

## Benchmark Statement in Accordance with Art. 27 of the Regulation (EU) 2016/1011 on Indices Used as Benchmarks

Sociedad de Bolsas publish this Benchmark Statement about **the Strategy Benchmarks on Stocks family** pursuant to Article 27 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (hereafter, **Benchmark Regulation**), as well as the Commission Delegated Regulation (EU) 2018/1643 of 13 July 2018, with regard to regulatory technical standards specifying further the contents of, and cases where updates are required to, the benchmark statement to be published by the administrator of a benchmark (hereafter, "**Delegated Regulation 2018/1643**") and the Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (hereafter, "**Delegated Regulation 2020/1816**").

**This Statement refers to the non-significant Strategy Benchmarks on Stocks, as specified in section 1.3 of this Benchmark Statement.**

### 1 General Information

#### 1.1 Date of Publication of the Statement and Last Update – Delegated Regulation 2018/1643 Article 1.1.a)

*The benchmark statement shall state the date of publication of the statement and, where applicable, the date of its last update.*

Date of publication: May 2022

#### 1.2 Update the Benchmark Statement – Delegated Regulation 2018/1643 Article 27.1.

*The administrator shall review and, where necessary, update the benchmark statement for each benchmark or family of benchmarks in the event of any changes to the information to be provided under this Article and at least every two years.*

Sociedad de Bolsas, company belonged to the Grupo de Bolsas y Mercados Españoles, provides the **Strategy Benchmarks on Stocks**, and has the status of administrator, registered in the registration of ESMA, in accordance with the Benchmark Regulation. In this way, Sociedad de Bolsas undertakes to review the Benchmark Statement at least every two years.

### 1.3 ISIN Code – Delegated Regulation 2018/1643 Article 1.1.b).

*The benchmark statement shall state where available, the international securities identification number (ISIN) of the benchmark or benchmarks; alternatively, for a family of benchmarks, the statement may provide details of where the ISINs are publicly accessible free of charge.*

INDEX	ISIN CODE	CURRENCY	PRICE	TYPE OF INDEX	WEIGHTING	MAXIMUM WEIGHTING
INDICE TEF LEVERAGE X3	ES0S00000968	EUR	Real Time	Strategy	-	-
INDICE SAN LEVERAGE X3	ES0S00000950	EUR	Real Time	Strategy	-	-
INDICE BBVA LEVERAGE X3	ES0S00000935	EUR	Real Time	Strategy	-	-
INDICE ITX LEVERAGE X3	ES0S00000943	EUR	Real Time	Strategy	-	-
INDICE TEF LEVERAGE X5	ES0S00001008	EUR	Real Time	Strategy	-	-
INDICE SAN LEVERAGE X5	ES0S00000992	EUR	Real Time	Strategy	-	-
INDICE BBVA LEVERAGE X5	ES0S00000976	EUR	Real Time	Strategy	-	-
INDICE ITX LEVERAGE X5	ES0S00000984	EUR	Real Time	Strategy	-	-
INDICE TEF SHORT X3	ES0S00001040	EUR	Real Time	Strategy	-	-
INDICE SAN SHORT X3	ES0S00001032	EUR	Real Time	Strategy	-	-
INDICE BBVA SHORT X3	ES0S00001016	EUR	Real Time	Strategy	-	-
INDICE ITX SHORT X3	ES0S00001024	EUR	Real Time	Strategy	-	-
INDICE TEF SHORT X5	ES0S00001081	EUR	Real Time	Strategy	-	-
INDICE SAN SHORT X5	ES0S00001073	EUR	Real Time	Strategy	-	-
INDICE BBVA SHORT X5	ES0S00001057	EUR	Real Time	Strategy	-	-
INDICE ITX SHORT X5	ES0S00001065	EUR	Real Time	Strategy	-	-

The Strategy Benchmarks on Stocks are designed to represent short and leveraged strategies in grades three and five on the main securities listed on the Spanish Stock Exchange. The

Strategy Benchmarks on Stocks are not subject to liquidity criteria of their underlying securities.

The leveraged strategy benchmarks on stocks are indices with triple or five times positive leverage whose underlying stocks are Telefónica (TEF), Banco Santander (SAN), Banco Bilbao Argentaria (BBVA) and Inditex (ITX).

Its calculation criteria track the triple or quintuple daily performance of the listed underlying stocks, including a financing term to achieve the leverage needed.

The short strategy benchmarks on stocks are indices with triple or five times inverse leverage whose underlying stocks are Telefónica (TEF), Banco Santander (SAN), Banco Bilbao Argentaria (BBVA) and Inditex (ITX).

Its calculation criteria track the triple or quintuple inverse daily performance of the listed underlying stocks, including a risk free fixed-income investment component.

The rules Strategy Benchmarks on Stocks as regards with the calculation formula and price are those laid down in the [\*Technical Regulations for the Composition and Calculation of Sociedad de Bolsas indexes\*](#).

The ISIN Codes of the **Strategy Benchmarks on Stocks** can be consulted in the table previously described.

#### 1.4 Contributions of Input Data – Delegated Regulation 2018/1643 Article 1.1.c).

*The benchmark statement shall state whether the benchmark, or any benchmark in the family of benchmarks, is determined using contributions of input data.*

Sociedad de Bolsas does not use contributions of input data, in accordance with the definition of the point 8, Article 3(1) of Benchmark Regulation.

#### 1.5 Typology of Benchmark in Compliance with Title III of Benchmark Regulation – Delegated Regulation 2018/1643 Article 1.1.d).

*The benchmark statement shall state whether the benchmark or any benchmark in the family of benchmark qualifies as one of the types of benchmarks listed under Title III of Regulation (EU) 2016/1011, including the specific provision by virtue of which the benchmark qualifies as that type.*

The benchmark statement shall state whether the benchmark or any benchmark in the family of benchmark qualifies as one of the types of benchmarks listed under Title III of Regulation (EU) 2016/1011, including the specific provision by virtue of which the benchmark qualifies as that type.

The Strategy Benchmarks on Stocks belongs to the regulated-data Benchmarks, in accordance with point 24(a)(i), Article 3(1) of the Benchmark Regulation, since is a benchmark determined by the application of a formula from input data contributed entirely and directly from a trading venue as defined in point 24, Article 4(1) of Directive 2014/65/EU.

The Strategy Indices on Stocks are non-significant benchmarks for meeting the requirements set out in point 27, Article 3(1) and Article 26 of Benchmark Regulation.

The Article of Interest rate benchmarks do not apply to Sociedad de Bolsas' Benchmarks. Article 3 of Delegated Regulation 2018/1643.

The Article of Commodity benchmarks do not apply to Sociedad de Bolsas' Benchmarks. Article 4 of Delegated Regulation 2018/1643.

The Article of Critical benchmarks do not apply to Sociedad de Bolsas' Benchmarks. Article 5 of Delegated Regulation 2018/1643.

## 2 Content

### 2.1 Market Definition or Economic Reality. Delegated Regulation 2018/1643 Article 27.1.a).

*The benchmark statement shall clearly and unambiguously define the market or economic reality measured by the benchmark and the circumstances in which such measurement may become unreliable.*

#### Delegated Regulation 2018/1643 Article 1.2.

*In defining the market or economic reality the benchmark statement shall include at least the following information:*

- a) *a general description of the market or economic reality;*
- b) *the geographical boundaries, if any, of the market or economic reality;*
- c) *any other information that the administrator reasonably considers to be relevant or useful to help users or potential users of the benchmark to understand the relevant features of the market or economic reality, including at least the following elements insofar as reliable data on these elements is available:*
  - i. *information on actual or potential participants in the market;*
  - ii. *an indication of the size of the market or economic reality.*

The Strategy Benchmarks on Stocks are designed to represent short and leveraged strategies in grades three and five on the main securities listed on the Spanish Stock Exchange. The

Strategy Benchmarks on Stocks are not subject to liquidity criteria of their underlying securities.

The BBVA LEVERAGE X3, ITX LEVERAGE X3, SAN LEVERAGE X3 and TEF LEVERAGE X3 are leverage strategy indices with triple positive leverage whose underlying stocks are Banco Bilbao Argentaria (BBVA), Inditex (ITX), Banco Santander (SAN) and Telefónica (TEF), respectively. Its calculation criteria track the triple daily performance of the listed stocks Banco Bilbao Argentaria, Inditex, Banco Santander and Telefónica, for each index, including a financing term to achieve the leverage needed.

The BBVA LEVERAGE X5, ITX LEVERAGE X5, SAN LEVERAGE X5 and TEF LEVERAGE X5 are leverage strategy indices with five times positive leverage whose underlying stocks are Banco Bilbao Argentaria (BBVA), Inditex (ITX), Banco Santander (SAN) and Telefónica (TEF), respectively. Its calculation criteria track the quintuple daily performance of the listed stocks Banco Bilbao Argentaria, Inditex, Banco Santander and Telefónica, for each index, including a financing term to achieve the leverage needed.

The BBVA SHORT X3, ITX SHORT X3, SAN SHORT X3 and TEF SHORT X3 are short strategy indices with triple inverse leverage whose underlying stocks are Banco Bilbao Argentaria (BBVA), Inditex (ITX), Banco Santander (SAN) and Telefónica (TEF), respectively. Its calculation criteria tracks the triple inverse daily performance of the listed stocks Banco Bilbao Argentaria, Inditex, Banco Santander and Telefónica, for each index, including a risk free fixed-income investment component.

The BBVA SHORT X5, ITX SHORT X5, SAN SHORT X5 and TEF SHORT X5 are short strategy indices with five times inverse leverage whose underlying stocks are Banco Bilbao Argentaria (BBVA), Inditex (ITX), Banco Santander (SAN) and Telefónica (TEF), respectively. Its calculation criteria track the five times inverse daily performance of the listed stocks Banco Bilbao Argentaria, Inditex, Banco Santander and Telefónica, for each index, including a risk free fixed-income investment component.

The Strategy Benchmarks on Stocks general information requirements and the geographical boundaries of the market are described in the [Technical Regulations for the Composition and Calculation of Sociedad de Bolsas indexes](#).

The Strategy Benchmarks on Stocks are regulated-data benchmarks that consists on prices coming from firm trades, executed by [market members](#) encompassing the real or potential participants of the market.

In accordance with Article 1(7) of the Delegated Regulation (UE) 2018/1643, the Article 1(2)(c) is not for application as the Strategy Benchmarks on Stocks are non-significant benchmarks.

## 2.2 Discretion – Benchmark Regulation Article 27.1.b). Delegated Regulation 2018/1643 Article 1.4.

*The benchmark statement shall lay down technical specifications that clearly and unambiguously identify the elements of the calculation of the benchmark in relation to which discretion may be exercised, the criteria applicable to the exercise of such discretion and the position of the persons that can exercise discretion, and how such discretion may be subsequently evaluated.*

The input data used for the real-time calculation of the Strategy Benchmarks on Stocks are prices based only on trades executed of the index' underlying stock by market members, in the order book, in the general trading system, prices calculated in accordance with the [Operating Rules of the Spanish Stock Exchange Interconnection System \(SIBE\)](#), and consequently, the intervention of a sufficient number of market participants.

Generally, regarding the prices and shares used for the calculation of the Strategy Benchmarks on Stocks, discretion and expert judgement is not exercised.

The Technical regulations have been designed to eliminate discretion or expert judgement for the benchmark calculation to the greatest extent possible. However, there may be unexpected events, such as complex corporate actions or structural changes to the markets, which require actions that are not described in the Technical regulations.

In such (unexpected) events, the Technical Advisory Committee shall assess the situation and take a decision, which will be communicated with the publication of a Notice. The methodology shall be updated whenever possible in the annual review with a clear and transparent rule to cover the unexpected issue.

All the details about the calculation and methodology used are described in the [Technical Regulations for the Composition and Calculation of Sociedad de Bolsas indexes](#).

## 2.3 External Factors – Benchmark Regulation Article 27.1.c).

*The benchmark statement shall provide notice of the possibility that factors, including external factors beyond the control of the administrator, may necessitate changes to, or the cessation of the benchmark.*

Sociedad de Bolsas makes available the [procedure that address the need for possible cessation](#) of a Benchmark, due to market structure change, product definition changes, or any other condition, which makes the benchmark no longer representative of its intended function.

## 2.4 Modification or Cessation of the Benchmark – Benchmark Regulation Article 27.1.d).

*The benchmark statement shall advise users that changes to, or the cessation of, the benchmark may have an impact upon the financial contracts and financial instruments that reference the benchmark or the measurement of the performance of investment funds.*

Sociedad de Bolsas makes available the [procedure that address the need for possible cessation](#) of a Benchmark, due to market structure change, product definition changes, or any other condition, which makes the benchmark no longer representative of its intended function.

These procedures take into consideration the views of stakeholders and any relevant regulatory and national authorities (CNMV).

## 2.5 Definition of Key Terms – Benchmark Regulation Article 27.2.a).

*A benchmark statement shall contain at least the definitions for all key terms relating to the benchmark.*

Key terms of the methodology:

Ordinary reviews: held in June and December, in order to redefine the indices.

Follow up reviews: indices components will be modified only if any of the stocks showed a significant change in its liquidity, held in March and September.

Control period: the six-month interval prior to the date of the review.

CAT: Technical Advisory Committee.

SIBE: Spanish Stock Exchange Interconnection System.

Liquidity factors: quantity and quality of the trading volume in the order-driven market of SIBE.

Minimum capitalization: For a stock to be included in the IBEX 35®, its average capitalization in the index must be greater than 0.30% of the average index capitalization during the control period. The Technical Advisory Committee may decide to remove a constituent stock from the IBEX 35® index when its average capitalization computable in the index is lower than 0.30% of the average index capitalization during the control period.

Price: as a general reference, the price will be that at which the last transaction was completed on the SIBE.

Number of shares: the number of each company's shares taken for calculation of the Index value will be adjusted by free float.

Free float: the free float shall be deemed complementary to block ownership capital. Shall be taken into account the data which appear in the Registry of the CNMV: the direct shareholdings greater than or equal to 3% of the share capital and direct shareholdings held by members of the Board of Directors independently from their amount.

Free float factor: the number of each company's shares taken for calculation of the index value shall be adjusted by a free float factor.

Maximum weighting: the maximum weighting allowed for each component in the index reviews, exceeding the maximum weight during the period between reviews.

## 2.6 Methodology, Approval Procedures and Review – Benchmark Regulation Article 27.2.b).

*A benchmark statement shall contain at least the rationale for adopting the benchmark methodology and procedures for the review and approval of the methodology.*

*methodology and procedures for the review and approval of the methodology.*

The methodology of Sociedad de Bolsas' indices is established in the [Technical Regulations for the Composition and Calculation of Sociedad de Bolsas indexes](#), which highlights the key elements according to Article 13 of the Benchmark Regulation and to the specified in the Technical Regulations according to section 3, Article 13 of Benchmark Regulation.

The Index Management Secretariat research studies periodically to evaluate the necessity to modify the methodology in its annual revision.

The Technical Regulations shall be reviewed periodically and at least every one year. The purpose of these reviews is, on the one hand, to ensure that the indices continue representing the reality they are intended to measure and, on the other, to ensure their role as underlying assets in the trading of derivative products, this means, that they continue to be appropriate, representative and replicable. The changes that affect, among others, to the calculation formula, to the selection of components, or to the redefinition of the indices contemplated in the Present Regulations, are considered as Substantial changes.

Any modification or alteration of the present Technical Regulations must be approved by the Board of Directors of Sociedad de Bolsas, following a report by the Indexes Technical Advisory Committee at the proposal of the Indexes Manager.

Said modifications or alterations shall be made public no later than 48 hours after the corresponding decision has been made and shall become effective within seven days following their publication, unless otherwise expressly agreed.



## 2.7 Criteria and Procedures Used to Determine the Benchmark – Benchmark Regulation Article 27.2.c.).

*A benchmark statement shall contain at least the criteria and procedures used to determine the benchmark including a description of the input data, the priority given to different types of input data, the minimum data needed to determine a benchmark, the use of any models or methods of extrapolation and any procedure for rebalancing the constituents of a benchmark's index.*

### Delegated Regulation 2018/1643 Article 2.

*In addition to the information to be included pursuant to Article 1, for a regulated-data benchmark or, where applicable, family of regulated-data benchmarks, the benchmark statement shall state at least the following in its description of the input data:*

- a) *the sources of the input data used;*
- b) *for each source, the relevant type, as listed in Article 3(1)(24) of Regulation (EU) 2016/1011.*

The input data used for the real-time calculation of the Strategy Benchmarks on Stocks are prices based only on trades executed in the family indices' underlying stocks by market members, in the order book, in the general trading system, prices calculated in accordance with the [Operating Rules of the Spanish Stock Exchange Interconnection System \(SIBE\)](#), and consequently, the intervention of a sufficient number of market participants. The input data comes from traded and closing prices in a trading venue, Bolsas y Mercados Españoles.

The Strategy Benchmarks on Stocks are calculated during the opening session of the main trading market. Actually, the trading hours for the Main Trading is from 9:00 am to 17:30 pm.

The indices values do not vary during the period of adjustments of the market because no trades can be made. The periods of adjustments are the opening auction between 8:30 to 9:00am and the closing auction between 17:30 to 17:35pm.

The indices values are calculated in real-time and should vary whenever an underlying company trades, at a different previous price. Generally, the valid price to be taken shall be the price at which the last transaction was made in the Spanish Stock Exchange Interconnection System.

The minimum information to determine the Strategy Benchmarks on Stocks are detailed in section in section 4.3.1. *Price of the underlying stock of the* [Technical Regulations for the Composition and Calculation of Sociedad de Bolsas indexes](#)

## **2.8 Controls and Rules that Govern any Exercise of Judgement or Discretion – Benchmark Regulation Article 27.2.d).**

*A benchmark statement shall contain at least the controls and rules that govern any exercise of judgement or discretion by the administrator or any contributors, to ensure consistency in the use of such judgement or discretion.*

### **Delegated Regulation 2018/1643 Article 1.4.**

*In specifying the controls and rules that govern any exercise of judgement or discretion by the administrator or any contributors in calculating the benchmark or benchmarks, the benchmark statement shall include an outline of each step of the process for any ex post evaluation of the use of discretion, together with a clear indication of the position of any person(s) responsible for carrying out the evaluations.*

In accordance with the Article 1(7) of the Delegated Regulation (EU) 2018/1643, the Article 1(4) is not for application as the Strategy Benchmarks on Stocks are non-significant benchmarks.

## **2.9 Determination of the Benchmark in Periods of Stress – Benchmark Regulation Article 27.2.e).**

*A benchmark statement shall contain at least the procedures which govern the determination of the benchmark in periods of stress or periods where transaction data sources may be insufficient, inaccurate or unreliable and the potential limitations of the benchmark in such periods.*

The procedures governing the determination of the benchmarks in periods of stress are detailed in sections 4.3.1. *Price of the underlying stock* of the [Technical Regulations for the Composition and Calculation of Sociedad de Bolsas indexes](#).

Sociedad de Bolsas publish the market monthly data used for the calculation of the family of IBEX® benchmarks is sufficient, accurate and reliable, in accordance with sections d and e, Article 2(1), and Article 2(2) of Delegated Regulation (EU) 2018/1638.

Regarding the sufficiency of the data sources of the securities, section [1.5. Security Details](#) of the monthly report presents monthly trading details (turnover, volume and trades) of securities admitted to the Spanish Stock Exchange Interconnection System, as well as daily average of turnover, volume and trades (ordinary trades and special operations) crossed during the applicable month as well as the previous 6 and 12 months.

The monthly detail of daily averages is based on the current number of trading sessions during the applicable month.

## 2.10 Procedures for Dealing With Errors in the Determination of the Benchmark – Benchmark Regulation Article 27.2.f).

*A benchmark statement shall contain at least the procedures for dealing with errors in input data or in the determination of the benchmark, including when a redetermination of the benchmark is required.*

Sociedad de Bolsas makes available an [Index Correction Procedure](#) about the Calculation of Sociedad de Bolsas' Indices, where provides the possible corrections that should be introduced to the data associated to the indices or to its calculation, in case there has been any inaccuracy or error, which has been noticed after its publication.

## 2.11 Possible Limitations of the Benchmark – Benchmark Regulation Article 27.2.g).

*A benchmark statement shall contain at least the identification of potential limitations of the benchmark, including its operation in illiquid or fragmented markets and the possible concentration of inputs.*

### Delegated Regulation 2018/1643 Article 1.3.

*In defining the potential limitations of the benchmark and the circumstances in which the measurement of the market or economic reality may become unreliable, the benchmark statement shall include at least:*

- a) *a description of the circumstances in which the administrator would lack sufficient input data to determine the benchmark in accordance with the methodology;*
- b) *where relevant, a description of instances when the accuracy and reliability of the methodology used for determining the benchmark can no longer be ensured, such as when the administrator deems the liquidity in the underlying market as insufficient;*
- c) *any other information that the administrator reasonably considers to be relevant or useful to help users and potential users to understand the circumstances in which the measurement of the market or economic reality may become unreliable, including a description of what might constitute an exceptional market event.*
- a) *In exceptional circumstances in which all or part of the market is not disseminating the values' price, due to trading suspensions, volatility auctions, technical interruptions, etc. and in accordance with the [Technical Regulations for the Composition and Calculation of Ibex Indexes and Strategy Indexes on Stocks administrated by Sociedad de Bolsas](#), in section 3.1.2.1. Price, where a security is suspended from trading for whatever reason, the valid price to be taken for the calculation of the Index shall be the price at which the last transaction was made prior to the suspension of the security in question.*

- b) Where a security is suspended from trading for whatever reason (takeover bid, etc.) the valid price to be taken for the calculation of the Index shall be the price at which the last transaction was made prior to the suspension of the security in question. In the section 6.2.4.5.2. Exceptional market situations of the Operating Rules of the Spanish Stock Exchange Interconnection System (SIBE) contemplates the description of what might constitute an exceptional market situation and what measures could be taken in those situations.
- c) In accordance with the Article 1(6) of the Delegated Regulation (EU) 2018/1643, the Article 1(3)(c) is not for In accordance with the Article 1(7) of the Delegated Regulation (EU) 2018/1643, the Article 1(2)(c) is not for application as the Strategy Benchmarks on Stocks are non-significant benchmarks.

## 2.12 Explanation of How ESG Factors are Reflected in the Benchmark Statement. Benchmark Regulation Article 27.2.a). First Paragraph

*The benchmark statement shall contain an explanation of how ESG factors are reflected in each benchmark or family of benchmarks provided and published. For those benchmarks or families of benchmarks that do not pursue ESG objectives, it shall be sufficient for benchmark administrators to clearly state in the benchmark statement that they do not pursue such objectives.*

### EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE BENCHMARK STATEMENT

#### SECTION 1 – CONSIDERATION OF ESG FACTORS

<b>Item 1.</b> Name of the benchmark administrator.	SOCIEDAD DE BOLSAS, S.A.
<b>Item 2.</b> Type of benchmark or family of benchmarks. <i>Choose the relevant underlying asset from the list provided in Annex II.</i>	EQUITY
<b>Item 3.</b> Name of the benchmark or family of benchmarks	Strategy Benchmarks on Stocks
<b>Item 4.</b> Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks, benchmarks that pursue ESG objectives or benchmarks that take into account ESG factors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Item 5.</b> Does the benchmark or family of benchmarks pursue ESG objectives?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## 2.13 Degree of Overall Alignment with the Target of Reducing Carbon Emissions or the Attainment of the Objectives of the Paris Agreement. Benchmark Regulation Article 27.2.a). Second Paragraph

*For significant equity and bond benchmarks, as well as for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks, benchmark administrators shall disclose in their benchmark statements details on whether or not and to what extent a degree of overall alignment with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement is ensured.*

In relation to **non-significant Strategy Benchmarks on Stocks**, an alignment with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement is not ensured.

## 2.14 Explanation of how the Methodology Aligns with the Target of Carbon Emission Reductions or Attains the Objectives of the Paris Agreement. Benchmark Regulation Article 27.2.a). Third Paragraph

*Benchmark administrators shall, for each benchmark or, where applicable, each family of benchmarks, with the exception of interest rate and foreign exchange benchmarks, include in their benchmark statement an explanation of how their methodology aligns with the target of carbon emission reductions or attains the objectives of the Paris Agreement.*

### SECTION 3 – DISCLOSURE OF THE ALIGNMENT WITH THE OBJECTIVES OF THE PARIS AGREEMENT

**Item 10.** By the date of application of this Regulation, for significant equity and bond benchmarks, EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks, benchmark administrators shall also disclose the following information.

By 31 December 2021, benchmark administrators shall, for each benchmark or, where applicable, each family of benchmarks, disclose the following information:

(a) Does the benchmark align with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(b) the temperature scenario, in accordance with international standards, used for the alignment with the target of reducing GHG emissions or attaining of the objectives of the Paris Agreement;	
(c) the name of the provider of the temperature scenario used for the alignment with the target of reducing GHG emissions or the attainment of the objectives of the Paris Agreement;	
(d) the methodology used for the measurement of the alignment with the temperature scenario;	
(e) the hyperlink to the website of the temperature scenario used.	

Date on which information has last been updated and reason for the update:

June 2021

### 3 Updates of the Benchmark Statement

#### 3.1 Reviews and Updates of the Benchmark Statement – Delegated Regulation 2018/1643 Article 6.

*In addition to the cases referred to in the third subparagraph of Article 27(1) of Regulation (EU) 2016/1011, an update of the benchmark statement shall be required whenever the information contained in the statement ceases to be correct or sufficiently precise, and including in any event in the following cases:*

- a) *whenever there is a change in the type of the benchmark;*
- b) *whenever there is a material change in the methodology used for determining the benchmark or, if the benchmark statement is for a family of benchmarks, in the methodology used for determining any benchmark within the family of benchmarks.*

The Benchmark Statement of the Strategy Benchmarks on Stocks shall be reviewed at least every two years or whenever there is a material change in the methodology used for determining the benchmark.

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