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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 (ESMA70-145-114 QAs on BMR Q&A 10.4)

Question
Should the details provided under item 6 and item 7 of Annex I of the Delegated Regulation (EU) No 2020/1816 include scores for each of the ESG factors listed in Annex II of that same regulation?

ESMA Answer

01-04-2022

Original language

Yes.

Article 2(2) of the Delegated Regulation (EU) No 2020/1816 provides that an administrator has to provide the scores of the ESG factors listed in Annex II of the said regulation when responding to items 6 and 7 of Annex I of the same regulation.

As a consequence, when a benchmark's methodology pursues ESG objectives, the administrator should provide in its benchmark statement as a minimum all the ESG factors listed in Annex II of the Delegated Regulation (EU) 2020/1816 that are not flagged as voluntary, in order to ensure the comparability of the information provided for different benchmarks and to allow investors to make informed choices.

In addition, administrators providing such information are expected to hold the necessary data to comply with this disclosure obligation.