ESMA_QA_867

Submission Date
01/04/2022

Status: Answer Published

Additional Information

Level 1 Regulation
Benchmarks Regulation (BMR) - Regulation 2016/1011

Topic
Climate Benchmarks

Subject Matter
ESG factors reflected in the benchmark statement and methodology (ESMA 70-145-114 QAs on BMRs Q&A 10.2)

Question
Does the Delegated Regulation (EU) 2020/1817 allow an administrator to take into account in the key elements of the methodology additional ESG factors not listed in the Delegated Regulation (EU) 2020/1816?

ESMA Answer

01-04-2022

Original language

Yes.

Article 1(4) of the Delegated Regulation (EU) 2020/1817 allows administrators to include in the explanation provided additional ESG factors that the administrator takes into account in its methodology together with the related information.

Further, items 5 and 6 of the Annex of the Delegated Regulation (EU) 2020/1817 require administrators to list those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II of the Delegated Regulation (EU) 2020/1816.

Therefore, ESMA considers that the list of ESG factors in Annex II of the Delegated Regulation (EU) 2020/1816 is not an exhaustive list to be considered for the methodology and that an administrator can take into account in the key elements of the methodology additional ESG factors that are not included in that list.