

**Submission Date**

16/07/2021

# ESMA\_QA\_895

Status: Answer Published

## **Additional Information**

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### **Level 1 Regulation**

Benchmarks Regulation (BMR) - Regulation 2016/1011

### **Topic**

Climate Benchmarks

## **Subject Matter**

EU Climate Transition Benchmarks and EU Paris-Aligned Benchmarks

## **Question**

What are the disclosure requirements that an administrator of an EU Climate Transition Benchmark (EU CTB) or an EU Paris-aligned Benchmark (EU PAB) should comply with?

## ESMA Answer

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16-07-2021

Original language

Chapter III of the Delegated Regulation (EU) 2020/1818 on the minimum standards for EU CTB and EU PAB includes transparency requirements for administrators of EU CTB and EU PAB on the methodology used for the estimation, the decarbonisation trajectory and the data sources.

Further, pursuant to Articles 3(1)(23a) and (23b) of the BMR<sup>[1]</sup>, the underlying assets of such benchmarks are selected, weighted or excluded in such a manner that the resulting portfolio of an EU CTB is on a decarbonisation trajectory whereas the resulting portfolio's carbon emissions of an EU PAB are aligned with the objectives of the Paris Agreement.

As a consequence, the EU CTB and EU PAB pursue ESG objectives according to item 5 of Annex I of the Delegated Regulation (EU) 2020/1816 on the disclosure in the benchmark statement of the ESG factors.

Therefore, in addition to the aforementioned requirements laid down in Chapter III of the Delegated Regulation (EU) 2020/1818, administrators of EU CTB and administrators of EU PAB should disclose in their benchmark statement also the ESG factors listed in, and in accordance with, Annex II of [the Delegated Regulation \(EU\) 2020/1816](#).

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<sup>[1]</sup> Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) 2016/1011 as regards EU Climate Transition Benchmarks, EU Paris-aligned benchmarks and sustainability-related disclosures for benchmarks.