

IOSCO Principles - Statement of Adherence

indxx



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1. Introduction:

Indxx seeks to redefine the global indexing space. Founded in 2005 and with offices in New York, Miami, and New Delhi, Indxx endeavors to deliver innovative solutions to the investment management community at large. These range from end-to-end indexing solutions to index services and technology products. Our domain expertise and technological prowess enable us to bring disruptive best-in-class solutions to the market. Currently, there are 108 financial products tracking our indices, with a cumulative AUM of \$16.69 billion.

Indxx is responsible for calculating and administering a total of approximately 460+ indices, spread across varying degrees of complexity, ranging from plain vanilla equity to indices comprised of multiple underlying indices. We have the capabilities to calculate indices in the following asset classes: equity, ETFs, commodities. Indxx sources data from reliable and well-known data providers such as Refinitiv, FactSet, EDI and Bloomberg. Index Data is freely accessible at our official website.

2. IOSCO Overview:

On July 17, 2013, the International Organization of Securities Commissions (“IOSCO”) published the Principles for Financial Benchmarks (“Principles”) which addressed conflicts of interest in benchmark-setting processes, as well as other matters related to benchmarks.

IOSCO’s objective is to create an overarching framework of Principles for Benchmarks used in financial markets. Specifically, the IOSCO Board seeks to articulate policy guidance and principles for Benchmark-related activities that will address conflicts of interest in the Benchmark-setting process, as well as transparency and openness when considering issues related to transition. Consistent with this objective, the definition of Benchmark that has been adopted for these Principles is very broad. IOSCO principles more oriented and recommends having controls in place for below key factors,

- **Governance** - appropriate governance arrangements in place to protect the integrity of the Benchmark determination process and to address conflicts of interest.
- **Quality of the Benchmark** - promote the quality and integrity of Benchmark determinations through the application of design factors that result in a Benchmark that reflects a credible market for an Interest measured by that Benchmark.
- **Quality of the Methodology** - promote the quality and integrity of Methodologies by setting out minimum information that should be addressed within a Methodology, which should be Published or Made Available so that Stakeholders may understand and make their own judgments concerning the overall credibility of a Benchmark.
- **Accountability** - establish complaints processes, documentation standards and audit reviews that are intended to provide evidence of compliance by the Administrator with its quality standards, as defined by these Principles and its own policies.

3. Audit Review & Report:

AUDIT REPORT TO THE INDXX RESPONSES OF FINANCIAL BENCHMARKS COMPLIANCE WITH THE IOSCO PRINCIPLES

While performing the Audit & review, we have performed an analysis and assessment of the Standards of Compliance of Indxx in accordance with the Principles for Financial Benchmarks of the **International Organisation of Securities Commissions (IOSCO)** in relation to the Indxx-administered indices throughout the period from 1 January 2022 to 31 December 2022 for the purpose of expressing a reasonable assurance opinion whether the IOSCO Compliance Standards statement of Indxx is adequately stated, in relation to all the relevant and applicable matter of facts and adherence in accordance with the stated principles.

Our responsibility is to reflect the reasonable opinion in relation to the assurance of IOSCO stated standards and principles on INDXX statement of responses to the IOSCO Compliances. Our assessment and analysis include* the procedural checks, list of activities, procedural guidelines, process manuals, process-oriented policies, calculation standards guidelines, methodology documents, and other supporting documentations for the period of 1st January 2022 to 31st December 2022. Further, we have provided our opinion based on the available information/facts provided by the concerned stakeholders and management which is subject to inherent limitations such as errors or irregularities that may occur, minute and non-effective.

Additionally, have undertaken the rights from senior management and board to access the required information from all related personnel and stakeholders, which have been provided to us and made accessible for review purposes.

*List of inclusion –

- Indxx Methodology documents
- Indxx Calculation standard guidelines document
- Indxx Restatement policy
- Indxx Termination policy
- Indxx Complaints procedure policy
- Indxx Risk mitigation policy
- Indxx Country classification and Investability Requirements document
- Indxx Index Operations process manual
- Indxx Index Quality process manual
- Indxx Index Review process manual
- Indxx Index Product development process manual
- Indxx Product development guidebook
- Indxx Committee charters

Post assessment, based on the results and artefacts shared by Indxx, this is to notify that **Indxx has oriented mechanisms and governance controls in line with the required standards and adequate in accordance with the IOSCO Compliance principles in all matter of facts.**

4. Indxx’s statement of adherence to the IOSCO principles:

Indxx is committed to promoting the highest possible governance standards within our industry and fully endorses and embraces the IOSCO Principles.

Indxx has an independent group, the Indxx Compliance function and governing Committee, that has reviewed our compliance with the principles.

The Committee is responsible for the identification of the governance and control framework for our business, including the design and operation of policies and procedures.

The Committee has reviewed Indxx’s controls and processes, and believes we are in compliance with the IOSCO Principles for all benchmarks where Indxx serves as the Benchmark Administrator.

Indxx endeavors to continue to fully support the IOSCO Principles in spirit and through our actions.

For additional questions on Indxx’s Adherence to the IOSCO Principles, please contact at info@indxx.com.