

ESMA\_QA\_871

**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 BMR Q&A 10.6)

## Question

Can administrators at the same time disclose that the benchmarks they provide do not pursue ESG objectives in item 5 of the Annex I of the Delegated Regulation (EU) 2020/1816 but still disclose the information listed in items 6 and 7 of the same Annex?

## **ESMA Answer**

01-04-2022

## Original language

Pursuant to items 6 and 7 of Annex I of the Delegated Regulation (EU) 2020/1816, when the response to Item 5 is positive, i.e. the benchmark or family of benchmarks pursues ESG objectives or, interchangeably, takes into account ESG factors (please refer to Q&A 10.13), the administrator should provide the div in relation to the ESG factors listed in Annex II of the same regulation. Therefore, it is only when the benchmark pursues ESG objectives or, interchangeably, takes into account ESG factors that the BMR requires the administrator to disclose in the benchmark statement the div in relation to the ESG factors.

So, when the benchmark does not pursue ESG objectives or, interchangeably, does not take into account ESG factors, the administrator should not disclose in the benchmark statement template the div of the ESG factors for the purpose of compliance with the BMR in order not to undermine the comparability of the information provided for different benchmarks and to allow investors to make informed choices.