



## **STATEMENT OF COMPLIANCE WITH THE INTERNATIONAL ORGANIZATION OF SECURITIES COMMISSIONS (“IOSCO”) PRINCIPLES FOR FINANCIAL BENCHMARKS ON BEHALF OF NATIONS INDEXES (“Nations”)**

**January 29, 2021**

This Statement of Compliance with the IOSCO Principles for Financial Benchmarks (“**IOSCO Principles**”) is on behalf of Nations Indexes. For the purpose of this Statement of Compliance, Nations Indexes is the “**Administrator**”.

The Board of the International Organization of Securities Commissions (“IOSCO”) published its final report entitled “Principles for Financial Benchmarks” on July 17, 2013 (the “Final Report”). The objective of the Final Report is to create an overarching framework of principles for benchmarks used in financial markets. The Final Report sets out nineteen principles (the “IOSCO Principles”) which can be viewed as a set of recommended practices to be implemented by administrators of, and submitters to, financial benchmarks. IOSCO has recommended that administrators of benchmarks, such as Nations Indexes, publicly disclose the extent of their compliance with the IOSCO Principles on an annual basis. This Statement of Compliance sets out the extent of Nations Indexes’ compliance with the IOSCO Principles in respect of those financial indexes.

The Administrator is responsible for compiling and publishing certain Benchmarks, which consist of both private bespoke or custom indexes which are created for specific users and are generally not made available publicly and indexes which are generally made available to the public. For the purposes of this Statement of Compliance, all indexes which the Administrator administers are covered by this Statement of Compliance.

In preparation for issuing this Statement of Compliance, the Administrator has carried out a review of the administration of their Benchmarks and has examined how their processes and procedures conform to the IOSCO Principles.

The Administrator is committed to operating their businesses in alignment with the IOSCO Principles and other relevant standards and considers that they comply with the IOSCO Principles in all material respects, taking into account proportionality. Control policies and procedures seek to ensure appropriate governance procedures are applied to the creation and maintenance of the Benchmarks. In addition, the Administrator and its employees are subject to Nations Indexes’ policies and procedures designed to identify and address conflicts of interest as well as applicable policies. Collectively, these policies and procedures seek to maintain the integrity of the process by which the Benchmarks of this Administrator are created and governed.

The Administrator exercises proportionality in relation to compliance with certain of the IOSCO Principles, where considered appropriate and proportionate to do so, on both on a regular basis and on an ad hoc basis. The Administrator will review, periodically as appropriate, such exercise of proportionality.

The Administrator has an index oversight function comprised of a cross-disciplinary group of senior Nations Indexes employees or consultants, to provide as relevant and proportionate, oversight of Index

administration, ensure accountability of those involved in the Index administration process, approve changes to or termination of Indexes and give guidance on best governance practices, as well as to review any complaints data and the results of internal audits, which are carried out in accordance with Nations Indexes' audit policies. The Administrator has established robust processes for the development, calculation, publication, maintenance, and licensing of indexes, including data sources, hierarchical use of pricing data, calculation methodology, Index determinations, validation, and the use of expert judgment (where relevant).

Additional details regarding Nations Indexes control, accountability and transparency framework as well as relevant methodology guides are available upon request from: [Information@Nations.com](mailto:Information@Nations.com)

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