

LPX Index Policy Relating to IOSCO “Principles for Financial Benchmarks”

LPX AG

2023

LPX AG (“LPX”) acts as the administrator for the LPX Listed Private Equity Index Series, the NMX Infrastructure Index Series and the DLX Direct Lending Index Series (“LPX Indices”). The LPX Indices are market-capitalisation weighted stock indices based on market prices sourced from regulated stock exchanges.

This document is designed to communicate the LPX policies with respect to the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks for the LPX Indices. This document provides guidance how LPX ensures compliance with the Principles 1-19.

This document and the information contained herein do not constitute (i) legal advice, (ii) any recommendation to use any LPX Indices (iii) any guarantees with respect to any LPX Indices. IOSCO and local regulators may issue additional guidance. This document is subject to change at any time without notice.

Principle 1

- a) All relevant information on the design, construction and calculation algorithm of the LPX Indices is set forth in the index guidelines, which are publicly available under the following link: https://www.lpx-group.com/lpx_indexing/index-information/index-guidelines-compliance/.
- b) As per end of trading day, the LPX Indices are published based on official closing prices data from regulated stock exchanges. During trading hours all LPX Indices are available in real time. For detailed information on the LPX Indices contact info@lpx-group.com.
- c) The LPX Indices are based on market prices published by independent third parties. The index data is made available widely through market data services providers, which also monitor the correctness of the index data. In case of a market disruption or absence of market prices, LPX immediately informs its clients. Detailed information can be found in the index guidelines. The calculation of the LPX Indices has been outsourced to a calculation agent (refer to Principles 2). LPX has ensured that the calculation agent has backup systems in place. Moreover, LPX has the continuing ability to calculate and disseminate the LPX Indices.
- d) All aspects of the LPX Indices are checked by the index oversight, which ensures the compliance of the LPX Indices with the IOSCO Principles for Financial Benchmarks and local regulatory requirements.

Principle 2

- a) LPX has appointed a third party as a calculation agent for the calculation of the LPX Indices. LPX has defined through written arrangements the role and obligations of the calculation agent as well as the required service level.
- b) LPX is monitoring the calculation agent and ensures that the agent complies with LPX standards. This includes regular on-site visits and quality checks with reference to the index calculation. LPX has defined through written arrangements the role and obligations of the calculation agent as well as the required service level.
- c) Details regarding the outsourcing partner (i.e. calculation agent) may be obtained on request.
- d) Operational risks are identified and are monitored by (i) the calculation agent (ii) LPX and (iii) third party vendors. Given that the indices are based on market prices sourced from regulated stock exchanges there is no need for further monitoring the other data providers. LPX has contingency plans in place to avoid undue operational risk related to the participation of third parties in the index calculation process.

Principle 3

LPX follows an index oversight directive, which addresses potential and actual conflict of interest in general. LPX has currently not identified any material actual conflicts of interest arising from its business relationships or ownership structure. All potential and actual conflict of interest are available upon request to all stakeholders.

Principle 4

LPX follows an index oversight directive, which covers all relevant stages of the benchmark administration. This relates to all LPX Indices.

Principle 5

All relevant aspects, which relate to the LPX Indices are monitored by the index oversight. Specifically, all decisions affecting the LPX Indices are overseen, monitored and checked for compliance (i.e., changes and amendments of the index guide, rebalancings, etc.). The index oversight directive is available upon request to all stakeholders.

Principle 6

All relevant information on the design, construction and calculation of the LPX Indices is set forth in the index guidelines, which are publicly available under the following link: https://www.lpx-group.com/lpx_indexing/index-information/index-guidelines-compliance/.

Principle 7

LPX has dedicated working instructions and procedures in place that ensure that the data quality for benchmark determination purposes is in compliance with IOSCO principles. Details on the input data for benchmark determination are outlined in the respective index guidelines, which are publicly available.

Principle 8

LPX has dedicated working instructions and procedures in place that ensure that the data hierarchy used for benchmark determination is in compliance with IOSCO principles. Details on the input data for benchmark determination are outlined in the respective index guidelines, which are publicly available.

Principle 9

All LPX Indices are derived from data sourced from regulated stock exchanges. Generally this type of index does not involve significant expert judgement. Detailed information regarding benchmark determination are outlined in the respective index guidelines, which are publicly available.

Principle 10

LPX has dedicated working instructions and procedures in place for the ordinary and extraordinary rebalancing of the LPX Indices. The index oversight controls for all aspects in relation to the rebalancing process of the indices. The summary of the rebalancing is published in advance before each rebalancing on the news section of the LPX corporate website.

Principle 11

All LPX Indices comply with the standards set forth by IOSCO. Detailed information regarding benchmark determination are outlined in the respective index guidelines, which are publicly available.

Principle 12

Changes to the LPX Index methodology are subject to approval by index oversight and communicated to all clients and partners in advance via appropriate channels. The changes are also communicated on the news section of the LPX corporate website.

Principle 13

Contracts that reference to the LPX Indices have robust fall-back provisions in the event of a cessation of a LPX Index. This includes relevant procedures that would be followed in case an index is ceased.

Principle 14

All LPX Indices are derived from data sourced from regulated stock exchanges. Detailed information regarding benchmark determination are outlined in the respective index guidelines, which are publicly available.

Principle 15

LPX has appointed a third party as a calculation agent for the calculation of the LPX Indices. LPX has defined through written arrangements the role and obligations of the calculation agent. LPX is monitoring the calculation agent and ensures that the agent complies with LPX standards. This includes regular on-site visits and quality checks of the index calculation. All input data for benchmark determination are sourced from regulated stock exchanges.

Principle 16

Complaints can be made to the following email address: complaints@lpx-group.com

Principle 17

LPX is committed to appointing an independent external auditor to perform an audit of compliance of LPX with the IOSCO principles. As the LPX Indices are designed for replication, based on regulated market data input, LPX does not deem to undergo further audits.

Principle 18

LPX stores all benchmark relevant data for at least for 5 years.

Principle 19

LPX is supervised by the European Securities and Markets Authority (ESMA) and a listed benchmark administrator in the ESMA Register under Article 32 of the EU Benchmark Regulation(EU-BMR).

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