonos and Obligaciones in the regulated markets or multilateral trading facilities determined by the General Secretariat of the Treasury and International Finance.
- Participation in monthly trading in Bonos and Obligaciones between members of the market of Public Debt in Book Entries.
- Participation in monthly trading in Treasury Bills carried out by Market Makers with companies which are not members of the market of Public Debt in Book Entries.



- Stripping and reconstitution of strippable securities as well as trading in strips.

- Qualitative considerations such as participation in operations promoting Government Debt nationally and abroad, the level of distribution of Government Debt in strategic countries or geographical zones, regularity in the behaviour as Primary Dealers and any other activity that reflects commitment to the Spanish Public Debt market.

- Penalty factors such as not contributing information or advice requested by the General Secretariat of the Treasury and International Finance, not attending meetings of the General Secretariat of the Treasury and International Finance with the Primary Dealers, presenting requests in the auctions that deviate significantly from the price or the yield in the existing secondary market five minutes before the holding of the auction, or carrying out actions that could negatively affect the functioning of the market.

In all cases companies will be penalised when they do not comply with the obligations of participating in auctions and do not guarantee the liquidity of the secondary market through listing.

The status of Primary Dealer in Government Bonds may be lost for any of the following reasons:

- Due to a renouncement notified by the Primary Dealer itself to the General Secretariat of the Treasury and International Finance.

- Due to a decision of the General Secretariat of the Treasury and International Finance when it considers that the Primary Dealer has not maintained a commitment to the Spanish market in Public Debt that is considered sufficient.

- Due to a decision of the General Secretariat of the Treasury and International Finance when a Primary Dealer does not comply with the deductions at source scheme which is applicable to them according to the regulations in force.

- Due to a decision by the General Secretariat of the Treasury and International Finance that a Primary Dealer has carried out actions that could negatively affect the functioning of the market or Government Debt or when its behaviour is considered to be inappropriate for a Market Maker, to be contrary to the interests of the Treasury or to the smooth functioning of the Debt market.

- When the General Secretariat of the Treasury decides to rotate its Market Makers group for the purpose of providing access to the group to new companies, whether increasing the group's number or not.



H. Contacts

i. Debt Management Office

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European Primary Dealers Handbook

21. Sweden

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A. List of Primary Dealers[1] [2]

i. Primary Dealers in Nominal Bonds (SGB)

FIRM	Sweden (SE)	Firm's location
Danske Bank A/S	X	Stockholm
Handelsbanken Markets	X	Stockholm
Nordea Markets	X	Helsingfors
SEB A/S	X	Stockholm
Swedbank AB	X	Stockholm
TOTAL	**5**	

ii. Primary Dealers in Inflation-Linked Bonds (SGB IL)

FIRM	Sweden (SE)	Firm's location
Danske Bank A/S	X	Stockholm
Handelsbanken Markets	X	Stockholm
Nordea Markets	X	Helsingfors
SEB AB	X	Stockholm
Swedbank AB	X	Stockholm
TOTAL	**5**	

iii. Primary Dealers in T-bills (STB)

FIRM	Sweden (SE)	Firm's location
Danske Bank A/S	X	Stockholm
Handelsbanken Markets	X	Stockholm
Nordea Markets	X	Helsingfors
SEB A/S	X	Stockholm
Swedbank AB	X	Stockholm
TOTAL	**5**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

1 *Information as of March 2026*

2 *Source: Swedish National Debt Office's website http://www.riksgalden.se*



B. Credit Rating

Swedish debt has the following ratings issued by the various credit rating agencies:[3]

- Standard and Poor's: AAA (stable)
- Moody's: Aaa (stable)
- Fitch Ratings: AAA (stable)
- DBRS: AAA (stable)

C. Privileges and Obligations of Primary Dealers in nominal government bonds

i. Rights of a Primary Dealer

- Exclusive access to the primary market;
- Each Primary Dealer shall receive a basic commission of SEK 1,000,000 per PD each year;
- A commission amount of SEK 20,000,000 per year will be shared among all Primary Dealers in proportion to the commission-earning volumes sold in connection with the Regular auctions for nominal bonds (SGB);
- A commission amount per year of SEK 14,000,000 per year will be shared between all Primary Dealers in nominal bonds (SGB) in proportion to the share of respective Primary Dealer achieved during the past year of the total turnover in the Client Market;
- Primary Dealers may make use of the Swedish National Debt Office's decided and in force at any given time market commitments in Government Bonds repos and other market commitments on the part of the Swedish National Debt Office (SNDO); and
- In the case of liquidity management and in the case of other business agreements within the framework of central government debt management, Primary Dealers are given priority before other counterparties, providing the terms and conditions, service and quality of the counterparty relationships are otherwise equivalent.

ii. Obligations of a Primary Dealer

- A Primary Dealer is obliged to bid (for its own part or on behalf of a customer) at all auctions. The bids have to be reasonable compared to market rates and must comply with the sales conditions. The minimum share in the primary market is 5% per calendar year;
- The Primary Dealer shall actively, and in accordance with sound and customary trading principles, contribute to liquidity and price transparency in Government Bonds on the Secondary Market (both on the Client Market and the Interbank market) both through trading on the spot (cash) market as well as by entering into transactions on the derivatives markets;
- The Primary Dealer shall make every reasonable effort to maintain, for each calendar quarter, a market shares of not less than 5% respectively of the total market sales in the Electronic Interbank Market and the Client Market;
- The Primary Dealer shall conduct analyses and research and present business proposals regarding Government Bonds in the Client Market and inform participants in the Client Market about the Swedish National Debt Office's borrowing and management of central government debt;

3 *Credit rating as of March 2026*





- The Primary Dealer shall provide the Swedish National Debt Office at least once a year with a written business plan regarding sales and marketing of Government Bonds for the forthcoming calendar year and on operations concerning the business plan for the preceding calendar year. A Primary Dealer should assist the SNDO with advice for improvements;
- The Primary Dealer shall actively work towards enhancing client interest in making bids in conjunction with the Swedish National Debt Office's sales of Government Bonds;
- Report daily on turnover to the Riksbank exchange;
- Provide annual sales report to the SNDO of auction distribution by customer and region; and
- Allocate sufficient staff and other resources to ensure compliance with its commitments under this Agreement.

D. Primary Market[4]

i. Auctions

Primary Dealers are the sales force for Government Securities and thus the preferred counter party in Repos and other instruments. The SNDO actively supports liquidity through market commitments. By reducing uncertainty and contributing to liquidity, the SNDO increases the attractiveness and risk-taking propensity in the market and hence leads to cost reduction.

ii. Auction Terms

The SNDO issues Treasury bills, nominal and inflation-linked government bonds by means of auctions. Only Primary Dealers can place direct bids for the auctions. Others who are interested in bidding must go through a Primary Dealer. Auction dates are published on the SNDO's website twice per year[5]. The auction conditions are published on the SNDO's website one week prior to the auction at 4.20p.m. Auction results for all government securities are published around three minutes after the auction closes, i.e. around 11.03a.m on the SNDO's website. Auctions for Bills take place almost every other Tuesday. Auctions for nominal bonds are held on a weekly basis. Auctions for inflation-linked bonds take place on Thursdays according to our published auction calendar. The conditions state the auction date, maturities, volumes issued and the auction cut-off time. Bloomberg and Reuters also distribute the information.

The allotment for the auctions of nominal bonds is made according to the principles of multi-price auctions. i.e. allocation at the interest rate offered. The allotment for the auctions of Bills and inflation-linked bonds are made according to the principles of single price auctions. When the auction closes, the bids are placed in rank order from the lowest to the highest interest rate. The bids which in terms of volume are below the auction volume published in advance receive an allocation. The bids which are on the margin and have the same interest rate as the highest accepted level are reduced in percentage terms so that the issued volume does not exceed the volume the SNDO wish to sell.

a. Bidding Terms

The bids shall be reasonable, taking into consideration the prevailing market interest rates at the time of each sale. Bids for government bonds, inflation-linked bonds and T-bills are placed at a yield together with a nominal volume in millions of Swedish kronor. Bids are placed electronically via Bloomberg auction system. A Primary Dealer undertakes to comply with the SNDO's Sales Terms and Conditions in force at any given time. The Primary Dealers shall make all bids as a principal. All bids are binding. The dealer is obliged to acquire the allocated volume even where it is less than the volume requested in the bid.

4 *Source: Agreement with Dealers of Swedish Government Bonds, Swedish National Debt Office*

5 *Auction calendars of the Swedish National Debt Office are available on its website*





b. *Auction Calendar*

An auction calendar covering a period of at least six months is announced in advance, and is updated in May and November. This calendar officially announces forthcoming auction dates. Auction details are announced on the SNDO's website one week prior to each auction. Bloomberg and Reuters also distribute the information.[6]

iii. Syndication

Syndication is offered in domestic market and in foreign currency, funding depends on market windows. The SNDO announces the decision of syndication through lead managers on Bloomberg and Reuters screens.

The managers/leaders are selected by track records, placing capability, quality of overall relationship, pricing, etc. Primary Dealers have a preferred counterparty status but compete on equal terms with other investment banks. The distribution of the bond is announced through the National Debt Office's website and the lead managers' press release.

Regarding the syndication method, the SNDO uses the conventional pot transaction, i.e. a joint order-book with split economics, usually only by using lead managers. The key stages of the operation and their results are displayed on screens and also announced through the SNDO's website.

E. Secondary Market

i. Interdealer Market

a. *Trading on the Secondary Market*

The Primary Dealers shall actively, and in accordance with sound and customary trading principles, contribute to liquidity in the instruments issued by the SNDO on the Secondary Market, both through trading on the spot market as well as by entering into transactions on the derivatives markets. The Primary Dealers shall continuously make all reasonable efforts to maintain a secondary market for Government Bonds through providing on request binding bid and ask rates on the Client Market and continuously providing indicative bid and ask rates in the market Information System.

b. *Multiplatform Environment*

To be considered eligible for the selection, the Interbank electronic platform shall:

- Either be a multilateral trading facility or a regulated market according to the Securities Market Act (2007:528);
- Provide information to the SNDO as required and be open in a non- discriminatory way to all Primary Dealers; and
- Contribute to a properly functioning secondary market.

The Primary Dealers may, by six months' advance written notice to the SNDO, change the Electronic Interbank Trading System(s) in which they commit themselves to trade on the Interbank Market.

If the Primary Dealers decide that there should be more than one Electronic Interbank Trading System, then at least so many Primary Dealers must have made a commitment to trade in several of these systems as is required to prevent a segmentation of the Electronic Interbank Market.

c. *Quoting Obligations*

The Organisation for the Electronic Trading System will select three Government bond loans, which at each time shall be Reference Loans.

6 *Auction calendars of the Swedish National Debt Office are available on its website*





The reference loan has a maturity of 2, 5 and 10 years. The Primary Dealers shall quote buying and selling interest rates, binding on the Primary Dealers, in the Reference Loans. The Organisation for the Electronic Trading System will decide the spread between buying and selling interest rates and the amounts of the trading lots of the Reference Loans.

If exceptional conditions prevail in the Swedish bond market, the Primary Dealers need not quote binding buying and selling interest rates in the Reference Loans.

The Organisation for the Electronic Trading System will give guiding principles for determining when exceptional market conditions should be considered as prevailing.

ii. Dealer to Customer Market

Most bonds trade on a dealer to customer platform, but the voice market remains substantial.

In terms of the retail market, prices for Swedish government bonds can be found on the Nasdaq OMX website. They are quoted by a Swedish bank, SEB.

For Over-the-counter (voice) trading, Tullet, RP Matin, Icap, and Gottex are the main end investors/retail brokers for institutional investors.

At least once a year, each Primary Dealer shall submit a report to SNDO concerning actions it has taken and is planning to take in order to promote the sale of instrument issued by the SNDO in the Client Market. The Primary Dealer shall report its daily purchase and sale of instrument issued by the SNDO to the Swedish Central Bank.

The SNDO offers repos in all nominal benchmark bonds, inflation-linked bond and T-bills to Primary Dealers upon request. In Sweden, the repo market is relatively large and well-functioning. The SNDO offers repos as part of the market commitment, aiming to prevent squeezes in the market. The Primary Dealers may also enter into repo swaps with SNDO, i.e. exchanging one government security with maximum of two other government securities. SNDO also offers Primary Dealers to exchange inflation- linked bonds on an on-tap basis.

F. Appraisal of the Activity of Primary Dealers

The SNDO organises annual review meetings with Primary Dealers for evaluating their activity.

The assessment of the Primary Dealers relies on the fulfilment of the Primary Dealers' obligations (see above paragraph C.ii) and on the evaluation of some qualitative issues not stipulated in the Primary Dealer agreements (e.g. analysis, research, coverage).

The ranking of the Primary Dealers is not available to the public.



G. Contacts

i. Debt Management Office

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ii. AFME Primary Dealer Board Firm Contact Details

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European Primary Dealers Handbook

22. United Kingdom

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A. List of Market Participants: Gilt Market & Money Market

i. Gilt-Edged Market Makers (GEMMs)[1]

FIRM	United Kingdom (UK)	Firm's location
Banco Santander S.A. (London branch)	X	London
Bank of Montreal (London branch)*	X	London
Barclays Bank plc+	X	London
BNP Paribas (London branch)	X	London
Citigroup Global Markets Limited	X	London
Deutsche Bank AG (London branch)	X	London
Goldman Sachs International Bank	X	London
HSBC Bank plc+	X	London
J.P. Morgan Securities plc	X	London
Lloyds Bank Corporate Markets plc	X	London
Merrill Lynch International	X	London
Morgan Stanley & Co. International plc	X	London
NatWest Markets plc+	X	London
Nomura International plc	X	London
Royal Bank of Canada Europe Limited	X	London
Toronto-Dominion Bank*	X	London
UBS AG (London branch)	X	London
Winterflood Securities Limited+*	X	London
TOTAL	**18**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

* Retail

\+ Members Strips

1 *List of the Gilt-edged Market Makers who operate on the Gilt market as of March 2026. To access the most current list please refer to UK DMO*



ii. Treasury Bill Primary Participants[2]

FIRM	United Kingdom (UK)	Firm's location
Banco Santander SA (London branch)	X	London
Bank of America Europe DAC	X	London
Bank of Montreal (London branch)	X	London
Barclays Bank plc	X	London
BNP Paribas (London branch)	X	London
Citigroup Global Markets Ltd	X	London
Credit Agricole CIB	X	Paris
Deutsche Bank AG (London branch)	X	London
Goldman Sachs International Bank	X	London
HSBC Bank plc	X	London
Investec Bank plc	X	London
J.P. Morgan Securities plc	X	London
King & Shaxson Ltd	X	London
Lloyds Bank Corporate Markets plc	X	London
Mitsubishi UFJ Securities EMEA plc	X	London
Morgan Stanley & Co International Ltd	X	London
NatWest Markets plc	X	London
Nomura International plc	X	London
Royal Bank of Canada Europe Ltd	X	London
Scotiabank Europe plc (London Branch)	X	London
Toronto-Dominion Bank (London branch)	X	London
UBS AG (London branch)	X	London
TOTAL	**23**	

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

2 Source: https://www.dmo.gov.uk/responsibilities/money-markets/primary-participants/



B. Credit Rating

The United Kingdom's debt is rated as follows:[3]

- Standard and Poor's: AA (stable)
- Moody's: Aa3 (stable)
- Fitch Ratings: AA- (stable)
- DBRS: AA (stable)

C. Debt Instruments

The principal instruments in which the DMO may transact for debt management purposes are set out below:

Gilts

A Gilt is a UK Government liability in sterling, issued by HM Treasury and listed on the London Stock Exchange. The term "gilt" or "gilt-edged security" is a reference to the primary characteristic of gilts as an investment: their security. This is a reflection of the fact that the British Government has never failed to make interest or principal payments on gilts as they fall due. The gilt market is essentially comprised of two different types of securities – conventional gilts and index-linked gilts.

Conventional gilts are the simplest form of UK government bond and constitute the largest proportion of the gilts in issue. A conventional gilt is a liability of the government under which it guarantees to pay the holder of the gilt a fixed cash payment (coupon) every six months until the maturity date, at which point the holder receives the final coupon payment and the return of the principal. Payments are rolled forward to the next business day if they fall on a non-business day.

The price of a conventional gilt is quoted in terms of price per £100 face value. This face value, otherwise known as the nominal amount, is not necessarily how much the gilt is worth now, or how much it would cost an investor to buy it now; rather, it is the amount of money (or capital repayment) the holder will receive at maturity. Whilst gilt prices are quoted per £100 nominal, gilts can be traded in units as small as a penny.

A conventional gilt is denoted by its coupon rate and maturity (e.g. 1½% Treasury Gilt 2047). The coupon rate usually reflects the market interest rate at the time when the gilt is first issued. Consequently, there is a wide range of coupon rates available in the market at any one time, reflecting how interest rates on borrowing have fluctuated in the past. The coupon indicates the cash payment per £100 nominal that the holder will receive per year. This payment is made in two equal semi-annual payments on fixed dates, six months apart.

Index-linked gilts constitute the minority of the gilts in issue. The UK was one of the earliest developed economies to issue index-linked bonds to institutional investors, with the first issue taking place in 1981.

Index-linked gilts differ from conventional gilts in that the semi-annual coupon payments and the principal repayment are adjusted in line with the UK Retail Prices Index (RPI) with a lag. This means that both the coupons and the principal repaid on redemption of these gilts are adjusted to take account of accrued inflation since the gilt was first issued.

As with conventional gilts, an index-linked gilt is denoted by its coupon rate and maturity (e.g. 01/8% Index-linked Treasury Gilt 2039); and the coupon reflects market interest rates (in real terms) at the time of first issue. As with conventional gilts, payments are rolled forward to the next business day if they fall on a non-business day.

3 *Credit rating as of March 2026*



The coupon on an index-linked gilt indicates the cash payment per £100 nominal that will be adjusted for RPI inflation between the first issue date of the gilt and the coupon date, and this amount will be paid to the holder. As with conventional gilts, payment is made in two semi-annual payments on fixed dates, six months apart, but unlike conventional gilts the payments will differ in size depending on the path of inflation between successive coupon dates. On the maturity date of an index-linked gilt, the holder receives the repayment of the principal and the final coupon payment, both adjusted for RPI inflation between the first issue date of the gilt and its maturity date.

UK Treasury bills

UK Treasury bills are sterling-denominated unconditional obligations of the UK Government with recourse to the National Loans Fund and the Consolidated Fund. They are issued from, and are liabilities of, the Debt Management Account. Treasury bills are zero-coupon eligible debt securities.[4] The DMO issues Treasury bills through regular weekly or ad hoc tenders, and it may issue bills bilaterally upon request from recognised counterparties, subject to certain conditions.[5]

D. Criteria, Privileges and Obligations of Gilt-Edged Market Makers[6]

The following are the general criteria, obligations and privileges for the United Kingdom Debt Management Office's (DMO) approved primary dealers in the UK sterling government bond market, which are known as Gilt-edged Market Makers (GEMMs). GEMMs may offer services to wholesale and/or retail sectors of the investor base, and specialise in conventional gilts (including green gilts), inflation index-linked gilts or both. These criteria, obligations and privileges apply to all such categories of GEMMs unless otherwise specified.

Essential Criteria for all GEMMs

To become and maintain their status as a GEMM, firms must meet the following criteria:

- Demonstrated long-term commitment to the UK government bond market.
- A viable business plan, bringing sustainable value to the gilt market. Firms should look to meet existing market demand and to widen the investor base for gilts where appropriate.
- Sufficient balance sheet capability to support market-making activity in the gilt market.
- A credit standing indicative of their long-term viability in the gilt market.
- Adequate staffing resources at all times, including trading, sales, research, risk management, settlement and compliance professionals. Key staff risk should be appropriately managed.
- Relevant technological capabilities, including being in a position to settle gilt transactions in CREST.
- All GEMMs must be (i) authorised by the Financial Conduct Authority (FCA) (and, where applicable, the Prudential Regulation Authority (PRA)) and/or any relevant local equivalent(s) in other jurisdictions, as determined by the DMO in its sole discretion, and (ii) registered as a market maker with a Relevant Exchange unless otherwise determined by the DMO in its sole discretion. GEMMs must provide the DMO with written approval or confirmation of non-objection from these bodies to undertake activities as a GEMM.
- A willingness to sign up to all of the DMO's requirements and expectations and to abide by these at all times.

4 *The term "eligible debt security" is the term used in the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended, to refer to those uncertificated securities, which may be issued into CREST, creating rights and obligations which (so far as practicable) correspond to those in relation to paper- based negotiable money market instruments.*

5 *Full details on the DMO's Treasury bill operations can be found in the UK Treasury Bills Information Memorandum, available on the https://dmo.gov.uk/responsibilities/money-markets/about-treasury-bills/*

6 *Source: GEMM Guidebook: A Guide to the Roles of the DMO and Primary Dealers in the UK Government Bond Market*





GEMMs' Obligations and Expectations

Firms recognised by the DMO as wholesale GEMMs agree to meet a number of obligations on a continuous basis. These obligations are to ensure that GEMMs provide appropriate support to the primary issuance of government debt and contribute to the liquidity of the secondary market. The DMO expects management and compliance departments at GEMMs to be aware of these obligations and to ensure that they are adhered to in a robust and proper manner. The DMO expects periodic written assurances from GEMMs with regard to their compliance with the DMO's requirements and with applicable laws and regulations and that appropriate systems and procedures are in place to meet these obligations. The obligations are as follows:

a. Participation in Primary Issuance

- GEMMs are expected to play an active role in the issuance, distribution and marketing of UK government debt.
- GEMMs should aim to purchase at least 2.0% of gilt issuance by sector, conventional and index-linked, on a six-month rolling average basis.
- GEMMs are expected to participate in every operation for which they are a designated market maker. GEMMs must aim to participate effectively in the price formation process at auctions: it is envisaged that each wholesale GEMM's bids would amount to the equivalent of at least 5.0% of the amounts issued, calculated on a six-month rolling average basis.

b. Market Making

- GEMMs are committed to make on demand and in all trading conditions, continuous and effective two-way prices upon request to their clients in all gilts for which they are recognised as a market maker.
- GEMMs must aim to achieve and maintain an individual secondary market share of at least 2.0% on a 6-month rolling average basis, in the sectors for which they are a recognised market maker.

c. Provision of Data and Information to the DMO and investors

- All GEMMs are required to provide the DMO with data in a pre-specified format relating to daily positions and weekly turnover. The DMO also expects GEMMs to provide real-time prices or accurate mid-market indications to at least one wire services provider and/or electronic trading platform.
- All GEMMs must install and maintain designated IT and telecommunications links with the DMO.
- GEMMs are actively encouraged to provide market intelligence to the DMO and are required to respond promptly to market consultations and/or requests for information.

GEMMs' Privileges

In return for undertaking the obligations detailed above, GEMMs are entitled to certain privileges in the gilt market, as follows:

a. Auction Bidding

As mentioned above, GEMMs are the only institutions eligible to submit a competitive bid directly to the DMO.

GEMMs are entitled to a share of a non-competitive allowance of 15% of the total amount of gilts on offer at auctions, defined as:

a. a pro-rata share at the average accepted price for conventional auctions; or

b. a performance-related share at the strike price for index-linked auctions, determined by performance at the previous three index-linked auctions.



b. *Preferred Counterparty Status*

When dealing in the gilt-edged secondary market for debt management purposes, the DMO will only deal with GEMMs (Except that the DMO may also deal with Inter-Dealer Brokers in transacting near maturity gilts for cash management reasons).

Only wholesale GEMMs are normally invited to become members of any lead management group for syndicated offers. This privilege is not usually conferred on either wholesale GEMMs on probation or retail GEMMs.

GEMMs have the right to strip and reconstitute gilts through CREST.

GEMMs are eligible to be considered for participation in DMO standing repo operations, provided that they have signed the relevant legal documentation.

c. *Other Privileges*

All GEMMs are invited, and expected, to participate in annual and quarterly consultation meetings.

GEMMs have access to the services of acknowledged Inter-Dealer Brokers (IDBs).

Rules of Relevant Exchanges and regulatory authorities

The DMO's obligations and privileges operate in parallel with any Relevant Exchange's rulebook, which may set out its own requirements for market makers and/or IDBs as members of that exchange. GEMMs (firms and individuals) will also be subject to legal and regulatory requirements in respect of their dealing and trading functions, the transactions they enter into and their relationship with the DMO, and it is their responsibility to abide by these laws and regulations in all relevant jurisdictions at all times.

E. Primary Market[7]

i. Policy and the Financing Remit

Since 1998, auctions have constituted the primary means of issuance for the government. However, the DMO may also issue gilts via other methods (e.g. syndicated offerings, gilt tenders).

The DMO remit is published in the Debt Management Report (DMR) on an annual basis. A planned calendar of gilt auction dates is also published as part of the DMO's remit announcement.

The DMO's remit is set by HM Treasury ministers following consultation with the DMO, GEMMs, investors and other market participants. GEMMs and other market participants are invited to send a representative to annual meetings, chaired by the responsible minister, in order to state their recommendations on the content of the forthcoming year's remit, the perceived needs and demands of the market, and any other topical issues.

The financing remit for each financial year will indicate the target amounts of cash to be raised in conventional gilts and index-linked gilts, and within conventional gilts the amounts to be raised in each maturity band7, as well as the planned split by method of issue.

The issuance programme may be varied during the year in the light of any substantial changes to any criteria specified in the relevant annual remit. In practice, variations are most likely to occur in step with regular quarterly issuance announcements or at the time of revisions or updates to the public finance forecasts. Any revisions to the issuance programme will be announced by the DMO.

Announcements regarding the revision of public finance forecasts may result in the rescheduling of previously announced gilt operations, given the market sensitivity of these events.

7 *The DMO defines broad maturity bands as follows: shorts 1-7 years to maturity, medium 7-15 years, and longs 15+ years*



ii. Auctions

a. Prior Notice of Gilt Auctions

The DMO hosts quarterly consultation meetings with representatives of GEMMs and gilt investors. These meetings are normally held towards the middle of March, May, August and November and are intended to inform the DMO of the market's perspectives on issuance choices of individual gilts in forthcoming quarters (April-June, July-September, October-December and January-March), within the constraints of the published remit.

Typically, on a quarterly basis, the DMO will announce its plans for auctions to be held over the following one to four months, usually at 7.30 a.m. on the last business days of March, May, August and November. These announcements will normally indicate the identity of the individual existing gilt(s) or, if relevant, the launch of any new gilt(s), although coupons on new gilts are generally determined closer to the auction date itself.

At 3.30p.m. on the same business day in the week preceding a scheduled auction (or such other time as the DMO considers reasonably practicable in light of the prevailing circumstances), the DMO will publish the final terms and conditions of an auction, including the nominal amount of the gilt on offer, confirmation of ISIN and SEDOL codes and, where the gilt being issued is a new one, the coupon. Further issues of existing gilts will generally be fungible with the parent issue from the settlement date of the relevant auction.

b. Auction Mechanics

Bids at gilt auctions must be submitted by, or through, a GEMM(s), via the Bloomberg Auction System (BAS), or, in emergency circumstances only, by another method specified by the DMO. This means that all other investors wishing to participate in the auction process must submit their bid to a GEMM of their choosing, who is in turn obliged to submit that bid to the DMO, via BAS without charge or discount. The DMO requires GEMM(s) bidding in, and facilitating client orders in relation to, gilt auctions to maintain the confidentiality of all bids and to consider and conduct their activities in a manner fully consistent with all relevant laws and regulations. GEMMs should adhere to the standards of the gilt market and take account of applicable core principles and statements of good practice (including those of the Financial Markets Standards Board (FMSB)). Furthermore, all bidders are reminded that information about trading interests, bids/offers or transactions may be subject to confidentiality obligations or other legal restrictions on disclosure pursuant to relevant laws and regulations (including competition law). Improper disclosure or collusive behaviour will fall below the standards required of bidders, and evidence or allegations of such behaviour may be escalated to the appropriate authority(ies).

Prior to each auction, the DMO will email each GEMM detailing its individual reporting requirements. All GEMMs are required to submit details of auction day trading in the relevant gilt(s), including the identity of all counterparties, by email in the requested format. Reports must be received by the DMO by 9:00am on the morning after the relevant auction.

Bids may be submitted at any time from the opening of the published bidding window up until the published deadline, after which no further bids can be accepted. Enabled GEMM dealers may (provided they are acting in accordance with good market practice and with all applicable laws and regulations) submit, cancel and/or amend as many bids as they wish before the deadline through BAS.

Unless otherwise notified, each competitive bid, from a GEMM or a client bidder, must be for one amount and at one clean price, expressed as a multiple of 0.001 of £1, for at least £1 million nominal and round multiples thereof.



GEMMs bidding on behalf of clients, or any other non-GEMM dealer(s) in their firm, must enter the appropriate client code in the relevant field on their bid input screen. Client codes are allocated and maintained by the DMO, and any client institution intending to participate in the auction should apply directly to the DMO for allocation of a code. Applications may be made by email, Bloomberg message or headed letter. Such codes are unique, and will be retained for use in future auctions. However, the assignation of a code should not be taken as confirmation that the DMO has verified the legitimacy of (or carried out any other due diligence on) such client institution nor that a direct relationship currently exists, or will exist, between the DMO and such client institution: it is the sole responsibility of the GEMM bidding on behalf of a client to conduct appropriate due diligence checks on the client and to be responsible for the legal and regulatory compliance of each transaction entered into with its client. GEMM dealers or salespeople should not apply to the DMO for such codes on behalf of a client, save in exceptional circumstances, but the client is expected to reveal its code when submitting a bid to a GEMM. New applications for codes should be made to the DMO by the close of business on the evening before any auction, otherwise GEMMs will be expected to submit bids from non-registered clients under the code 'NEW' or under their own account, which may or may not, at the DMO's discretion, affect the GEMM's own account allowance. In either case, GEMMs should contact the DMO immediately to identify the new bidder and its bids.

Client institutions that are part of the same parent organisation as a GEMM (e.g. a bank's Treasury operation) may also apply for the assignation of a client code, but in such cases the DMO will seek additional assurances around the independence and segregation of the two entities.

The BAS platform has functionality that allows GEMMs the ability to manage segregation of own account bids from client bids or other bid sets, through the creation of separate bidder groups, at their own discretion. It is the responsibility of each GEMM to manage and mitigate any conflicts of interest (real or perceived) with their clients.

Bidders (including GEMMs and their clients) must:

a. keep bidding information confidential;

b. not disclose bidding information directly or indirectly to other bidders or any other third parties; and

c. not otherwise disclose Bidding Information directly or indirectly in a way that may compromise the integrity of the auction process or be reasonably expected to be detrimental to value for money for the taxpayer,

except that bidders may, to the extent permitted by applicable laws and regulations, disclose bidding information to: (1) a GEMM to the extent such disclosure is required in order to submit a bid through that GEMM in accordance with this Notice; (2) the DMO; (3) an affiliate, professional adviser, auditor or data and systems storage, recovery and back up service provider provided that (A) such disclosure is necessary for the bidder to conduct its lawful business and (B) the disclosing party ensures (and remains liable for ensuring) that confidentiality will be maintained by such affiliate, adviser, auditor or service provider and/or (4) any third party to the extent required by law, regulation or a competent governmental or regulatory authority.

GEMMs are offered a non-competitive allowance at each conventional or index-linked gilt auction. The DMO sets aside a total of 15% of the nominal amount on offer for this purpose. In conventional gilt auctions, the 15% allowance is divided equally amongst wholesale GEMMs, while in index-linked gilt auctions individual firms' allowances, within the 15% aggregate total, are determined by reference to that firm's successful competitive bidding results in the three previous index-linked gilt auctions. In calculating individual allowances, the DMO makes no adjustment for the price, risk or duration weighting of the different gilts. Allowances are calculated to the nearest £100,000 nominal. Note that non-competitive allowances are not automatic – GEMMs must request an allocation each time, in one single non-competitive bid, for a size that is a multiple of £100,000, up to the stated maximum. Non-competitive bids are filled at the average accepted price in conventional gilt auctions, and at the strike price in index-linked gilt auctions.

Further details on all aspects of BAS can be found in the user guide "Bloomberg Auction System – User guide for gilt primary market operations conducted by the UK Debt Management Office", exclusively issued and available to all GEMMs.



In the case of one or more GEMMs, or the DMO itself, being unable to access BAS, the DMO may, at its discretion, permit the submission of bids by GEMMs through alternative means such as email or by direct telephone line. In these exceptional circumstances, GEMMs are likely to be limited in the maximum number of bids that they may submit in the final 10 minutes of bidding. GEMM dealers should inform the DMO dealing desk immediately upon becoming aware that they are not able to access BAS. GEMMs must be aware that the DMO's input of bids into BAS on their behalf will be on a 'reasonable endeavours' basis, and that no bids may be accepted, cancelled or amended after the specified auction deadline; except that the DMO may, in its absolute discretion, accept bids from, or input, amend or cancel bids on behalf of, the affected GEMM after the auction deadline in the event that it has received all necessary information relating to the bid from the affected GEMM prior to the auction deadline. In the event that the DMO itself is unable to access BAS, or there is a widespread market failure, the DMO may announce that all bids should be submitted by email, direct telephone line or alternative arrangements instead of BAS, along with any other emergency measures (e.g. limits on bid numbers). In such circumstances, the publication of auction results is likely to take longer than normal. Alternatively, the DMO may announce a postponement of the auction until later the same day, or until some future date. In no event shall the DMO be liable for any loss suffered by any party as a result of a delay, failure or any other issue arising in connection with BAS or any other electronic trading platform or communications system.

After the designated bidding deadline has passed, the DMO will download the complete bid set from BAS into its own allocation systems, which will then calculate the result and individual GEMM allocations. As part of this process, the bid set and results are checked by the DMO, prior to release, and the DMO checks whether GEMMs and clients have adhered to the maximum allocation guidelines set down by the DMO (see below). The bidding information will normally be treated as confidential by the DMO, but the DMO reserves the right to share any such information with regulators and market authorities in appropriate circumstances (as determined by the DMO).

In processing auction results, the DMO may, at its own discretion, decline to allot some or all of the gilt for which an individual institution has bid. This may occur, for example, if the DMO judges there is a risk of post-auction market distortion. Without prejudice to this general discretion of the DMO regarding allotments, the DMO will usually apply the following maximum allocation limits: in conventional and index-linked gilt auctions, the maximum permitted allocation for any single bidding institution is set at 25% of the nominal amount on offer. In the case of GEMMs, the DMO will take account of any formally notified net short position already accumulated in the gilt of up to 25% of the nominal amount on offer at the auction, which will raise their potential maximum allowance proportionally. GEMMs are expected to have appropriate controls around this formal notification. Note that the term 'GEMM' in this case applies to the group as a whole, with the exception of any segregated entities previously given client codes by the DMO. Should there be a need to scale back any allocations, the DMO will discard the lowest competitive bid(s) first, up to the relevant cut-off point. Non-competitive bids and bids on behalf of unrelated clients will be unaffected by this measure. The maximum allocation limits for client bidders are set at the same levels and excess bids would be scaled back by the same method (i.e. lowest priced successful bids first) and, if necessary, on a pro-rata basis per GEMM, where multiple bids are at the same price. In accordance with the DMO's general discretion in relation to allotments, the DMO also retains the right to refuse or amend bids in the case of any other error or irregularity in the bidding process or for any other reason, and any bid is not deemed to be accepted unless and until the auction results are published.

Allocations at the lowest accepted price are scaled pro rata, rounded down to the nearest 0.0001%, and all such allocations are in multiples of £1,000 nominal of gilts. Any small rounding residual amount is retained by the DMO on its own portfolio.

Results of the auction will be released on the DMO's wire services pages and in a press notice as soon as reasonably practicable, once all the necessary calculations, allocations and checks have been performed internally by the DMO. Immediately prior to release, the DMO's dealers will inform Inter Dealer Brokers that results are ready for publication and request that they turn all current live prices on their screens 'subject to confirmation'. This is standard practice, and no indication of the outcome of the auction is given to IDBs. The public announcement of the auction results will contain sufficient information for GEMMs to be able to calculate their own individual successful allocations; however DMO dealers will also subsequently confirm firms' individual allocations electronically via the BAS platform, which will usually take place a few minutes after the general public results announcement and not beforehand.

Gilt auctions will normally settle on the following business day, in accordance with the T+1 convention in the gilt market. For auction settlement purposes, accrued interest is rounded to the nearest 12th decimal places per £100 nominal.



All successful GEMM bidders are expected to match the DMO's settlement instructions in Euroclear UK & International Limited's CREST system, and to meet their commitments on the day and in good time.

c. Specific Auction Procedures

The procedures described above apply to all conventional and index linked gilt auctions conducted by the DMO. The following sections identify areas where procedures and regulations may differ from one type of auction to another. Each GEMM purchasing gilts from the DMO through any of these processes (including where a GEMM has bid on behalf of a client) shall be deemed to be acting as principal, and shall be responsible for ensuring compliance with all legal and regulatory restrictions and obligations applicable to it in all relevant jurisdictions in relation to its purchase and any onward sale or transfer by it of such gilts. No action has been taken or will be taken in any jurisdiction by or on behalf of His Majesty's Treasury that would permit a public offering of any gilt, or possession or distribution of any offering or publicity material relating to any gilt, in any country or jurisdiction where action for that purpose is required.

d. Conventional Gilt Auctions

Conventional gilt auctions are generally held on a bid or multiple price basis (i.e. successful bidders pay the price that they bid), with non-competitive bids allocated at the weighted average accepted price.

Direct bidding is open to all primary dealers, wholesale or retail, recognised as GEMMs in conventional gilts and permissioned as such in BAS.

The published results of a conventional gilt auction will include:

- Details of the highest, average and lowest accepted prices (with the pro rata scaling rate at the lowest accepted price);
- The gross redemption yields equivalent to these prices;
- The total nominal value of accepted non-competitive bids (split between GEMMs and non-GEMMs);
- The total value of all bids received, including those rejected in whole or in part on account of price; and
- The ratio of this total to the amount on offer (the 'cover').

e. Index-Linked Gilt Auctions

Index-linked gilt auctions are generally held on a single or uniform price basis (i.e. all successful bidders pay the lowest accepted price), with non-competitive bids also allocated at this lowest accepted price.

Direct bidding is open to those primary dealers, wholesale or retail, recognised as an index-linked GEMM and permissioned as such in BAS.

The published results of an index-linked gilt auction will include:

- Details of the strike price (with the pro rata scaling rate at this lowest accepted price);
- The real yield equivalent to that price (and any inflation assumption contained therein);
- The total nominal value of accepted non-competitive bids (split between GEMMs and non-GEMMs);
- The total value of all bids received, including those rejected in whole or in part on account of price; and
- The ratio of this total to the amount on offer (the 'cover').



f. Post-Auction Option Facility (PAOF)

On 1 June 2009, the DMO introduced an additional post-auction option facility (PAOF), whereby all successful bidders at the relevant gilt auction are offered the right, exercisable during a take-up window after the auction, to purchase up to an additional percentage (25% from 7 April 2020) of the gilt each bidder was allotted at the relevant auction. The purchase price will be the published average accepted price in multiple price format auctions, or at the published strike price in auctions of uniform price format. The PAOF is currently available on auctions of conventional (excluding green) and index-linked gilts.

Following each auction, where the PAOF is available, the DMO calculates each GEMM's option entitlement, based on its total successful bids –including non-competitive, own account and/or those on behalf of clients.

The DMO will publish opening and closing times for the option take-up window as part of the auction documentation relating to the gilt being issued prior to such relevant gilt auction and GEMMs have until the designated cut-off time to inform the DMO electronically via BAS whether they wish to take-up some or all of their entitlement. Dealers may cancel or amend these 'bids' as they wish, and only those 'live' at the cut-off time shall be counted. Notwithstanding the foregoing, the DMO may, in its absolute discretion, (a) require or permit GEMMs (or IL GEMMs) to exercise their options by telephone or other means, and (b) by notice to all GEMMs, change or extend the time window for the exercise of such option in the event that BAS is not available at the relevant time for the exercise of such options or some other valid reason. The DMO shall notify all GEMMs (or IL GEMMs) of any such change as soon as practicable.

GEMMs are under an obligation to pass on the right to the option to any client bidder(s) that submitted direct and successful bids in the auction through their firm, and, as a result, dealers should factor client take-ups into the single amount of options that they apply for during the take-up window. However, in the event that a client does not wish to take up its allowance, the GEMM may opt to take up that allowance for its own account.

After the designated take-up deadline has passed, the DMO calculates the total take-up of the option facility across all GEMMs, and publishes this total as soon as practicable, on its wire services pages and website. This announcement also contains the revised total nominal amount in issue of the relevant gilt.

The DMO only creates an additional amount of the gilt equal to the nominal amount of options taken up.

Settlement will normally take place on the following day, in line with the T+1 convention in gilts. GEMMs taking up option entitlements should book a single purchase trade as a normal secondary market transaction with the DMO, at the option strike price and separate from any instructions relating to the auction, and, where relevant, sales ticket(s) to clients who have exercised their options to purchase stock, at the same price.

The PAOF will not be offered in the event that the auction itself is uncovered or where the auction is for green gilts. The DMO also reserves the right not to offer the PAOF in other circumstances at the DMO's discretion, although it would consider this only in limited circumstances, and make appropriate announcements as soon as practicable.

g. Uncovered Auctions

The DMO reserves the right not to allot all or any of the gilts on offer at a conventional or index-linked auction, although it would consider this only in limited circumstances, for example if it judges bids to be at an unacceptably deep discount to the prevailing market level. In other circumstances, an auction may still not be 100% covered, even if all bids submitted are accepted.

Where a regular conventional or index-linked auction is not fully allocated, for any reason, it is likely that the unallocated gilts will still be created from the National Loans Fund, although the DMO does have the option to cancel the residual amount immediately. The unallocated balance will then be held by the DMO on an official portfolio for a certain period of time. The DMO may then offer the balance for re-sale at a time of its choosing, but no sooner than three business days after the original auction.

These arrangements will be detailed in a screen announcement to be published immediately after the results of an uncovered auction. Depending upon the amount of gilts involved, the re-sale of the unallocated balance may be via a second auction, a tender or direct sale.



h. Switch and Reverse Auctions

The DMO may, at its discretion, use other forms of auction. Plans to use these and the details of how such auctions would operate are likely to be set out in or in conjunction with the annual issuance plan, any update or other notice. Other forms of auction used previously have included switch auctions and reverse auctions.

Switch auctions are designed to allow the exchange of one or more gilt for (an)other(s). This process is likely to involve the cancellation of the relevant amount of the source gilt(s) and the creation of an extra corresponding amount of the destination gilt(s). Switch auctions may be employed for various purposes – for example, to maintain a supply of current benchmark gilts in a low financing environment or for redemption management purposes.

A reverse auction is designed to allow the DMO to buy in, rather than sell, gilts. Under this operation the DMO will make an offer to buy back pre-announced amounts of one or more gilts, which are then subsequently cancelled. This type of operation may be used, for example, at times of low financing requirements or for redemption management purposes.

i. Gilt Tenders

The conventional and index-linked gilt auction programme in any year may be supplemented between auctions by official sales of gilts by the DMO via gilt-tenders. Gilt tenders will typically, but not necessarily, be for existing gilts and for a lower size (in cash terms) than conventional and index-linked gilt auctions of equivalent maturity. The DMO's annual remit and/or calendar announcements may specify any plans for sales by gilt tender and may also set out any rules concerning notice periods, amounts and/or maturities of such operations.

Views on gilt tenders (including views on preferred timing and/or choice of gilt) may be sought by the DMO via the quarterly consultation process or at other times during the year. Advance notice will be given of the specific details of the gilt-tenders via an announcement(s) that will detail:

- The identity of the gilt(s) involved;
- The intended size of the operation; any applicable limitations on participation (e.g. minimum (maximum) acceptable prices, number of bids permissible, allocation limits etc); and
- Other operational details.

Tenders of index-linked gilts will normally be held on a single price basis, and those of conventional gilts may be either single price or multiple price format, with bids at the striking/clearing price subject to the usual pro rata scaling. The DMO will also specify if any non-competitive or post auction option facilities will be made available in respect of individual gilt tenders.

GEMMs will be invited to submit bids via BAS, either for their own account or on behalf of clients, in the usual denominations, within the timetable outlined in the screen announcement. Results of the operation, including new amounts outstanding, will be published as soon as possible, with settlement and, where appropriate, creation of the relevant gilt(s) taking place on the following business day. The DMO expects all counterparties to be able to honour their commitments on that day.

The DMO may also use the gilt tender process described here (or a reverse version) for other purposes, such as the sale of an unallocated portion of gilts following an uncovered auction, or for the acquisition or disposal of gilts on behalf of other government funds, under the management of the Commissioners for the Reduction of the National Debt (CRND) or other entities. These may be sales or purchases.

iii. Syndications

Although auctions constitute the primary means of gilt issuance, e the annual financing remit may include provision for syndicated issues of debt, including the target maturity bands or sector(s) of the market, planned size and number of operations in such a programme. The DMO will give prior notice of its intentions regarding syndicated offerings to allow the market to be suitably prepared.



Market feedback on syndication candidate bonds will be sought at quarterly consultation meetings with GEMMs and investors, and bilaterally on an on-going basis. Generally, around two weeks in advance of an intended syndication, the DMO will announce further details relating to the operation on its wire services pages and on the DMO website.

The DMO will generally appoint, from a panel comprised exclusively of wholesale GEMMs, a group of lead managers to lead each individual transaction. All other wholesale GEMMs will be invited to participate as co-lead managers. The DMO would not normally expect to appoint any non-GEMM institution to any role in the management group. Equally, newly-appointed GEMMs and/or retail GEMMs will not normally be eligible to participate in such a group, but may be invited at the DMO's discretion, for example, in cases where specific investors are targeted or the firm has a recognised expertise in a certain area.

In allocating lead management and other roles in syndicated issues under such a programme, the DMO will offer all relevant GEMMs the opportunity to present their advice and credentials on a fair and equal basis. Selection for the roles over time will take into account the importance of promoting effective delivery of the overall issuance programme. Factors such as the level and quality of the firm's: active participation in the gilt and Treasury bill primary markets (including regular bidding participation in auctions) and activities as a DMO cash management counterparty, as well as market share and liquidity provision in the secondary market; expertise in the relevant market sector, timely provision of good quality market intelligence and responses to DMO requests for feedback and consultation exercises will be taken into account in the final selection decision, which shall be merit-based, although no specific targets, selection criteria or league tables will be published. The DMO will operate the selection process within a general design that, where possible, allows for most wholesale GEMMs to have the opportunity to act as a lead manager in a syndicate during the life of the programme, subject to performance. Lead managers are likely to be formally appointed and announced to the market around a week in advance of the intended issue date. Individual roles within the lead management group may be assigned nearer to the time of sale.

The DMO will endeavour, via screen and web announcements, press notices and/ or communications from lead managers, to keep all market participants informed of developments in the syndication process at all key stages of the operation.

All GEMM participants in a syndicated offering – lead managers and co-lead managers – are required to operate lawfully and with propriety at all stages, including the protection of any deal-sensitive information which a syndicate desk or other privileged personnel may possess. Management and compliance departments at GEMM firms have a duty to ensure that appropriate compliance and information barrier procedures are in place. The DMO reserves the right to request related trading and turnover data from any involved parties for analytical purposes (and further reserves the right to share the information with regulators and market authorities in appropriate circumstances), but responsibility for compliance monitoring of a GEMM's activity remains with the firm itself and its regulator(s).

iv. Conversion Offers

The DMO's annual financing remit may make provision for conversion offer(s), for example with the aim of building up the size of a new gilt benchmark and/or retiring an old, 'off-the-run' gilt. Details of how conversion offer(s) would operate are likely to be set out in, or in conjunction with, the annual financing remit or its updates.

In determining which gilts might be candidates for conversion, the DMO is unlikely to consider any conventional gilt that is, or has a reasonable likelihood of becoming, cheapest-to-deliver into any active gilt futures contract. The DMO will not normally schedule offers so that fixed conversion terms on any two offers run concurrently. Moreover, a conversion offer will not normally be scheduled to coincide with a gilt auction in the same maturity area.



F. Secondary Market[8]

i. Market Making

GEMMs are expected to make effective two-way prices on demand to any of their clients in all gilts (including green gilts) in which they have been recognised as a GEMM. There is no requirement that a GEMM should be obliged to make a price to any other GEMM, to an Inter-Dealer Broker or to an Agency Broker, although the GEMMs may choose to do so. The DMO regards "effective two-way prices" as a bid and offer made in regular market size with a reasonable spread between the two. 'Reasonable' is not strictly defined here in terms of pence or basis points, as the DMO recognises that bid-offer spreads may change in the short or long term, according to prevailing conditions. In the event of any substantiated comment from a gilt investor, the DMO would consider these factors in determining whether a GEMM was not fulfilling this key obligation. Similarly, any client requesting a price in exceptional size (large or small) might expect the price quoted to be adjusted accordingly, to take account of the disproportionate risks or settlement costs involved. If a client requests a non-standard settlement date, the price(s) may also be adjusted accordingly.

GEMMs are expected to stand ready to make prices at all times between the hours of 8:00am and 5:00pm (London time) on London business days. On certain occasions (e.g. Christmas Eve and New Year's Eve) the trading day may be shortened, depending on the opening hours of the relevant Exchanges. The DMO deems it reasonable for market making obligations to be suspended temporarily (for one or two minutes) over the release of key economic news or data.

ii. Inter-Dealer Brokers (IDBs)

These are firms or platforms that operate as inter-dealer brokers in the gilt market, whose counterparty list is, by their own volition, limited to the GEMM community only. For reporting purposes, these are treated as IDBs by the DMO. These firms, unless otherwise agreed by the DMO in its sole discretion, are registered as, and operate as, Multilateral or Organised Trading Facilities (MTFs/OTFs) under the rules and auspices of a UK regulator and/or any relevant local equivalent(s) in other jurisdictions, as determined by the DMO in its sole discretion. GEMMs have no obligation to quote prices to such firms, although they may choose to do so. The DMO does have some direct interaction with such firms as set out below.

Upon application from an IDB, the DMO may choose to 'acknowledge' them and list them on its website. For the DMO to acknowledge such an applicant, the firm must demonstrate its ability to deliver suitable services and a long-term commitment to the gilt market. The DMO, however, has no role in the compliance monitoring of the activities of any IDB in the gilt market – these remain the responsibility of the firm itself and its regulator(s).

Immediately prior to market sensitive announcements by the DMO, the DMO's dealers will inform IDBs that they are ready for publication and request that they turn all current live prices on their screens 'subject to confirmation'. This is standard practice, and no indication of the content of the release is given to IDBs.

iii. Intermediary Agencies

There may be other firms or platforms that operate as intermediary brokers, MTFs, OTFs or Systematic Internalisers in the gilt market, but whose counterparty list is wider than just the GEMM community. For reporting purposes, these are treated as Agency Brokers (or Broker Dealers) by the DMO. These firms may have a wider client base that consists of banks who are active 'traders' in government bonds, corporate bonds or derivatives, or they may broke directly between traders and gilt investors. In all cases, GEMMs have no obligation to quote prices to such firms, although they may choose to do so. The DMO has no direct interaction with such firms.

8 *Official Operations in the Gilt Market: An Operational Notice (1 April 2026)*



iv. Strips, Stripping and Reconstitution

Between 1997 and 2008, all new conventional gilts were issued with coupon and maturity dates in one of two series – 7 June and 7 December, or 7 March and 7 September – in order to facilitate the 'stripping' of different gilts into fungible coupon payments due on a designated date. Principal strips (i.e. the final par redemption payments) are not fungible, even with coupon strips maturing on the same day, but may still be traded as separate securities. Since October 2009, the DMO has introduced further series of coupon and maturity dates for new conventional gilts, but has no current plans to make gilts of these series strippable. However, should it decide to do so, it would make an appropriate announcement at the time. The DMO may also refrain from making any further new conventional gilts issued with the 7 June and 7 December, or 7 March and 7 September coupon and maturity dates strippable. Should it decide to make any new gilts in these series strippable, it would similarly make an appropriate announcement at the time.

A newly-launched gilt that the DMO plans to declare strippable is unlikely to be declared 'strippable' until a sufficient amount of the gilt has been issued, in order to maintain liquidity in both the stripped and unstripped formats – in recent times this has been interpreted as a minimum of £5 billion nominal in issue.

Under current gilt market convention, prices in strips (coupons and principals) are quoted in terms of their yield, usually to three decimal places, calculated on an actual/actual basis, with any subsequent cash dealing prices rounded to the nearest penny. The minimum denomination for trading in strips is one penny, and the minimum amount of the source gilt that may be stripped or reconstituted is £10,000 nominal (except for cases where the source gilt is still within its first coupon period (short or long) where the minimum amount is £1 million, for technical reasons).

GEMMs wishing to participate in the strips market are invited to become a Strips Market Participant, which indicates that the specific GEMM is prepared to offer a service in strips to clients. A list of Strips Market Participants is maintained on the DMO website.

GEMMs, as well as the DMO and the Bank of England, are the only institutions permitted to strip and reconstitute gilts. Strips may only be held or transferred within CREST.

v. Other Official Operations

The DMO may undertake other official operations in the secondary market. These may include for example: -

- transacting in near maturity gilts;
- transacting in gilts to offset positions accumulated as a result of its dealings for the retail Gilt Purchase and Sale Service;
- purchases and sales of gilts for other official portfolios; and
- creating gilts for repo purposes.

a. Dealing in Near Maturity Gilts

For cash and/or redemption management reasons, the DMO may bid a price of its own choosing for any conventional gilt, including any strip, that has less than eighteen months remaining before its maturity, or for any index-linked gilt where the reference Retail Prices Index (RPI) for the final redemption payment is known. As these are in essence money market instruments by this stage, any price bid may be set by reference to the DMO's cash management operations at the time. Since August 2003, the DMO, with the consent of the Gilt-edged Market Makers' Association (GEMMA), has been able to transact with IDBs as well as GEMMs, when trading in near maturity gilts only, where both parties have signed the relevant documentation.

b. Gilt Purchase and Sale Service

Since December 2004, the DMO has been responsible for the execution of orders received from members of the public under the Gilt Purchase and Sale Service. This is a low-cost, execution-only service in gilts offered through the Registrar, which is aimed at smaller investors who are members of the DMO's Approved Group of Investors and/or those otherwise eligible under the relevant terms and conditions of the service.



Under normal circumstances, the DMO will transact these orders over its own portfolio, but, at times, the DMO may offset the effect on its portfolio by buying or selling gilts from GEMMs.

In the interests of transparency to investors, the DMO will publish on its website, on a daily basis, prices applicable to Purchase and Sale transactions executed on that day. This will take the form of a 'snapshot' of bid and offer prices in all gilts taken at the time that prices were confirmed to the Registrar, regardless of whether or not an order was actually received in each gilt. The exact timing of the snapshot will vary from day to day, but will usually be at around midday.

c. Dealing on Behalf of Other Government Entities

From time to time, the DMO may be asked to execute market transactions in gilts on behalf of funds under the management of CRND or other UK government entities. These may be purchases or sales. In such circumstances, the DMO may request bids or offers, as relevant, from three randomly chosen GEMMs, either electronically or by telephone, and deal on the best price received, provided that the order is for 'normal' market size. Where the size is smaller-than average, the DMO may ask for prices from 'retail' GEMMs only, and where the size is deemed larger-than-average, the DMO may run a (reverse) tender.

d. Standing Repo Facility

The DMO operates a standing repo facility, whereby any GEMM, who has signed the relevant documentation may request that the DMO lends out any gilt for repo purposes, which may involve temporary creation of the relevant gilt subject to any limits and other requirements set out in the applicable terms and conditions. The facility exists in order to ensure that GEMMs can be assured of being able to access and deliver any gilt at any time, albeit at a price and subject to any limits and other requirements set out in the applicable terms and conditions, hence maintaining their ability to make two-way prices in the secondary market and avoiding the prospect of delivery failures. The terms and conditions of the facility are published in a separate notice on the DMO website, and may be revised from time to time.

e. Special Repo Facility

If the DMO considers that there is sufficient evidence of severe market dislocation or disruption, it may offer gilt(s) for repo-ing on different terms to those of the Standing Repo Facility to any GEMM (or, at the DMO's sole discretion, another counterparty) that in each case has signed the required legal agreements with the DMO.

Again, this may involve temporary creation of the relevant gilts. Such circumstances will need to have been persistent and are not likely to be tied to any single event (e.g. delivery of a cheapest-to-deliver gilt into a single futures contract) or difficulties encountered by a single market participant. The terms and conditions of the Facility, including any rate of repo, which may or may not be penal, and the amount of gilt(s) available for creation, will be announced on the DMO's wire services pages. Any subsequent cancellations or withdrawal of the Facility will also be announced in a similar fashion. As with the Standing Repo Facility, such operations will usually involve a back-to-back, cash-for-cash reverse repo of gilt collateral with the same counterparty(ies) at the Bank of England's prevailing Bank Rate.

Where amounts of gilts have been created temporarily under either Facility, providers of gilt indices may wish to consider such amounts ineligible for inclusion, temporary or otherwise, in the calculation of their gilt indices.

f. Purchases or Sales of Gilts for Other Reasons

The DMO reserves the general right to purchase or sell (including issue) conventional and index-linked gilts for other reasons.

G. Provision of data[9]

i. Data provision by the GEMMs

- All GEMMs are required to provide the DMO with certain information in a prescribed format and to a prescribed timetable as detailed below.
- GEMMs are strongly encouraged to provide comprehensive and accurate, real- time price information to their client

9 *GEMM Guidebook: A Guide to the Roles of the DMO and Primary Dealers in the UK Government Bond Market*



bases, either through proprietary dealer-to-customer platforms, wire services or multi-dealer electronic trading platforms or exchanges. The DMO would expect to be treated as a GEMM's client in respect of being granted access to the provision of such prices, even if this is on a 'view-only' basis.

a. GemmData SFTPs

The DMO uses electronic file transfers for the provision of positions and weekly turnover reports. Data is transferred over a secure file transfer protocol (SFTP) system known as GemmData. All GEMMs (and IDBs) must install and maintain/ upgrade their systems in order to be able to transmit sensitive data in a secure, accurate and timely fashion, in the prescribed format.

Each GEMM and IDB will be provided with instructions for accessing the system. Staff transmitting the data should always ensure that they are using the most up-to-date version of the software and that they send the correct file by the specified time deadline. Files are acknowledged as 'received' by the DMO, before being scanned for formatting/ content errors. Any errors found will generate an error message, which is sent back to the GEMM's chosen email address(es). Any such error messages should be heeded and acted upon in a timely manner and, where necessary, a corrected file re-transmitted as soon as possible.

Whilst the DMO's system can screen for errors in the formatting and, to a certain extent, the content of these files, it is the responsibility of each GEMM and IDB to ensure that the transmission of their files is (a) timely, (b) comprehensive, and (c) wholly accurate. Any errors or omissions will affect the integrity of the data in the system.

b. Positions Data

GEMMs are required to submit a daily file to the DMO, giving details all the end-of-day positions held by the GEMM in gilts, including STRIPS. The DMO will use only aggregated data where relevant to inform its issuance decisions and/or terms of any special repo facilities. The DMO protects such data as 'commercially confidential, but reserves the right to share them with regulators and other governmental and enforcement authorities at the DMO's sole discretion.

A GEMM's daily position file should also provide details of any trades over a specified minimum size that have failed on that day, or that are still outstanding as unsettled from a previous fail. These data will also be treated as commercially confidential by the DMO but may be shared with regulators and other market authorities at the DMO's sole discretion.

These files may be submitted to the DMO, in the designated format and using designated channels, any time between 5:00p.m on each trading day and 9:00a.m on the following business day.

c. Turnover Data

On a weekly basis, each GEMM is required to submit details of all transactions in gilts executed by it and the consolidated group of which it forms part during the Monday-Friday period of the previous week. These files must be submitted by 9:00a.m on the Tuesday of the following week (or 9:00am on the second business day where there is a Bank Holiday), in the designated format and using designated channels. This file must be dated with the Friday of the week to which it relates, regardless of whether or not that Friday was a Bank Holiday (e.g. Good Friday).

GEMM turnover files are to be reported by ISIN code and prescribed counterparty type brackets. Note that turnover volumes are to be reported both in nominal terms and by market value (i.e. nominal amount multiplied by the dirty price/100).

In order to maintain the accuracy and integrity of the data, it is essential that all GEMMs maintain their systems constantly, in terms of sifting the relevant data, counterparty classifications, stock lists and valuations. This means, for example, that each GEMM's systems must be able to collect and collate each week's turnover data and correctly identify which trades are allocated to which counterparty type. It is the responsibility of individual GEMMs to ensure that they are complying with these requirements.



d. *Auction Day and syndication trade reports*

On the day of a gilt auction, conventional or index-linked, GEMMs are required to provide details of transactions over a designated minimum size[10] executed on the day of a gilt auction. These details should be submitted by e-mail to the DMO by 9:00a.m on the morning after each auction, on the template form provided. The DMO may also request that GEMMs involved in a syndicated gilt offering – lead managers and/or co-managers – submit similar reports over a specified period and in specified gilts, in a given template form.

The DMO requests this data for its own analytical purposes. The DMO will treat all such submissions as commercially confidential to the fullest extent permitted by law but reserves the right to share them with regulators and other market authorities in appropriate circumstances. Responsibility for compliance monitoring of a GEMM's activity at or around auctions and other operations remains with the GEMM itself and its regulator.

ii. Data provision by the DMO

a. *Weekly Turnover and Market Shares*

Turnover data submitted by the GEMMs to the DMO are collected and collated on a weekly basis. From the data received, the DMO calculates total aggregate turnover volumes in the various maturity bands, types of gilt and on an overall basis, making a distinction between counterparties regarded as 'professional' and those regarded as 'customers'.

The DMO defines GEMMs' 'professional' counterparties as the DMO itself, the Bank of England, any other recognised GEMM or IDB and any Agency Broker acting as an agent for a third party, regardless of whether or not that agent is dealing as a matched principal or on a name-give-up basis. All other counterparties (i.e. those dealing directly with GEMMs for their own account) are regarded as 'customers'. Turnover generated on electronic dealing platforms counts as 'professional', where the trades are booked to a central counterparty or another GEMM, but as 'customer' business where resultant trades are booked directly with the gilt investor. Both these groups may be further split into more granular sub-groups. The DMO also calculates individual GEMM market shares in the various maturity bands, types of gilt and on an overall basis, again making a distinction between different counterparty types. The DMO regards the provision of liquidity to a broad group of stakeholders and across the yield curve as a means of enhancing price discovery and market efficiency.

Market share data are collated by the DMO on a weekly basis, normally on a Tuesday, assuming that all contributions have been received on a timely basis. Outputs from DMO systems are checked by the DMO before being released for publication to GEMMs. These checks may involve DMO dealers querying or verifying any unusual data with relevant GEMM dealers. Any GEMM wishing to query or verify the output should contact the DMO immediately upon receipt of its file. Aggregated, but non-specific, data output may also be published to the wider market for information purposes.

b. *Quarterly Turnover*

Weekly turnover files and data, submitted to the DMO by GEMMs, are also used for the aggregation and production of quarterly turnover and market share data, which may be published to individual GEMMs and on an aggregated basis, to the wider market on the DMO website. Note that these data cover only those transactions conducted by recognised GEMMs and are therefore not wholly comprehensive in terms of turnover in the entire gilt market. Nevertheless, they should represent a very significant proportion of transaction volume.

Each quarter is taken as a 13-week period, dated as closely as practicable to the beginning of January, April, July and October and ending as closely as practicable to the end of March, June, September and December respectively. Dealers and other market participants can therefore expect publication of quarterly data in the first week or so of the following three-month period.

c. *Accuracy of Data*

GEMMs are expected to take reasonable measures to ensure the accuracy and completeness of the data provided to the DMO. The DMO shall use reasonable endeavours to ensure the accuracy of the data provided to GEMMs and published to the market but does not guarantee that the data will be error-free, complete or continuously available.

10 *These amounts are varied according to the nature of the gilt being auctioned and amount already in issue.*



iii. Freedom of Information

Since 1 January 2005, the DMO has been, as a 'public authority', subject to the provisions of the Freedom of Information Act 2000, under which any person may make a request seeking information held by the DMO. Upon receipt of such a request, the DMO must balance the legitimate interests of all parties involved against public expectations of accountability, openness and transparency.

H. Appraisal of the Activity of the GEMMs

The DMO appraises the activities and performances of individual GEMM firms on a continuous basis, in various quantitative and qualitative ways, for example, by ongoing analysis of auction participation statistics and weekly secondary market turnover shares, as well as gathering anecdotal feedback from end investors regarding price, research and general service provision, alongside the DMO's own assessment of advice, information and support given to the issuer itself.

Whilst the DMO may compile its own internal statistics and rankings of Primary Dealers, some of which may be shared with the GEMM firms themselves on an individual basis, they are not published more widely on the grounds of protecting the legitimate business interests of the firms involved and as such are exempted from the provisions of the UK's Freedom of Information Act.

I. Contacts

i. Debt Management Office

UK Debt Management Office
The Minister Building 21 Micing Lane London EC3R 7AG United Kingdom

ii. AFME Primary Dealer Board Firm Contact Details

BANK OF AMERICA	
2 King Edward Street London EC1A 1HQ United Kingdom	+44 (0) 20 7628 1000 dg.emea_gbp_rates_trading@bofa.com

BARCLAYS	
1 Churchill Place Canary Wharf London, Greater London E14 5HP United Kingdom	+44 (0) 20 7623 2323



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SANTANDER	
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SCOTIABANK	
Bishopsgate 201, London EC2M 3NS United Kingdom	Gabriel Buteler Trading +44 (0) 20 7826 5868 Gabriel.Buteler@scotiabank.com

UBS	
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European Primary Dealers Handbook

23. European Financial Stability Facility (EFSF) / European Stability Mechanism (ESM)

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A. List of EFSF/ESM Market Group Banks[1]

FIRM	EFSF	ESM	Firm's location[2]
Barclays Bank Ireland plc	X	X	Dublin
Bayern LB	X	X	Munich
BNP Paribas SA	X	X	Paris
Bank of America Securities Europe SA	X	X	Paris
Bred Banque Populaire	X	X	Paris
Citigroup Global Markets Europe AG	X	X	Frankfurt
Commerzbank AG	X	X	Frankfurt
Credit Agricole CIB	X	X	Paris
Danske Bank A/S	X	X	Copenhagen
Dekabank Deutsche Girozentrale	X	X	Frankfurt
Deutsche Bank AG	X	X	Frankfurt
DZ Bank AG	X	X	Frankfurt
Erste Group Bank AG	X	X	Vienna
Goldman Sachs Bank Europe SE	X	X	Frankfurt
HSBC Continental Europe SA	X	X	Paris
Intesa Sanpaolo S.p.A.	X	X	Milan
JP Morgan SE	X	X	Frankfurt
LBBW	X	X	Stuttgart
Morgan Stanley Europe SE	X	X	Frankfurt
Natixis S.A.	X	X	Paris
National Bank of Greece S.A.	X	X	Athens
Nomura Financial Products Europe GmbH	X	X	Frankfurt
Nordea Bank Abp	X	X	Stockholm
Royal Bank of Canada Capital Markets Europe GmbH	X	X	Frankfurt
Banco Santander S.A.	X	X	Madrid
Société Générale S.A.	X	X	Paris
TD Global Finance Ltd	X	X	Dublin
UBS	X	X	Frankfurt
UniCredit Bank GmbH	X	X	Munich
TOTAL	**29**		

KEY:

AFME/Primary Dealer Members

Non-AFME Members

AFME Members

1 *Please note that NatWest withdrew its PDship in Q4 2026*

2 *These locations are as of May 2026.*



B. Credit Rating

EFSF/ESM debt is rated as follows[3]:

	EFSF	ESM
Standard and Poor's	LT: A+ / ST: A-1 Outlook: Negative	LT: AAA / ST: A-1 + Outlook: Stable
Moody's	LT: Aaa / ST: P-1 Outlook: Negative	LT: Aaa / ST: P-1 Outlook: Stable
Fitch Ratings	LT: A+ / ST: F1 + Outlook: High	LT: AAA / ST: F1+ Outlook: Stable

C. Debt Instruments

The ESM's mission is to provide financial assistance to euro area countries experiencing or threatened by severe financing problems. This assistance is granted if it is proven necessary to safeguard the financial stability of the euro area as a whole and of ESM Members. The ESM finances this activity by borrowing in the market, mostly through the issuance of debt securities. Securities issued by the ESM fall under the category of SSA (Sovereign, Supranational, Agency).

Diversified Funding Strategy

The EFSF and ESM apply a diversified funding strategy (DFS), which entails the use of a variety of instruments, maturities and currencies (ESM only) to ensure the efficiency of funding and continuous market access. The Strategy is based on two main pillars:

- *Short Term Funding (T-Bills and Commercial Paper)*: The ESM (not EFSF) runs a T-Bill Programme for the issuance of Bills by means of auctions. At present, the ESM usually carries out one auction of 3-month Bills and one auction of 6-month Bills per month. A detailed calendar with the auction dates is announced in the ESM Newsletter semi-annually and is available on the investor relations section of the ESM website. The ESM (not EFSF) also has a Euro Commercial Paper program (ECP) with ECP notes issued in a Private Placement format with a maximum program size of EUR 20bn. ESM ECP notes maturities can range from one day to 364 days.

- *Long Term Funding:* The strategy relies on the issuance of highly liquid EURO benchmark bonds in all parts of the curve, and in different currencies (for the ESM only). It also includes the issuance of private placements (in the form of N-Bonds).

3 *Credit Ratings as of May 2026*



Instrument	Description	Format	EFSF	ESM
Treasury Bills (T-Bills)	Regular T-Bill issuance, usually twice per month: 1st Tue: 3m bill / 3rd Tue: 6m bill Size: targeted minimum EUR 1.1bn	Auction	n/a	**Maturities**: 3m & 6m **Currency**: EUR **Law**: Luxembourgish **Listing**: n/a
Euro Commercial Paper	Regular Commercial Paper programme issuance Maximum Program size: EUR 20bn Min. Size: 25mn	Private Placement	n/a	**Maturities**: from one day to 364 days **Currency**: EUR **Law**: Luxembourgish **Listing**: n/a
Bonds	Regular issuance of benchmarks in syndicated format (targeted final size EUR 4-6bn) Taps of outstanding lines	Syndication Auction (Taps)	**Currency**: EUR **Law**: English **Listing**: Luxembourg Stock Exchange	**Currency**: EUR & USD **Law**: Luxembourgish[4]/ English **Listing**: Luxembourg Stock Exchange
N-Bond	Registered bonds issuance as additional tool to benchmark issues Min. size: EUR 25mn	Private Placement	**Currency**: EUR **Law**: German **Listing**: n/a	**Currency**: EUR **Law**: German **Listing**: n/a

D. Market Group – privileges and obligations of members

The EFSF/ESM Market Group consists of a group of banks[5] which serve as the primary counterparties on behalf of the EFSF and ESM for their debt issuance programmes. This group is open to all institutions that fulfil certain minimum criteria (obligations). Likewise, members of the Market Group will be given preferred consideration for a number of EFSF and ESM services and activities in addition to the membership criteria stated above (privileges).

i. Obligations

- **Auction participation commitment**: Each Market Group member will participate in EFSF and ESM securities auctions at a minimum weighted average of 0.25% of the total allocated amount on a semi-annual basis[6]. If a member has not fulfilled its on-going auction participation requirement, this minimum 0.25% participation on a semi-annual basis, they will be deemed an 'inactive member', withdrawn from the group, and their participation automatically cancelled.

- **Repo and money market facilities**: Each Market Group member will be expected to commit to having repo lines with the appropriate institutions to facilitate the repurchase and reverse repurchase activities of the EFSF and ESM. Specific framework agreements apply.

- **Swap facilities**: Each Market Group member will be invited to have swap lines in place with the EFSF and ESM. Specific framework agreements apply.

4 *Only applicable to new Bonds in EUR, as of 1st October 2019 (taps for issuances originally governed by English law and USD issuances will keep English Law)*

5 *As of May 2026,, the number of banks in the Market Group is 30*

6 *Auctions carry different weights subject to the duration of the instrument*



- **Secondary market activities**: All Market Group Members are required to report their secondary market activities in EFSF/ESM bills & bonds using the harmonized reporting format (HRF2022), which will be part of the selection criteria for syndicated transactions.

- **Semi-annual response to the ESM questionnaire**: Each Market Group member will be invited to respond to the ESM/EFSF questionnaire on a semi-annual basis.

ii. Privileges

- **Syndicated underwriting**: Market Group members, whose participation in auctions exceed 2.0% on average based on a 12-month rolling basis, will be invited to support the EFSF and/or ESM in the formulation and execution of appropriate strategies for the development of products and markets. This includes syndicated bond offerings, taps of outstanding issues, and other new funding-related instruments.

- **Swap and/or repo activities**: Counterparties to the EFSF and ESM that are members will be preferred whenever possible but not at a cost to EFSF and ESM activities (i.e. primary selection criteria will be price followed by membership).

- **Investment vendors**: Market Group members can be providers of services and products in relation to any EFSF and ESM euro investment activities of its paid-in cash, cash reserve and/or loan specific cash buffers.

- **Secondary market activities**: Market Group members will have preferred access to secondary market activities in the EFSF's or ESM's own bonds if conducted (i.e. primary selection criteria will be price followed by membership).

E. Primary Market

i. Auctions

The T-Bill programme of ESM and some taps of outstanding bonds (EFSF & ESM) are issued under public auctions, which are conducted by the ESM/EFSF Bidding System (EBS) of the Bundesbank. The whole Market Group is invited to participate.

a. T-Bill Auctions (for ESM only)

The ESM launched its Bill programme in January 2013, replacing the EFSF bill programme. Currently, 3-month and 6-month bills are issued every month (3m on the Tuesday of the first full week of a month, and 6m on the Tuesday of the third full week of the month). The auction days are announced semi-annually in the ESM Newsletter and are available on the investor relations section of the ESM website, as well as ESM Bloomberg page.

b. Bond Auctions (for EFSF & ESM)

From time to time, outstanding bonds of EFSF/ ESM can be tapped via auction format. The process for announcement, invitation, bidding and allotment is the same as with the T-Bills.

c. Announcement and invitation to bid

The terms and conditions of each individual auction are normally announced on the Friday (2 business days) before the auction date via press releases, financial information services and the electronic auction platform (EBS). One day prior to the auction the invitation to bid is sent out to the Market Group following the same procedure. Finally, on the day of the auction, Bids are to be transmitted electronically through EBS before the bidding deadline specified in the invitation.

d. Bidding process and allotment

The procedure for bidding and allotment, as well as all other requirements are specified in the Auction Rules for the ESM/ EFSF published on the Bundesbank website (EBS)[7]. These rules are complemented by the Special Terms and Conditions of the Bundesbank for ESM/EFSF auctions. The auction is conducted in form of a multiple price auction, whereby it is possible to make non-competitive bids as well as to submit several bids at different prices (for bonds) and yields (for bills).

7 *Please visit Bundesbank EBS webpage for full details of the ESM Auction rules: https://www.bundesbank.de/resource/blob/824646/6492e312c8cc914d479ff57b6c294513/mL/ebs-verfahrensregeln-esm-02-2020-data.pdf*





e. Settlement

Bidders will be informed of the allotment immediately. The securities allotted will be settled on the value date specified in the invitation to bid. Standard settlement is T+2. Delivery versus payment-settlement in the night-time processing of Clearstream Banking AG Frankfurt, beginning on the eve of the value date.

ii. Syndications

EFSF and ESM Bonds are predominantly issued via syndications, especially for new Benchmark lines.

A public Request for Proposal (RFP) process is used to receive recommendations from a selected number of banks of the Market Group. RFP recipients are selected based on their respective ranking within the Market Group whilst being in accordance with the pre-requisites mentioned above in the “Obligations and Privileges” section.

In the following typically three Joint Lead Managers (JLM) are selected for the envisaged transaction and are paid a specific market-standard fee subject to the tenor. The EFSF/ESM may also use Co-lead managers in its syndication. After mandating the envisaged transaction is publicly announced, the transaction is executed and priced.

F. Secondary Market

EFSF/ESM Bonds are traded on all major electronic trading platforms (e.g. Bloomberg, TradeWeb, MTS).

The EFSF/ESM Market Group members are not obliged to quote executable prices of the bonds (market making obligation); however, they are expected to support the trading of the bonds in the secondary market.

Reporting of secondary market trades shall be based on the Primary Dealer Harmonised Reporting Format (HRF2022) as agreed in co-operation with European Debt Managers.

G. Appraisal and evaluation of Market Group

The evaluation of the Market Group members comprises various aspects of regular coverage and service and is performed on a permanent basis. The evaluation model is based on quantitative and qualitative parameters and is the basis for the submission of the RFPs to the banks.

H. Contacts

i. European Stability Mechanism (ESM)

European Stability Mechanism (ESM)
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European Primary Dealers Handbook

24. EU

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A. List of EU Primary Dealers[1] [2]

FIRM	EU	Firm's location
Banca Monte dei Paschi di Siena SpA	X	Siena
Banco Bilbao Vizcaya Argentaria SA	X	Bilbao
Banco Santander SA	X	Madrid
Barclays Bank Ireland Plc	X	Dublin
BNP Paribas SA	X	Paris
Bank of America Securities Europe S.A.	X	Paris
Bred Banque Populaire	X	Paris
CaixaBank S.A.	X	Valencia
Cecabank S.A.	X	Madrid
Citibank Europe plc	X	Dublin
Commerzbank AG	X	Frankfurt
Credit Agricole Corporate and Investment Bank S.A.	X	Paris
Danske Bank A/S	X	Copenhagen
Deutsche Bank AG	X	Frankfurt
DZ Bank AG Deutsche Zentral-Genossenschaftsbank	X	Frankfurt
Erste Group Bank AG	X	Vienna
Eurobank S.A.	X	Athens
Goldman Sachs Bank Europe SE	X	Frankfurt
HSBC Continental Europe S.A.	X	Paris
Intesa Sanpaolo SpA	X	Milan
J.P. Morgan SE	X	Frankfurt
KBC Bank N.V.	X	Brussels
Landesbank Baden-Württemberg	X	Stuttgart
Morgan Stanley Europe SE	X	Frankfurt
National Bank of Greece S.A.	X	Athens
Natixis S.A.	X	Paris
Nomura Financial Products Europe GmbH	X	Frankfurt
Nordea Bank Abp	X	Stockholm
Piraeus Bank S.A.	X	Athens
Raiffeisen Bank International AG	X	Vienna
Royal Bank of Canada Capital Markets (Europe) GmbH	X	Frankfurt
Skandinaviska Enskilda Banken AB (SEB)	X	London
Societe Generale S.A.	X	Paris

1 *As of May 2026. For complete information please refer to the website of the EU Primary Dealer Network*

2 *Please note that NatWest withdrew its PDship in Q4 2026*



UBS Europe SE	X	Frankfurt
UniCredit SpA	X	Milan
TOTAL	**35**	

KEY:

AFME/Primary Dealer Members | Non-AFME Members | AFME Members

B. Credit Rating

European Union debt is currently rated as follows[3]:

- Standard and Poor's: AA+ (stable)
- Moody's: Aaa (stable)
- Fitch Ratings: AAA (stable)
- Scope: AAA (stable)
- DBRS: AAA (stable)*
- KBRA: AAA (stable)*

* Unsolicited rating

C. Debt Instruments[4]

The European Commission is empowered by the EU Treaties to borrow from the international capital markets on behalf of the European Union to fund specific EU policy programmes. All EU-Bond issuances executed by the European Commission are denominated exclusively in euro.

EU borrowing is executed using multiple instruments.

EU planned funding volumes are communicated to the market through bi-annual funding plans (published in June and December) covering the next six months of operations.

Instruments currently issued by the EU are:

3 *As of May 2026.*

4 *For additional info, refer to The EU as a borrower – investor relations - European Commission*



Instrument	Description	Issuance Format
EU-Bonds	Initial maturities from 3-30y Euro denominated	Syndication and Auction
NGEU Green Bonds	Initial maturities from 3-30y, with a focus on medium to long term maturities Euro denominated Issued under the NGEU Green Bonds framework.	Syndication and Auction
EU-Bills	3-month, 6-month and 12-month tenor New 12-month lines are generally issued during the first auction of the month, while the second auction of the month is used to tap already outstanding issuances (previously issued 12m lines are used to tap the 3-month and 6-month buckets).	Auction

Since 2023, the European Commission has used a unified funding approach to finance different policy programmes. Under this approach, the European Commission issues single branded EU-Bonds and allocates the proceeds to a central funding pool from which the EU's different policy programmes are funded (NextGenerationEU, MFA, SURE, support to Ukraine, etc).

In exceptional cases, the European Commission uses a back-to-back approach, in which the European Commission issues bonds and transfers the proceeds directly to the beneficiary country on the same terms that it received (in terms of interest rate, maturity).

D. Obligations and Privileges of Primary Dealers

The Commission decision on the primary dealer network C(2023)1602 amended through the Commission Implementing Decision (EU) 2024/2901 and (EU) 2025/1709 defines the general rules of the EU Primary Dealer Network. Further details are specified in the General Terms and Conditions.

Application for membership to the EU Primary Dealer network is open on an ongoing basis to any credit institution or investment firm that fulfills the following criteria:

- Is a legal entity established and having its head office in the Union or in a European Economic Area country;
- Is a credit institution authorised in the EU and supervised by an EU competent authority or an investment firm authorised in the EU to carry out the activity of underwriting of financial instruments and/or placing of financial instruments;
- Is a primary dealer for another European issuer.

i. Obligations

- Auction participation commitment: primary dealers have to commit to buy a minimum weighted average of 0,05 % of volumes auctioned by the Union and/or the Euratom on a semi-annual basis;
- Secondary market activities: primary dealers are required to report on a monthly basis to the Commission their secondary market activities using the harmonised reporting format for trading on the secondary European sovereign debt market;
- Primary dealers must submit a signed copy of the “General terms and conditions for European Union primary dealers”;
- Primary dealers have to review the trading authorisations provided to their trading personnel every quarter;



- Primary dealers have to comply with market practices and ethics, ensuring compliance with conduct rules and highest standards in market practices.
- Primary dealers have to treat all information received from the Commission confidentially.

ii. Privileges

Members of the primary dealer network have the following rights:

- to advertise themselves as 'Member of the European Union Primary Dealer Network';
- to participate and bid in any auction of debt securities of the Union or Euratom;
- to participate in non-competitive auction allocations, following participation and purchase of debt securities of the Union or Euratom through the corresponding auction;
- to receive feedback on a regular basis, at least yearly, on their performance, especially in relation to their ranking in the auctions and in the secondary markets;
- to be eligible for debt management operations; including:
    i. be eligible to lead mandates for syndicated transactions (subject to buying at least a certain weighted average percentage of auctioned volumes, maintaining a specified secondary market share in debt securities and fulfilling the minimum requirements of the quoting arrangements).
    ii. be eligible for co-lead mandates for syndicated transactions (subject to fulfilling the minimum criteria of the quoting arrangement and not being mandated to serve as lead managers).
    iii. to take part in repurchase and reverse repurchase transactions (through the EU Repo Facility, primary dealers have the opportunity to source certain EU-Bonds directly from the EU on a temporary basis also supporting secondary market liquidity);
- to resign at any moment its membership of the primary dealer network by notifying such resignation to the Commission

E. Primary Market

i. Funding Plans

To ensure predictability, the European Commission regularly communicates key elements of the upcoming funding activities through **6-monthly funding plans** to market participants. In particular, the European Commission publishes on a regular basis:

- The targeted amounts to be financed by EU-Bonds;
- The number and timing of the expected syndicated transactions;
- The auction dates for EU-Bond and EU-Bill issuances.

ii. Auctions

The European Commission is using auctions to issue both its EU-Bills and its EU-Bonds on the auction platform TELSAT by Banque de France.

On the date of the execution of an auction, all primary dealers can submit competitive bids via the auction system until a certain time communicated ahead of the auction.



After the cut-off time, the European Commission decides on the lowest accepted price (for EU-bonds) or highest accepted yield (for EU-Bills), which is the basis for the allocation of the amount issued to each primary dealer who participated at the auction. Orders above the lowest accepted price or below the highest accepted yield are fully allocated.

The European Commission may provide the primary dealers with the possibility to make use of a "non-competitive auction allocation". The "non-competitive auction allocation" gives each primary dealer who participated in the auction the right to buy an additional amount of the auctioned EU-Bonds at the average price of the auction on the day following the auction.

The auction process is conducted through the auction system operated by Banque de France and is subject to French law. This system is also used for the non-competitive auction allocation.

The auction calendar is published by the European Commission ahead of the auction in the context of the funding plan announcement.

a. EU-Bill Auctions

- The European Commission is issuing EU-Bills exclusively via auctions.
- The European Commission issues EU-Bills using 3-month 6-month and 12-month tenors following a pattern of two bill auctions per month.
- New 12-month lines are issued during the first auction of the month, while the second auction of the month is used to tap already outstanding issuances (previously issued 12m lines are used to tap the 6m and 3m buckets).
- EU-Bill auctions are usually executed on Wednesdays (first and third of the month, in general).
- The terms and conditions of each individual auction are normally announced on the Friday before the EU-Bills auction date, that takes place on the following Wednesday, via Bloomberg and on the European Commission's website. After the closing of the auction, results are released to the market via the same channels.

b. EU-Bond/NGEU Green Bond Auctions

The European Commission is issuing EU-Bonds, conventional and NGEU green bonds, via auctions.

The EU-Bond auctions have the following parameters:

- Bond auctions are multi-bond auctions and can be used to tap existing bonds or to issue new bonds.
- Bond auctions are usually executed on Mondays. Non-competitive Bond auctions are usually executed on Tuesdays
- The terms and conditions of each individual auction are normally announced on the Wednesday before the EU-Bond auction date, that takes place on the following Monday, via Bloomberg and on the European Commission's website. After the closing of the auction, results are released to the market via the same channels
- Two days prior to the announcement, primary dealers are invited to provide their recommendations for the upcoming auction.

c. Bidding process and allotment

The auction is conducted in form of a multiple price or yield auction respectively for EU-bonds and EU-Bills. Primary dealers can submit several bids at different prices (for EU-bonds) and yields (for EU-Bills). After the closing of the auction the issuer sets the lowest accepted price (for EU-bonds) or highest accepted yield (for EU-Bills) and then the allocation share for the bids.



Auction allocation means defining the lowest accepted price / highest accepted yield of the auction and determining the percentage at which orders at the lowest accepted price (for EU-bonds) or highest accepted yield (for EU-Bills) are allocated. Concerning the latter, bids submitted by PDs at prices above the lowest accepted price or below the highest accepted yield get full allocation.

d. Settlement

Bidders will be informed of the allotment immediately. The securities allotted will be settled on the value date specified in the invitation to bid. Standard settlement is T+2 for both the competitive auction and non-competitive auction allocation.

iii. Syndications

The selection of the subgroup of lead managers to whom the request for proposals is sent by the European Commission is based on the following criteria:

a. the ranking established on the basis on qualitative and quantitative criteria

b. a minimum of 2,00% of auctioned volumes by the Union on weighted average based on the last eighteen auctions

c. a minimum of 2,00% market share, on the basis of a weighted average, in Union and Euratom debt securities on the secondary markets over the last six months on a rolling basis

d. fulfillment of the minimum requirements of the quoting arrangements for at least 3 hours a day on average for all eligible securities over the course of the observation period

In addition, the European Commission implements a rotation criterion to ensure that all eligible members of the primary dealer network are regularly invited to respond to requests for proposals.

A Request for Proposal (RfP) process is used to receive recommendations from a selected number of primary dealers of the EU Primary Dealer network fulfilling the eligibility criteria.

The proposals received from eligible members are evaluated on the basis of an additional set of objective qualitative and quantitative criteria and in view of the establishment of a syndicate, whose composition is the best possible combination of managers for the optimal performance of a given transaction.

Primary dealers not fulfilling all eligibility criteria for lead managers, but complying with the minimum requirements of the quoting arrangements, can be invited for a co-lead mandate.

F. Secondary Market

EU-Bonds, EU-Bills, and NextGenerationEU Green Bonds are listed at the Luxembourg Stock Exchange and traded on all major electronic trading platforms (e.g. Bloomberg, TradeWeb, MTS).

Reporting of secondary market trades is based on the Primary Dealer Harmonised Reporting Format (HRF) as agreed by the Sub-Committee on EU Sovereign Debt Markets of the European Union Economic and Financial Committee.



i. Quoting Arrangements

As from November 2023, the members of the EU Primary Dealer Network are incentivised to provide liquidity to EU bonds on recognised interdealer platforms that, as of May 2026, are:

1. MTS EU, a segment of the MTS Cash Domestic Market Multilateral Trading Facility, as operated by MTS S.p.A
2. BrokerTec EU Regulated Market, as operated by CME Amsterdam B.V

Via the firm quotes the EU primary dealers provide on the platforms, they offer to buy and sell EU securities at pre-determined maximum fixed bid-offer spreads and minimum quantities. EU securities within the scope of this quoting mechanism are EU Bonds with a minimum remaining time to maturity of 1 year, issued, at least partially, under the EU's diversified funding approach and with a minimum outstanding amount of EUR 3 bn. Additional points are awarded to primary dealers that will quote with tighter spreads and/or larger volume in addition to respecting the minimum quoting requirements.

While quoting is not compulsory to remain primary dealer for the EU, appropriate incentives have been introduced to ensure active engagement from a broad range of primary dealers in such quoting activities (i.e. quoting is an eligibility criterion for joint lead and co-lead mandates).

ii. Reporting requirements

Primary dealers that participate in the quoting arrangements are required to report monthly to the European Commission about quoting time, number of quotes and spreads quoted for specified Union debt securities and on a recognised interdealer platform.

The reporting is done either directly from the primary dealers or via a delegation to the trading platform and includes information on the bid and ask quantities, spreads and trading hours.

G. Appraisal of the Primary Dealers' Activity

The evaluation of the primary dealers comprises various aspects of regular coverage and service and is performed on a semi-annual basis.

The evaluation model is based on quantitative and qualitative parameters and is the basis for the feedback report and for the submission of the RfP to the banks.

According to this:

- 80 % of the evaluation scoring is established on the basis of quantitative criteria and takes into account inter alia the primary markets transaction, e.g. auctions, with respect to the volume purchased by primary dealers over a 6-month period while for the secondary markets, the volumes reported in the HRF report are weighted in relation to the bonds' maturity.
- 20 % of the evaluation score is based on qualitative criteria and the quality of the execution of the financial operations related to the debt management of EU and Euratom, including settlement issues in respect of debt issuances or other financial transactions.



H. Contacts

European Union
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European Primary Dealers Handbook

25. Appendices

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AFME Recommendation:
A. Electronic Inter-Dealer Market Trade Cancellation Procedure

Foreword

By confirming and approving this recommendation, the AFME / Primary Dealer Board hopes to increase standardisation among the trade cancellation procedures in the European Government Bond Market. The goal is to ensure consistency of impact across the market and in particular, to minimise the risk that cancellation requests for interdependent trades across platforms are subject to different outcomes and thereby result in increased trading risk to counterparties.

This Recommendation was approved and entered into force as of 24 November, 2011, between the member firms of AFME/ Primary Dealers: Bank of America Merrill Lynch, Banca IMI, Banco Santander, Scotiabank Europe, Barcap, BBVA, BNP Paribas, Citi, Commerzbank, Credit Agricole, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, ING, Jefferies, JP Morgan, Morgan Stanley, Natixis, Nomura, RBC, Royal Bank of Scotland, Société Générale, UBS, Unicredit. AFME/Primary Dealers reiterated its approval of the trade cancellation procedure in May 2024.

1. Summary

AFME recommends the following principles and cancellation mechanisms to be adopted by the Trading Platforms in the European Government bond market as a part of their internal trade cancellation policy.

2. Definitions

2.1 European Government Bond Market: exclusively includes government bond markets of European Union Member States.

2.2 Trading Platform: includes the electronic trading venues used to trade bonds in the Interdealer European Government Bond Market.

2.3 Trade: includes both the purchase/sale of a Government bond. Also applies to basis trades.

3. Procedure

Bilateral Cancellation

3.1 A cancellation request shall be notified within 15 minutes from the time of execution of a trade (**5 minutes** on MTS, ,BrokerTec and SENAF). After receiving notification that a trade is in dispute the Trading Platform will promptly inform the counterparty (ies) that the trade is under review.[1]

3.2 If the other counterparty confirms promptly to the Trading Platform that it agrees with the trade cancellation request, the request shall be treated as a bilateral cancellation. AFME/Primary Dealers members are recommended to allow their identity to be revealed, should the Trading Platform so request, in order to encourage fair settlement of a cancellation request.[2]

3.3 Such cancellation, once agreed, shall then be notified to the platform and any applicable central counterparty or settlement institution.

1 *According to par 3.11, platforms retain the discretion to depart from the 15 minutes timeframe above if exceptional circumstances require so*

2 *The revealing of the counterparty identity should allow both counterparties to contact each other directly to encourage dialogue and settlement of the cancellation of the trade*

Manifest Error: Calculation of an Off-Market Trade

3.4 In the event that agreement cannot be reached on the cancellation of the trade, the Platform shall apply the following procedure. The Trading Platform must verify that the trade in question was executed at a price level which is inconsistent with the market value at the time of execution. To be "inconsistent" with the market value, the trade price must have been executed at a price that was greater than 50% outside the current bid/offer spread on a specific instrument at the time of its execution.

3.5 In order to calculate whether the trade is greater than 50% outside the current bid/offer spread, the Trading Platform can refer to the other executable quotes available at that time on their platform or may request up to five (5) dealers, but no less than three (3) (excluding the counterparties) to provide a firm two- way inter-dealer electronic quote for that instrument at the time of execution of the trade. These dealers come from an agreed Primary Dealer Market Advisory Council (previously known as the 'Wise Men Committee') of 10, ~~annually~~ rotating, dealers, appointed by AFME.

3.6 AFME Primary Dealers members who are counterparties to the trade shall not contact any of the agreed Primary Dealer Market Advisory Council (previously known as the 'Wise Men Committee') members concerning the trade dispute.

3.7 The platforms, if so requested by the counterparties involved in the trade, may distribute the prices used in the calculation but not the names of the members who provided the prices.

3.8 As soon as possible after the request, the dealers[3] will communicate their current bid/offer i.e. the quote of a firm two- way price they entered or would have entered into any inter-dealer electronic Platform to the Trading Platform for that instrument at that time.[4] The trade will be deemed 'off-market' if it is was executed at a price that was 50% wider than the average bid/offer spread - the latter is calculated by excluding the highest and lowest price and averaging the remaining quotes.[5]

3.9 The Trading Platform will then communicate its decision to both counterparties as quickly as possible, but no later than 45 minutes from the time of execution of a trade.

3.10 Such cancellation, once promptly agreed by both parties, shall then be notified to the platform and any applicable central counterparty or settlement institution.

3.11 If exceptional circumstances so require a platform retains the discretion to depart from the 45 minutes timeframe above.

Name Give-Up

3.12 Should the method above not achieve a result that is acceptable for both counterparties, the platform shall reveal the counterparty names. AFME/ Primary Dealers members shall allow their identity to be revealed.[6]

3.13 In the event that a trade occurs between AFME members and non-members; par 3.12 above will not apply.

3.14 If at this stage agreement is reached, this shall then be notified to the platform and to any applicable central counterparty or settlement institution.

3 *Between three (3) and five (5) as mentioned above*

4 *For example, the platform concerned by the transaction cancellation request*

5 *See practical example in ANNEX 1*

6 *The AFME/Primary Dealers members unanimously agree to give up their name. The list of all AFME/ Primary Dealers members can be found on the AFME website.*

25. Appendices

Annex 1

Practical Example: Poll Average

French OAT 2.75% 25 February 2029

The Trading Platform had the following best bid/offer on the screen – 98.20/101.20 Seller aggresses bid at 98.20 and then reports it as an error trade (being an error sale). Following a poll of five market participants, the five quotes are as follows:

- 99. 60/101.75
- 99.50/101.65
- 99.90/101.50
- 99.25/101.30
- 99.10/101.20

The high/low bid and high/low offer are thrown out which leaves the following:

- 99. 60/101.75
- 99.50/101.65
- 99.25/101.30

The average bid/offer spread is therefore:

- 99.45/101.57

If we apply the 50% deviation margin to the average bid/offer spread (106 cts) we obtain the following bid and offer limits:

- 98.39/102.63

The sale executed at 98.20 will be cancelled as the low parameter is 98.39 i.e. all sales < 98.39 may be cancelled should that be requested by the seller in the present example.

So far, the following inter-dealer platforms have adopted the AFME recommendation for a common trade cancellation procedure:

As of May 2012, the recommendation has applied to all MTS markets
As of June 2012, the recommendation has applied to CME BrokerTec (previously NEX[7])
As of August 2012, the recommendation has applied to SENAF
As of August 2012, the recommendation has applied to Eurex (previously EurexBonds)

7 *Prior to BrokerTec being owned by NEX it was previously ICAP BrokerTech*

B. Main European Trading Platforms and Interdealer Platforms: General Information & Market Rulebooks

Trading Platform	Market Category	Link to relevant Market Rulebooks and General Market Information
BGC Brokers L.P.	OTF	https://www.bgcg.com/wp-content/uploads/2025/01/BGC-Brokers-OTF-Rulebook-January-2025-1.pdf https://www.bgcg.com/disclaimers/mifid-ii/bgc/
Eurex	RM (government bond futures)	https://www.eurex.com/ex-en/rules-regs/eurex-rules-regulations https://www.eurex.com/ex-en/markets/int/fix
MTS Cash	RM & MTF	Markets Managed by MTS SPA: https://www.mtsmarkets.com/resources/market-rules https://www.mtsmarkets.com/products/mts-cash/cash-markets Markets managed by EUROMTS LTD: https://www.mtsmarkets.com/resources/market-rules https://www.mtsmarkets.com/products/mts-cash/cash-markets Markets managed by MTS France S.a.S: https://www.mtsmarkets.com/resources/market-rules https://www.mtsmarkets.com/products/mts-cash/cash-markets Markets managed by MTS Associated Markets SA: https://www.mtsmarkets.com/resources/market-rules https://www.mtsmarkets.com/products/mts-cash/cash-markets
TP ICAP Group: - ICAP UK OTF - Tullet Prebon Securities MTF - TP UK OTF - Tullet Prebon Europe MTF - TP ICAP UK MTF - TP ICAP EU MTF - ICAP EU OTF - Tullet Prebon EU OTF	MTF & OTF	https://tpicap.com/tpicap/regulatory-hub
BrokerTec EU RM & BrokerTec EU MTF (CME Group)	RM & MTF	https://www.cmegroup.com/markets/brokertec/regulatory-documents.html https://www.cmegroup.com/markets/brokertec/brokertec-european-government-bonds.html
SENAF (BME)	MTF	https://www.bolsasymercados.es/bme-exchange/en/Trading/Trading-Platform/SEND-SENAF
BondSpot S.A.	RM & MTF	https://www.bondspot.pl/company

C. Comparison of Mechanisms for Primary Dealer Performance Evaluation

Austria	Bulgaria	Belgium
The performance measurement system is based on a broad range of criteria both quantitative and qualitative, which includes: • Successful participation in the primary markets; • Active market making for all RAGB & ATB: providing narrow bid/offer prices with high bid/offer sizes during market hours; • Share of electronic trading; • Turnover statistics: particularly turnover with real money investors; • Spread-to-peers: spreads versus peer countries with similar quality are taken into account; • Qualitative factors: service quality, operational quality, reputational quality.	Criteria for evaluation of primary dealers: • The applicants shall participate regularly in the primary market of government securities. For the evaluation period, the candidates for primary dealers shall have acquired on the primary market government securities in the amount of not less than 3% of the total issued quantity for the respective period. • The applicants shall promote the development of a liquid and transparent secondary government securities market. For the evaluation period, primary dealer applicants shall have a market share of at least 3%. • The applicants shall maintain firm quotes on the MTF - E-Bond platform. • The applicants shall provide affordable services to their clients for trading in government securities on the primary and secondary markets. • The applicants shall provide the Ministry of Finance with information about their activity on the government securities market. • The applicants shall participate in consultations with the Ministry of Finance regarding the development of the government securities market and provide, upon request, analyses of its condition and recommendations for updating the regulations.	The BDA appraises the activity of the Primary Dealers according to the various quantitative and qualitative criteria, which include amongst the others: • Primary market performance; • Secondary market performance; • Compliance on market making obligations • Advice and information on relevant markets.

Denmark	Finland	France
The evaluation of the primary dealers is based on a broad range of criteria in order to take each primary dealer's overall contribution to a well- functioning market into account. Payment of fees to Primary Dealers was introduced 1 April 2017. Payment is up to DKK 30,000,000 annually. In addition, primary dealers have an obligation to promote Danish government securities and provide reporting and quality advisory services.	The DMO evaluates Primary Dealers through an internal scorecard model taking into account various areas of service (including both the investment side and derivative products) and all products on the borrowing programme (i.e. treasury bills, bond auctions). • The following evaluation criteria shall apply: • Secondary market customer sales (maturity weighted market share based on HRF reporting) • Interdealer market making (spread compliance as reported by the interdealer platforms_ • Advice and investor relations (qualitative assessment) • Primary market bond auctions (duration weighted market share) • Primary market T-bill issuance market share (duration weighted market share) • Liquidity management (duration weighted triparty repo volume) • Market research, RFGB trade ideas to investors	The assessment of the Primary Dealers relies on the factoring in of all tasks forming part of their operations and on the implementation terms of these tasks as defined by the charter and its schedules. The following three factors are used in order to assess the relative efforts of each Primary Dealer. • participation in the primary market (auctions and buybacks if any) (45 points). • Operations on the secondary market (30 points). • assessment by the AFT of the quality of the relationship maintained with the Primary Dealer (25 points).

Greece	Ireland	Italy
The evaluation of the Primary Dealers Performance is obtained from the following point system: • Primary Market (18 points): Trading volume (duration weighted); • Secondary Market (27 points): Monthly turnover on regulated markets (duration weighted); • Yield Curve (37 points): number of quotes displayed; abstention time; bid-ask spread; daily compliance report. • Further contribution to the Greek government bond market (18 points): – Market information and research; – Advice on issuance policy and the management of public debt; – Performance on syndications, private placement, swaps, execution efficiency; • Promotion of Greek government bonds; End customer flow excluding Banks.	Appraisal of the activity of the Primary Dealers is carried out on a all-encompassing basis which includes the following important indicators: • Their market share of auctions; • Spreads maintained; • Turnover achieved.	Appraisal of the Primary Market performance is based on: Primary Market Evaluation • Primary market quantitative index; • Primary qualitative indicator: Auction Aggressivity Index (AAI). difference between bond The AAI measures the degree of aggressivity of each Specialist's auction participation strategy, in other words, it is the combined effect of the difference between bid prices and market prices (overbidding) associated with bid quantities that ration the amount available to remaining participants (overdemanding). • Qualitative participation in the BOT auctions; • Continuity of participation in the primary market Appraisal of the Secondary Market performance is carried out on: • Quotation Quality index (QQI): based on high frequency snapshots of each bond's order book made each market day; • Cash traded volumes; • Numbers of bonds traded as filler; • Contribution to the average size of the contracts traded as filler; • Repo traded volumes; • Bank of Italy efficiency index; • Cash traded volumes on other electronic trading venues; • Repo distributional ability on other electronic trading venues; Specific criteria are established to evaluate buybacks and exchanges transactions.

The Netherlands	Portugal	Slovakia
The main criteria for appraising the Primary Dealers' activity are: • Performance in the primary and secondary markets for DSLs and DTCs; • The fulfilment of the quotation obligation on a selected platform; • The promotion and development of products related to DSLs and the provision of research material.	OEVT Performance Appraisal Criteria: • Primary Market Share ; • Secondary Market: market making compliance, additional amount quoted, interdealer passive turnover; • Broadening the base of investors: meetings with investors, turnovers with end investors. • Other Criteria: Buybacks and Excnhages and Qualitative Appraisal of Global Relationship; • EBT Performance Appraisal. EBT Performance Appraisal Criteria: • Primary Market Share; • Secondary market: market making compliance, additional amount quoted, market making compliance volatility adjusted; • Broadening the base of investors: turnover with end investors.	Primary Dealer Evaluation Criteria: • Primary market **50% weight** (share of government debt securities sold in auctions weighted by maturity during the time period, the evaluation of this criterion is based on individual auction results.) • Secondary Market **20% weight** (based on MTS quoting) • Secondary Market: share of government debt securities trades on secondary market **10% weight** • Money market credit line **10% weight** • Issuer report - qualitative information and research support, auction preferences response, timely submission of the EMAR report, cooperation in buybacks of government debt securities and support in unexpected market conditions **10% weight**

Slovenia	Spain
a) Performance Index The Ministry of Finance monitors and assesses the performance of Primary Dealers for Government Bonds on the basis of the performance index (PI) calculated from the following elements: • The Primary Dealer's performance on the DETS (PIID); • The Primary Dealer's performance in the Secondary market trading of Government securities excluding the DETS (PInon-ID); • The Primary Dealer's performance on Buy-back operations according to the Programme of Financing (BBO); and • The qualitative assessment of the service supplied by the Primary Dealer (Q). b) Qualitative Assessment The qualitative assessment of the Primary Dealer's service is evaluated by: • Evaluation of the Primary Dealer performance in syndicated issues; and • Evaluation of the Primary Dealer's promotion of Government securities, market information and analysis as well as strategic and economic information, advice and research	Primary Dealer activity is evaluated (monthly) on the basis of their performance in the following areas: • Participation in the Bonos and Obligaciones auctions; • Participation in exchange and buy- back operations carried out by the General Secretariat of the Treasury and International Finance; • Listing of Bonos and Obligaciones in the regulated markets or multilateral trading systems determined by the General secretariat of the Treasury and International Finance; • Participation in monthly trading in Bonos and Obligaciones • between members of the market of Public Debt in Book Entries. • Participation in the monthly trading in Treasury Bills with companies which are not members of the market of Public Debt in Book Entries. • Stripping and reconstitution of strippable securities and trading in these instruments; • Qualitative considerations such as their participation in operations promoting Government Debt nationally and abroad, the level of distribution of Government Debt in strategic countries or geographical zones, regularity in the behaviour as Primary Dealers and any other activity that reflects commitment to the Spanish Public Debt market. • Penalty factors such as not contributing information or advice requested by the General Secretariat of the Treasury and International Finance, not attending meetings of the General Secretariat of the Treasury and International Finance with the Primary Dealers, presenting requests in the auctions that deviate significantly from the price or the yield in the existing secondary market five minutes before the holding of the auction, or carrying out actions that could negatively affect the functioning of the market.

Sweden	United Kingdom
The assessment of the Primary Dealers relies on the fulfilment of the Primary Dealers' obligations and on the evaluation of some qualitative issues not stipulated in the Primary Dealer agreements (e.g. analysis, research, coverage).	The DMO appraises the activities and performances of individual GEMM firms on a continuous basis, in various quantitative and qualitative ways, for example by: • Ongoing analysis of auction participation statistics; • Weekly secondary market turnover shares; • Gathering anecdotal feedback from end investors regarding price, research and • general service provision, alongside the DMO's own assessment of advice; • Information and support given to the issuer itself.

D. List of Primary Dealers for the Counterparty Type Definitions under the HRF

The latest update to the Primary Dealers list for the counterparty type definition under the HRF can be found here.

E. European (EU & UK) Sovereign ESG Bond Issuance (as of June 2026)

Country	Issue Date	Term (at issuance) (years)	Issued volume (EUR bn)	Rating of Issuer	ESG type
Austria	22/09/2025	7.0	0.1	AA+	Green
Austria	22/07/2025	12.0	0.2	AA+	Green
Austria	17/03/2026	25.0	0.2	AA+	Green
Austria	29/01/2026	10.0	0.2	AA+	Green
Austria	22/05/2025	15.0	0.4	AA+	Green
Austria	08/05/2025	1.0	0.4	AA+	Green
Austria	13/06/2025	20.0	0.4	AA+	Green
Austria	26/02/2025	10.0	0.6	AA+	Green
Austria	26/03/2026	0.5	1.7	AA+	Green
Austria	26/02/2026	0.2	2.2	AA+	Green
Austria	25/04/2023	6.1	7.6	AA+	Green
Austria	31/05/2022	27.0	9.3	AA+	Green
Austria (total)			**23.4**		
Belgium	21/09/2022	16.6	9.8	AA-	Green
Belgium	05/03/2018	15.1	12.4	AA-	Green
Belgium (total)			**22.1**		
Cyprus	13/04/2023	10.0	1.0	A-	Sustainable
Cyprus (total)			**1.0**		
Czech Republic	03/10/2025	10.0	0.3	AA-	Social
Czech Republic	03/10/2025	5.0	0.3	AA-	Social
Czech Republic (total)			**0.6**		
Denmark	30/09/2025	10.1	1.1	AAA	Green
Denmark	21/01/2022	9.8	2.2	AAA	Green
Denmark	03/10/2023	10.1	2.4	AAA	Green
Denmark (total)			**5.7**		
France	01/06/2022	16.2	8.3	A+	Green
France	23/01/2024	25.4	17.5	A+	Green

Country	Issue Date	Term (at issuance) (years)	Issued volume (EUR bn)	Rating of Issuer	ESG type
France	31/01/2017	22.4	36.0	A+	Green
France	23/03/2021	23.3	26.0	A+	Green
France (total)			**87.8**		
Germany	10/03/2026	15.2	4.0	AAA	Green
Germany	03/05/2024	4.9	6.5	AAA	Green
Germany	10/04/2025	9.9	7.2	AAA	Green
Germany	10/09/2021	9.9	9.4	AAA	Green
Germany	07/09/2022	5.1	9.7	AAA	Green
Germany	09/09/2020	9.9	10.9	AAA	Green
Germany	20/06/2023	30.2	11.9	AAA	Green
Germany	18/05/2021	29.3	12.7	AAA	Green
Germany	03/05/2023	9.8	12.9	AAA	Green
Germany (total)			**85.1**		
Hungary	12/09/2024	10.0	0.0	BBB	Green
Hungary	18/09/2020	10.0	0.0	BBB	Green
Hungary	25/02/2022	7.0	0.0	BBB	Green
Hungary	25/02/2022	10.0	0.0	BBB	Green
Hungary	18/09/2020	7.0	0.1	BBB	Green
Hungary	25/02/2022	5.0	0.3	BBB	Green
Hungary	28/04/2021	30.0	0.7	BBB	Green
Hungary	14/01/2025	15.2	1.0	BBB	Green
Hungary	14/01/2026	12.2	1.0	BBB	Green
Hungary	21/11/2022	4.3	1.0	BBB	Green
Hungary	26/01/2022	10.3	1.3	BBB	Green
Hungary	05/06/2020	15.0	1.5	BBB	Green
Hungary	25/01/2024	5.5	1.5	BBB	Green
Hungary	14/01/2026	7.4	2.0	BBB	Green
Hungary (total)			**10.4**		
Ireland	12/01/2023	20.8	4.5	AA+	Green
Ireland	17/10/2018	12.4	7.1	AA+	Green
Ireland (total)			**11.6**		
Italy	15/01/2025	21.3	9.9	BBB	Green
Italy	13/04/2023	8.6	12.9	BBB	Green
Italy	10/03/2021	24.2	13.4	BBB	Green

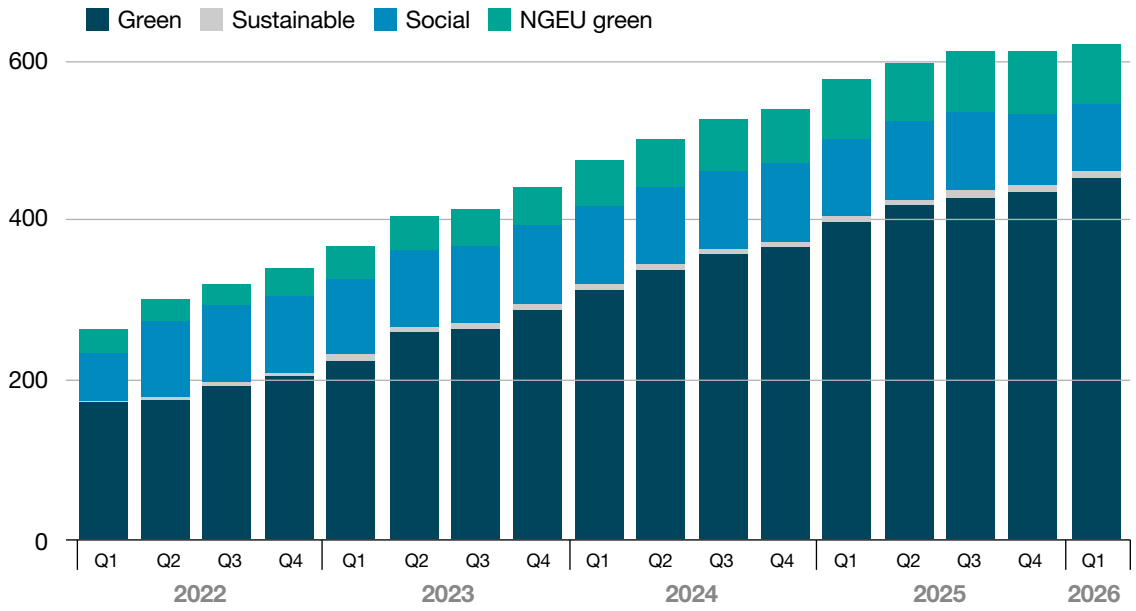
Country	Issue Date	Term (at issuance) (years)	Issued volume (EUR bn)	Rating of Issuer	ESG type
Italy	21/05/2024	13.5	13.9	BBB	Green
Italy	13/09/2022	12.6	15.4	BBB	Green
Italy (total)			**65.6**		
Latvia	13/12/2021	8.1	0.6	A	Sustainable
Latvia (total)			**0.6**		
Lithuania	03/05/2018	10.0	0.1	A	Green
Lithuania (total)			**0.1**		
Luxembourg	14/09/2020	12.0	1.5	AAA	Sustainable
Luxembourg (total)			**1.5**		
Netherlands	19/10/2023	20.3	13.4	AAA	Green
Netherlands	23/05/2019	20.7	15.6	AAA	Green
Netherlands (total)			**28.9**		
Poland	13/02/2026	5.0	0.3	A-	Green
Poland	07/03/2019	30.0	0.5	A-	Green
Poland	07/02/2018	8.5	1.0	A-	Green
Poland	07/07/2025	12.0	1.2	A-	Green
Poland	07/03/2019	10.0	1.5	A-	Green
Poland (total)			**4.6**		
Romania	11/10/2024	5.0	0.0	BBB-	Green
Romania	11/10/2024	7.0	0.0	BBB-	Green
Romania	11/10/2024	3.0	0.1	BBB-	Green
Romania	22/02/2024	12.0	2.0	BBB-	Green
Romania (total)			**2.2**		
Slovenia	05/09/2024	5.0	0.0	AA	Social
Slovenia	14/11/2025	3.0	0.2	AA	Social
Slovenia	05/09/2024	3.0	0.2	AA	Social
Slovenia	02/07/2025	10.0	1.0	AA	Sustainability Linked Bond
Slovenia	01/07/2021	10.0	1.2	AA	Sustainable
Slovenia	11/01/2023	10.2	1.2	AA	Sustainable
Slovenia (total)			**3.9**		
Spain	14/09/2021	20.9	18.2	A+	Green
Spain (total)			**18.2**		
Sweden	09/09/2020	10.0	1.8	AAA	Green

Country	Issue Date	Term (at issuance) (years)	Issued volume (EUR bn)	Rating of Issuer	ESG type
Sweden (total)			**1.8**		
United Kingdom	22/09/2021	11.9	45.4	AA	Green
United Kingdom	11/03/2026	11.0	7.1	AA	Green
United Kingdom	22/10/2021	31.8	34.7	AA	Green
United Kingdom (total)			**87.3**		

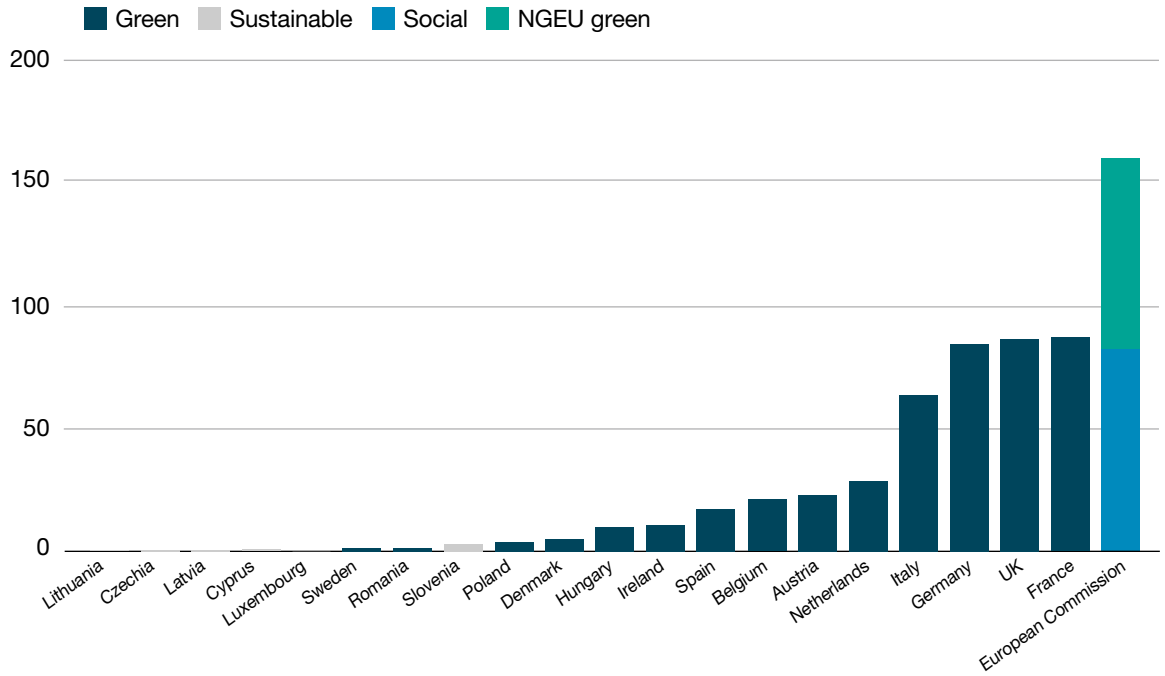
Outstanding EU Commission ESG Bonds:

ISIN	Instrument	Maturity	Amount Outstanding (EUR ml)
EU000A3K4EU0	NGEU green bonds	04/02/2050	17000
EU000A3K4DW8	NGEU green bonds	04/02/2033	15704
EU000A3K4DM9	NGEU green bonds	04/02/2048	15317
EU000A3K4DG1	NGEU green bonds	04/02/2043	12027
EU000A3K4C42	NGEU green bonds	04/02/2037	18448
EU000A287074	SURE social bonds	02/06/2028	10000
EU000A284469	SURE social bonds	04/11/2050	10000
EU000A283867	SURE social bonds	04/10/2040	7000
EU000A283859	SURE social bonds	04/10/2030	10000
EU000A285VM2	SURE social bonds	04/07/2035	8500
EU000A3KRJR4	SURE social bonds	04/01/2047	6000
EU000A3KRJQ6	SURE social bonds	04/07/2029	8137
EU000A3KNYG5	SURE social bonds	02/05/2046	5000
EU000A3KM903	SURE social bonds	04/06/2036	9000
EU000A3K4DE6	SURE social bonds	04/06/2037	2170
EU000A3K4D09	SURE social bonds	04/12/2037	6548

European outstanding ESG (green, social and sustainable) government bonds



European outstanding ESG government bonds by country



F. Glossary[8]

Term	Definition
Auctions	The sale of securities through an open bidding.
Benchmark issue	Issue of securities that is sufficiently large and actively traded that its price may serve as a reference point for other issues of similar maturity.
Best execution	Fair execution of client orders of securities, so that no client has preference over another in terms of time of execution and price received.
Bonds	Coupon-bearing securities, typically with a maturity of one year or more.
Buy-back operation	Repurchase of bonds by the issuer prior to their maturity.
Cash management	Service responsible for managing short-term out-flows and in-flows related to debt management.
Central depository	The depository where the final settlements of a securities transaction are recorded.
Clearing	Matching of orders prior to final settlement.
Consolidated Tape[9]	CTPs are responsible for collecting from trading venues and approved publication arrangements (APAs) real-time market data about financial instruments and for consolidating such data per financial instrument into a continuous electronic live stream made available to public.
Credit rating agency	A firm that rates the value of financial obligations or the creditworthiness of firms or countries.
Credit risk	Risk that a counterparty will not honour an obligation when due.
Cut-off price	Lowest successful bid at an auction.
Debt management office (DMO)	The government office that manages the public debt.
Electronic trading systems	Computerised trading systems that centralise, match, cross, or otherwise execute trades.
E-trading	Trading of securities via electronic means.
Government bonds	Securities, usually of more than one year maturity, issued by the central government on behalf of the nation for purposes of financing general or specific budget expenditure.
Government debt manager	Trading of securities via electronic means.
Government securities market	Market for tradable securities issued by a government.
Government securities	Securities (bills and bonds) issued by the government
Issuing calendar	Dates at which debt will be issued, the maturities, and possibly the terms and amounts of the issues.
Liquid market	Market where buyers and sellers actively trade, so that individual trades are not likely to appreciably move securities prices.
Market maker	Market maker quotes bid and asked prices for securities and normally is prepared to deal with those prices.
Matching	Comparison of trade or settlement details provided by counterparties to ensure that they agree.

8 *Source: "Government Bond Markets, a Handbook", by the World Bank and the International Monetary Fund*

9 *Source: "ESMA Consolidated Tape Providers"*

Term	Definition
Money market	Market for short term, near-cash-equivalent securities.
Multilateral trading	Trading between market participants, where there is sufficient price discovery for transactions between participants to be possible.
Multiple-price auctions	Auctions in which each bidder pays the price it bid. Bids are placed in descending order and the higher bids are accepted until the issue is exhausted.
Non-competitive auction bid	Tender, usually by retail investors or the central banks, that is not part of the competitive bidding process. Awards to non-competitive bidders are usually at the average auction price of successful competitive bids or at the cut-off price.
Over-the-counter (OTC) market	Market for the trading of assets outside a formal exchange.
Price taker	Seller who accepts the price offered for the amount of securities is selling.
Primary Dealers (PD)	Financial institutions that are appointed by sovereign issuers to buy, promote and distribute sovereign bonds.
Primary market	Asset market where securities - government, subnational, and private sector - are first issued and sold, typically through some form of tender or auction process.
Public debt	Stock of outstanding government debt obligations resulting from cumulative issuance of government securities.
Quote-driven market	Market dominated by the reaction of customers to bid/ask quotations by dealers.
Reverse auction	Auction for the repurchase, rather than for the sale, of bonds.
Secondary market	Asset market where securities - government, subnational, and private sector - are traded after they have been issued or sold on primary markets.
Syndication	Sale of securities through a group with which the issuer negotiated the price of the securities.
Tap sales of bonds	Sale of securities by the issuer over a specified period, the issuer fixing the price or setting a minimum price.
Treasury bills	Securities issued by a Treasury, usually on a discount basis and for maturities of no longer than one year.
Zero-coupon bond	Bond issued on a discount basis, so that all payment is deferred until maturity.