

17 February 2022

CC Data's IOSCO Principles for Financial Benchmarks – Compliance Statement

Introduction

The Board of the International Organization of Securities Commissions (“**IOSCO**”) published its final report entitled “Principles for Financial Benchmarks” on 17 July 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 publicly disclose the extent of their compliance with the IOSCO Principles on an annual basis.

This compliance statement is provided by CC Data Limited (**CC Data**) which is the benchmark administrator for the Crypto Coin Comparison Aggregated Index, which is a proprietary family of benchmarks for pricing digital assets (“**Benchmarks**”). Where the indices are owned or administered by it, CC Data serves as an Administrator as described within the IOSCO Principles.

CC Data is committed to administering its benchmarks in accordance with the IOSCO Principles and other relevant industry standards and has taken proactive steps in response to developing industry and regulatory standards on financial benchmarks, including the United Kingdom Benchmarks Regulation (“**UK BMR**”). As of 3 November 2021, the UK Financial Conduct Authority (the “**FCA**”) officially authorised CC Data as a Benchmark Administrator under Article 34 of the UK BMR, and CC Data (as at the date of this Statement of Compliance) listed on the FCA Benchmarks Register as a Benchmark Administrator.

For the avoidance of doubt, this Statement of Compliance is not intended to constitute a benchmark statement under the UK BMR. A separate Benchmark Statement has been prepared for the benchmark family categorised by CC Data as such in accordance with the UK BMR. The Benchmark Statement can be found [here](#).

The content of this Statement of Compliance follows the order of the IOSCO Principles, which can be grouped into four sub-sections: Governance, Benchmark Design, Quality of the Methodology, and Accountability. This Statement of Compliance serves as a summary of CC Data's control framework.

Compliance with IOSCO Principles

As contemplated by the IOSCO Principles, in assessing the extent of CC Data's compliance, CC Data has sought to implement the IOSCO Principles in a manner which is proportionate to the size of, and the risks posed by, each Benchmark and/or CC Data as Administrator, and by the Benchmark-setting process, whilst also taking into consideration the application of the requirements in the UK BMR. CC Data is of the view that to the best of our knowledge, it complies with the IOSCO Principles.

Application of these Principles is a factor of the size and risks posed by CC Data, which assumes responsibility for the Benchmark determination process from development through to dissemination, providing appropriate transparency, governance, accountability and oversight procedures and protocols to ensure quality of benchmarks and methodologies.

CC Data always acts as a calculation agent to calculate and maintain its Benchmarks but it retains full oversight in cases where it may use third parties relating to the Benchmark determination process. CC Data takes reasonable steps to avoid undue operational risks and maintains a Business Continuity Plan.

CC Data has established and maintains at least two independent data centres, which operate on a fully redundant basis, acting as back-ups of each other.

CC Data has written, adopted policies relating to Ownership Structure, Expert Judgement, Confidential Information, Data Protection and Employee Personal Account Dealing to help identify, disclose, manage/mitigate and avoid conflicts of interest and ensure the integrity and independence of the Benchmark determination process.

In addition, CC Data's remuneration policy ensures that employees involved in Benchmark determination do not have performance goals or bonus arrangements linked to any prices or levels of the Benchmarks themselves.

CC Data has a written Control Framework for the processes of determining and distributing Benchmarks and it ensures that employees have the requisite levels of experience to carry out and review these processes. CC Data has established an identifiable oversight function, accountable to the Chief Executive Officer ("CEO") for the development, issuance and operation of its Benchmarks. The oversight function has appropriate seniority and the ability to make recommendations, challenge and changes in tandem with the CEO where necessary. The oversight function additionally identifies and records any conflicts of interest and ensures that they are removed or mitigated effectively. CC Data also has a Technical Committee, whose role is to guarantee compliance with construction rules and the calculation and publication of benchmarks. In accordance with the Governance Framework, CC Data has adopted three lines of defence - the first line is the Technical Committee, the second line is the Oversight Function, and the third line is external review. The Technical Committee and Oversight Function are governed by the Terms of Reference.

CC Data maintains various controls, procedures and logs to identify potential data input issues for digital asset prices, FX rates, digital asset corporate actions and blockchain fundamental data.

For any potential misconduct, CC Data has implemented a whistleblowing mechanism

whereby any stakeholder can lodge an issue using the simple complaints procedure. CC Data has an established process for receiving and addressing complaints and maintains an audit trail of any actions taken to address complaints. Such records are kept for at least 5 years.

CC Data publicly provides interested stakeholders with periodically reviewed methodology documentation regarding Benchmark determination. These documents are constructed with representativeness and replicability in mind. CC Data regularly reviews the appropriateness of its policies and procedures to ensure the integrity and quality of its Benchmarks. Any material changes to the methodology of the Benchmarks or decisions to cease the Benchmark will be communicated to stakeholders using various media channels.

CC Data uses traded prices and order book data from digital asset exchanges for its benchmarks.

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