



12 September 2023

IOSCO Principles for Financial Benchmarks – Compliance Statement

Introduction

The Board of the International Organization of Securities Commissions (“**IOSCO**”) published its final report titled “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. CCData benchmarks exclusively use publicly available trade data from exchanges as their inputs, and as such, CCData Benchmarks do not have submitters. 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 (**CCData**), the benchmark administrator for CCCAGG, which is a proprietary family of benchmarks for pricing digital assets, among other indices (“**Benchmarks**”). Where the Benchmarks are owned or administered by it, CCData serves as an Administrator as described within the IOSCO Principles and BMR.

CCData 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 (“**BMR**”). As of 3 November 2021, the UK Financial Conduct Authority (the “**FCA**”) officially authorised CCData as a registered Benchmark Administrator under Article 34 of BMR, and CCData (as at the date of this Statement of Compliance) is [listed on the FCA Benchmarks Register](#) as a Benchmark Administrator.

The IOSCO Principles are clear that where benchmark regulation is enacted, this supersedes the IOSCO Principles. Currently, market-wide BMR is only in place in the UK and EU, and CCData administers its Benchmarks in compliance with BMR. As BMR and the IOSCO Principles are written to be complementary, CCData states that its Benchmarks are also administered in alignment with IOSCO Principles.

For the avoidance of doubt, this Statement of Compliance is not intended to constitute a benchmark statement under BMR. A separate benchmark statement has been prepared for the Benchmarks categorised by CCData as such in accordance with BMR.

Benchmark statements can be found here:

<https://ccdata.io/methodology-docs/cccagg-benchmark-statement>

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 CCData's control framework.

Compliance with IOSCO Principles

As contemplated by the IOSCO Principles, in assessing the extent of CCData's compliance, CCData 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 CCData as Administrator, and by the Benchmark-setting process, whilst also taking into consideration the application of the requirements in the UK BMR. CCData states that its administration of benchmarks is aligned with the IOSCO Principles.

Application of these Principles is a factor of the size and risks posed by CCData, 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.

CCData 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. CCData takes reasonable steps to avoid undue operational risks and maintains a Business Continuity Plan.

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

CCData has written, adopted policies relating to Ownership Structure, Expert Judgment, 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, CCData's remuneration policy ensures that employees involved in Benchmark determination do not have performance goals or bonus arrangements linked to any prices, performance, usage or levels of the Benchmarks themselves.

CCData has written a 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. CCData has an 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 or potential conflicts of interest and ensures that they are removed or mitigated effectively. CCData 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, CCData has adopted three lines of defence - the first line is the Technical Committee, the second line is the Oversight Function and CCData compliance, and the third line is external review. The Technical Committee and Oversight Function are governed by the Terms of Reference.

CCData 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, CCData has implemented a whistleblowing mechanism whereby any stakeholder can lodge an issue using the simple complaints procedure. CCData 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.

CCData publicly provides interested stakeholders with periodically reviewed methodology documentation regarding Benchmark determination. These documents are constructed with representativeness and replicability in mind. CCData 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. CCData methodologies include the rationales for the adoption of calculation mechanisms and data sourcing. Results of reviews and reasons for additions, deletions and other changes to CCData Benchmarks are published on the CCData website.

CCData exclusively uses traded prices and order book data from digital asset exchanges as inputs for its Benchmarks.

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Version	Data	Changes
1.0	February 2022	Original Version
1.1	June 2023	Logo Changes, contact details and links
1.2	September 2023	Periodic Review