ESMA_QA_1014

Submission Date
12/07/2019

Status: Published Answer Updated

Additional Information

Level 1 Regulation
Prospectus Regulation 2017/1129

Topic
Content of prospectus

Subject Matter
How should the text "description of the index" included in item 2.2.2 of Annex 17 of the Commission Delegated Regulation (EU) 2019/980 be understood (Updated 09/09/2026)

Question
How should the text “description of the index” included in item 2.2.2 (“Where the underlying is an index”) of Annex 17 of the Commission Delegated Regulation (EU) 2019/980 be understood (Updated 09/09/2026)

ESMA Answer

09-09-2026

Original language

To allow an investor to make an informed assessment, ESMA believes that the description of the index should contain the essential characteristics which will enable full comprehension of the index and its dynamics.

Accordingly, ESMA considers that at least a description of the following essential characteristics should be included:

- strategy of the index/investment policy;

- description of the individual selection process of the components weighting factors;

- method and formulas of calculation;

- name of the calculation agent;

- adjustment rules;

- review frequency;

- type of index (price return, excess return, etc.); and

- currency

The description of the composition of the index should be provided as of the date of the prospectus. **(Updated answer 09/09/2026)**

~~12/07/2019~~

~~**Subject Matter:** Derivatives, indices, underlyings and related disclosure - Interpretation of the text "description of the index" included in item 2.2.2 of Annex 17 of the Commission~~

Delegated Regulation (EU) 2019/980

Question: ESMA has discussed how the text “description of the index” included in item 2.2.2 (“Where the underlying is an index”) of Annex 17 of the Commission Delegated Regulation (EU) 2019/980 should be interpreted?

Answer:

[ESMA31-62-1258 Prospectuses Q&A 12.1]

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