

MATERIALITY OF THE REPORT



Scope of the information and standards used in the report

This CSR report includes information relating to 2017 for all the activities and services provided by the Company. Where deemed appropriate, it also includes information from previous years for comparison.

Its preparation has been performed in accordance with the Core option established in the GRI G4 guidelines for the preparation of sustainability reports, which has resulted in changes in the information provided in this report compared to previous years without this being re-expressed.

GRI principles for gathering content

[G4-18]

The structure and content of this report is based on the principles established by GRI for the preparation of sustainability reports, as indicated below:

- **Stakeholder engagement.** The preparation of this report has been carried out attending to the interests and expectations of the stakeholders in relation to the functioning of BME, which has been received, via the managers of the Company that interact with them.
- **Context of Sustainability.** An evaluation has been carried out of the relationship between the activities and services provided by BME with the social, economic and environmental context in which the Company operates.
- **Materiality.** To define and identify the most significant aspects for BME with regard to sustainability, a materiality analysis has been performed, the methodology of which is detailed below.
- **Thoroughness.** After the identification of the material aspects for BME, information regarding these has been included with a view to facilitating the stakeholders' evaluation of the economic, social and environmental performance of the Company in recent years.

GRI Principles for the processing and quality of the information

[G4-18]

In the preparation of the report, the principles established by GRI to guarantee the quality of the information have also been taken into account:

- **Balance.** According to this principle, the sustainability reports must reflect both the positive and negative aspects of the Company's performance. Through its application, an objective and complete view is obtained of the general performance of BME.
- **Comparability.** The Company has gathered information on a regular basis and it has been included in the contents with the aim of its stakeholders being able to analyse the progress of its performance in recent years, and compare it to that of other organisations.
- **Accuracy.** The information provided is stated in sufficient detail to cover the expectations indicated by the stakeholders.
- **Punctuality.** Following the same pattern as in recent years, BME will continue updating the content of its CSR report annually with the aim of facilitating regular information to its stakeholders.
- **Clarity.** The Company wishes to present information on its performance in a manner that is accessible and clear for all stakeholders.
- **Reliability.** This report details the process followed for its preparation. With this, BME guarantees that the content of the memory may be subjected to external evaluation to judge the quality and materiality of the information.

Materiality analysis

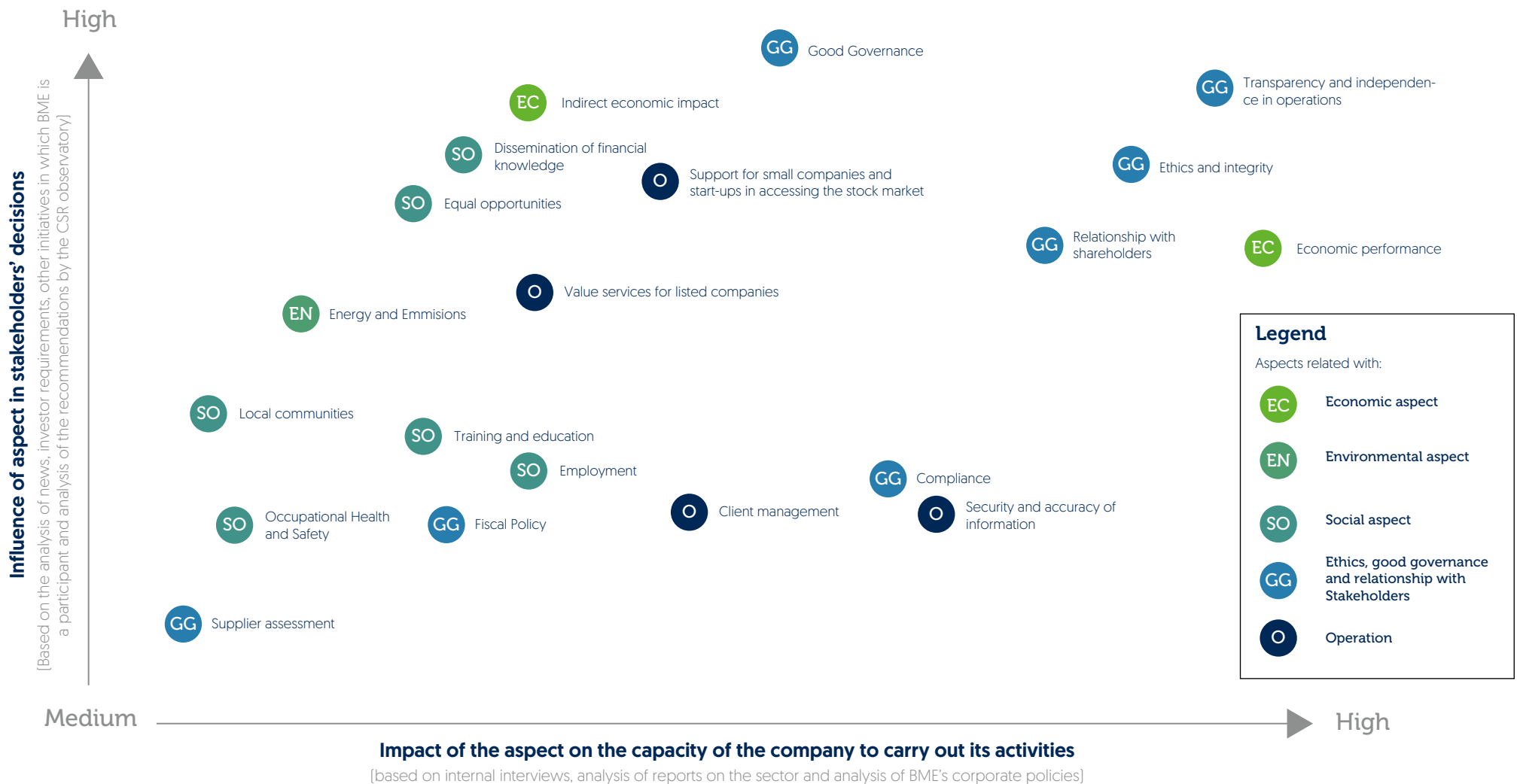
[G4-I8]

Pursuant to that established in the GRI G4 guidelines, this document contains information on the indicators corresponding to those aspects of sustainability deemed as material. For this, a specific analysis has been performed in which BME has evaluated which are the key issues, either because they affect the decisions that its stakeholders may make or because they are critical to the long-term success of the Company.

The activities carried out for this materiality analysis consist of:

- **Meetings** with managers and directors in key areas of the Company.
- **Benchmarking** of other international companies in the stock exchange sector.
- **Analysis of investor requirements in CSR** based on the analysis of contents/indicators requested through initiatives such as the *Dow Jones Sustainability Index (DJSI)*, *Carbon Disclosure Project – Climate Change (CDP)*, *FTSE4Good*.
- **Analysis of key aspects of CSR in other initiatives in which BME participates**, such as *Sustainability Stock Exchanges (SSE)* and the United Nations Global Compact.
- **Analysis of the recommendations for the reporting of the Society carried out by the CSR Observatory.**
- **Analysis of press clippings**, compiled by the Company over the last year.
- **Analysis of BME's Corporate Policies**, including, the Code of Conduct, Crime Prevention Guidelines, Tax policies and principles, and Policies for the processing and transmission of insider information.

THE RESULT OF THESE ACTIONS HAS ALLOWED THE FOLLOWING MATERIALITY MATRIX TO BE CREATED FOR THE COMPANY:



The following table specifies the specific coverage of each one of these material aspects.

Material aspect (G4-19,G4-20,G4-21)	Coverage ⁽¹⁾	
	Organisation	Outside of the organisation
Economic performance	√	√
Indirect economic impact		√
Energy and emissions	√	√
Occupational Health and Safety	√	
Local communities		√
Training and education	√	
Employment	√	
Equal opportunities	√	
Dissemination of financial knowledge		√
Supplier assessment	√	√
Fiscal policy	√	
Compliance	√	
Good governance	√	
Ethics and integrity		√
Transparency and independence in operations	√	
Value services for listed companies	√	√
Client management	√	√
Support for SMEs and start-ups in accessing the stock market		√
Security and accuracy of information	√	√

[1] BME's activities generate positive and negative impacts on sustainability. The coverage of each aspect makes reference to the place where these impacts occur (within the organisation and/or outside), with a description of their nature throughout the report.

Once these material aspects were identified and their coverage determined, the collection of information to prepare the report was performed based on interviews and sending information gathering sheets to managers within the Company.

Having received this data and the information concerning the context obtained through the activities carried out in the materiality analysis, BME has prepared the final version of this report. On the GRI table of contents included in the following section, the reader is referred to the sections where he/she can find information relating to each one of the indicators required by this international framework.

In those cases in which it is not been possible to cover all the requirements of the guidelines when reporting on a specific indicator, this has been detailed on the aforementioned table. The Company also undertakes to improve its information systems with the aim of having all the data required for future reports.

Further information

If you would like additional clarification regarding the information included in this document, or on the Company's activities concerning sustainability, you may contact BME at the following address: sconsejo@grupobme.es