Response to Consultation Paper on Guidelines on the submission of periodic information to ESMA by Benchmark Administrators, Credit Rating Agencies and Market Transparency Infrastructures

1. General information

REGIS-TR S.A. (the "Company" or "REGIS-TR") is a limited liability company ("Société anonyme") organised and existing under the laws of Luxembourg. The registered office of the Company is 15, rue Léon Laval, L-3372 Leudelange, Grand Duchy of Luxembourg, and is registered at the commercial register in Luxembourg under number B 157 650.

The Company was created with the objective of simplifying regulatory reporting obligations by providing a consolidated service to comply with the full range of EU and European financial reporting requirements.

REGIS-TR is a European Trade Repository (TR) for reporting trades and transactions across multiple product classes and jurisdictions. The TR is open to financial and non-financial institutions, and services the major regulatory reporting obligations in Europe, namely EMIR, FinfraG and SFTR.

REGIS-TR collects and administers details of derivative trades and securities financing transactions reported by its customers (market participants) to give its customers and regulators an aggregated view of positions in compliance with the relevant regulations.

In addition, REGIS-TR provides services to support its sister company REGIS-TR UK Limited, as a result of BREXIT.

The Company is primarily consolidated within the financial statements of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("Iberclear"), which is a subsidiary fully owned by SIX Group AG ("SIX").

2. Questions

Q1: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the board and internal governance documents? Please elaborate on the reasons for your response.

- **Item 1. Board Documents**

REGIS-TR agrees with the proposed frequency for Item 1, however, we do not agree with the proposed modification to include the minutes from the most recent board meetings. These minutes cannot be shared until they have been officially approved and prepared for release. Within the quarterly delivery of the BoD packs, ESMA will receive the most recent available BoD meeting minutes, which are approved at BoD meetings. Therefore, ESMA will ensure timely receipt of both the BoD packs and the most recently approved meeting minutes.

- **Item 2. Board meetings schedule and location**

REGIS-TR proposes to submit Item 2 once per year at the beginning of the year, as is the current practice. Nevertheless, we recommend discontinuing multiple updates throughout after every

change since significant modifications to the calendar are rare, though minor adjustments to exact dates may occur quite frequently. Reporting these changes represents an unnecessarily burden. Additionally, the meeting agenda is frequently subject to revision and not available until days prior to the meeting taking place. Based on the approach proposed for Item 1, ESMA will receive the final agenda along with the complete meeting pack shortly after each Board of Directors meeting.

- **Item 3. Organisational Charts**

REGIS-TR agrees with the proposed frequency for Item 3, however, we would like the Guidelines to clarify the scope of "All Staff". REGIS-TR understands that when "all staff" needs to be reported under "Group", it means all staff of the supervised entity for that function, in addition to the full hierarchy down to the last managerial position at group level for that function.

- **Item 4. New and Potential Conflicts of Interest**

REGIS-TR agrees with the proposed approach for Item 4. The current template 2a: Conflict of Interest in the "Guidelines on the submission of periodic information to ESMA by Credit Rating Agencies – 2nd Edition" represents a good basis.

Q2: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the internal controls documents? Please elaborate on the reasons for your response.

- **Item 5. Compliance Work Plan**

REGIS-TR agrees with the proposed approach for Item 5. No further comments.

- **Item 6. Internal Audit Work Plan**

REGIS-TR agrees with the proposed approach for Periodic Reporting, regarding to no longer requiring periodic internal audit reports. This reduces redundancy and allows for a more streamlined reporting process. This can enhance the overall effectiveness of the internal audit function.

- **Item 7. Internal Control Monitoring: assessments**

REGIS-TR agrees with the proposed approach for Item 7, specifically the shift from biannual to annual submission for calendar A.
Additionally, REGIS-TR has a proposal on the current Item 23 template:
  o Removal of either "INITIATION_DATE" or "START_DATE" from the reporting columns, as they convey overlapping information, which could simplify the documentation and avoid potential confusion.

However, we reserve our comments on the content until we can fully evaluate the extent of work required based on the updated [IC_CM & IA Overview] template

Q3: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the information technology and security documents? Please elaborate on the reasons for your response.

- **Item 8: ICT Risk Profile:**

The proposed approach for Periodic Reporting does not seem optimal as it is already addressed as part of DORA requirements. Periodic reporting on risk management should be focused on providing a holistic view of the company's risk profile and its evolution in certain period. By focusing this item on ICT risks, the information provided on company risks is incomplete and may misrepresent or neglect other concerns and uncertainties of higher significance and different nature (e.g., financial risks, business risks, project risks, regulatory risks, etc.) where efforts should be prioritized. Therefore, this DORA-driven approach for a periodic reporting not only overlaps with the risk reporting from DORA regulation but also lacks visibility on other types of risks to which the Supervisor may also direct his attention.

ICT risks are already considered on REGIS-TR risk inventory as part of its operational risk profile and therefore they are being reported to REGIS-TR Management and Board of Directors on a regular basis as part of the periodic risk updates conducted. This reporting focuses on REGIS-TR major risks as well as potential changes coming from new risks raised in the period, risk level increases/decreases and risk removals. Whenever an ICT risk is affected by any of these circumstances, the corresponding change in the risk profile is made visible to the REGIS-TR governing bodies responsible for an adequate risk management and control.

- **Item 9. Review or audit report of the ICT risk management framework**

We agree with the proposed approach. We define the triennial planning of the audits, following the Group's corporate Internal Audit Risk Assessment. With this approach, the risk potential of all items subject to be audited are systematically analysed every year, and the triennial plan is updated in accordance with this standardized methodology. We define the audits plan including the processes related to Business, Information Technology and Information Security (e.g., ICT). Furthermore, with the entry into application of the Digital and Operational Resilience Act (DORA), the assessment of this year, includes items related to DORA to define the next planning of the audits.

Regarding the ICT risk management framework and its components (i.e., strategy, organization, processes,…), as they are related to our Information Technology and Information Security audits, they will be reviewed according to the triennial planning of the audits and will be shared with ESMA according to the established periodic reporting.

- **Item 10. Summary of findings from annual tests of ICT business continuity plans and the ICT response and recovery plans**

REGIS-TR agrees with providing an annual summary of the results of the ICT business continuity tests and ICT response and recovery tests (Disaster Recovery). We can provide the annual backup check exercise and the restoration tests performed in the annual contingency tests. Our redundant capacity checks are also done during the annual contingency test, as we can collect the evidence of the performance of the system during the usage of our redundant infrastructure and we can prove we are up to the business requirements as we can perform our BAU during one week in the redundant infrastructure. For cyber-attack scenarios, please refer to comments to item 11.

REGIS-TR will also be able to provide the results of the independent audits performed to REGIS-TR.

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- **Item 11. Summary of findings from the digital operational resilience tests and relevant ICT audits**

In terms of providing a summary of findings and remediation actions obtained from security assessments (security vulnerabilities/issues) we agree on the frequency but we want to clarify the following: following internal regulation, we carry out every two years a penetration test of our critical applications (or after any meaningful change). We also carry out every two years a security assessment to our applications to review implementation of controls and alignment with framework. We normally do not perform both reviews (penetration testing and security assessment) in the same year for a given application. Given that the required frequency for this item is annual, one year we can provide the results of either a penetration test or of the security assessment, but not both, since frequency is not annual (but every two year) for each application.

Regarding the ICT audit outcomes and the recommended actions identified by the audit function, these requests overlap with other items within the document as they are provided as part of Item 1, 'Board Documents,' and Item 7, 'Internal Control Monitoring.

Q4: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the audited financial statement documents? Please elaborate on the reasons for your response.

REGIS-TR agrees with the approach.

Q5: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the BMAs periodic information documents? Please elaborate on the reasons for your response.
N/A

Q6: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the CRAs periodic information documents? Please elaborate on the reasons for your response.
N/A

Q7: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the DRSPs periodic information documents? Please elaborate on the reasons for your response.
N/A

Q8: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the SRs periodic information documents? Please elaborate on the reasons for your response.
N/A

Q9: Do you agree with the proposed approach regarding the content and the frequency of the reporting of the TRs periodic information documents? Please elaborate on the reasons for your response

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- **Item 31: TR participants overview**

REGIS-TR agrees with the approach. However, regarding the current template in the comments section we provide some general comments which explain how we construct the file itself, amongst them, we clarify that the fees received (column J) are populated with the fees charged during the last 6 months as we submit the report semi-annually. Thus, as the submission of this report is also suggested on semi-annual basis for calendar A, we would recommend to clarify within the guidance the billing period expected to be reflected.

- **Item 32: Regulatory access status**

REGIS-TR believes that certain aspects of the content as per current template and frequency of the Regulatory Access Status item could be updated:
- Regarding the content and information, ESMA already has updated details on the active queries for each authority and the frequency of reports submission through TRACE, which is the required regulatory connection. Thus, the number of reports submitted to each authority is already available to ESMA. Any connection via different channel is bilaterally agreed between the TR and the authority. Therefore, we suggest to exclude the field "the number of reports submitted" from the Template.
- Also, the column asking to provide "contact date" should become obsolete, as the important dates are when paperwork was completed by the authority and the onboarding date.
- Regarding the frequency, this item is not providing updated information every quarter on authorities onboarding status as most of the authorities are already onboarded as a one-off by the Reporting Start Date. Thus, our proposal is to have this item as annual.

In addition, our understanding is that once the new Guidelines will come into force, the information provided under EMIR, should be as of EMIR REFIT reporting start date.

- **Item 33 : Data Volume**

REGIS-TR believes that only post REFIT RSD data shall be considered for this report. In case ESMA does not share this view, REGIS-TR understands that an additional category should be added in the current EMIR template, making the final categorization look as follows:
- A: Data meeting the REFIT requirements
- B: Data meeting the RTS requirements (implemented on the 1st of November 2017);
- C: Data whose quality meets level 2 validation rules (implemented on the 2nd of November 2015), but does not meet new RTS requirements;
- D: Data whose quality is below level 2 validation rules
We also propose to have this item to be reported on annual basis.

- **Item 34: Reconciliation statistics**

We agree with the proposed approach.

- **Item 35: TR Staff Numbers & Other Indicators**

We believe this reporting requirement should be removed for the following reasons:

- The number of staff is reported within the Annual Management report
- The current reporting requires a split of FTE's between EMIR and SFTR, however, it is very difficult for a Trade Repository to allocate FTE's who perform a common or support role within the organisation to two regulations.
- Trade Repositories are technology driven companies, and hence a split between "Operations" and "Information Technology" does not add any value.
- The number of resources for the areas of i) Information Security ii) Compliance, iii) Internal Audit and vi) Risks Management is already required to be reported under "Item 3 – Organisation Chart"., i.e. "All staff", at both supervised entity level as well as group level. NB: If required, this requirement could be updated to list the resources and specify the FTE allocation of the "All staff".
- Information is recorded under "Item 3 – Organisation chart"

Q10: Do you agree with the proposed approach regarding the reporting of the material changes to the conditions for initial registration? Please elaborate on the reasons for your response.

- **Item 36. Change to Membership of Supervisory / Administrative Board**

We agree with the proposed approach for Item 36. No further comments.

Q11: Do you agree with the proposed approach regarding the reporting of the cross-sectoral notifications not related to the material changes to the conditions for initial registration? Please elaborate on the reasons for your response.

- **Item 37: ICT and Information security incidents notifications:**

REGIS-TR would like to express our agreement with the approach proposed by ESMA. However, REGIS-TR would like also to request further clarification regarding the practical implementation of this approach, specifically concerning the relationship between the new reporting framework under DORA and the current incident reporting requirements.

REGIS-TR would appreciate confirmation that, once DORA comes into effect, the incident reporting process under DORA regulation will replace existing procedures for reporting similar incidents. This would prevent the duplication of efforts and resources, as the existence of two parallel reporting lines could create unnecessary administrative burdens for the entities involved.

- **Item 38: Potential and actual cases of non-compliance with the relevant sectoral regulation**

We agree with the proposed approach for Item 38. No further comments.

- **Item 39: Litigations**

Submission of information regarding any existing, new or potential legal actions must be limited to those cases indicated in paragraph 90, that is, proceedings that may adversely impact the continuity or quality of the product or service provided and/or materially impact the financial position of a

reporting entity. Not every legal action should be reported basing on a materiality analysis. This shall be clearly stated as in paragraph 89, despite the following one, it can be understood that every legal action must be reported. Also, information regarding actions that the TR is aware that may be taken should be limited to those cases where a TR is "reasonably" aware, including such nuance in the text.

- **Item 40: Internal Complaints submitted to the Compliance Department**

REFIS-TR would like to request further details on the scope and nature on the complaints ESMA seeks to be reported, assuming that the reporting of complaints should be within the scope of the EMIR and SFTR related regulations and Trade Repositories activity.

Q12: Do you agree with the proposed approach regarding the reporting of the BMAs ad-hoc notifications? Please elaborate on the reasons for your response.
 N/A

 Q13: Do you agree with the proposed approach regarding the reporting of the CRAs ad-hoc notifications? Please elaborate on the reasons for your response.
 N/A

Q14: Do you agree with the proposed approach regarding the reporting of the DRSPs ad-hoc notifications? Please elaborate on the reasons for your response.
N/A

Q15: Do you agree with the proposed approach regarding the reporting of the SRs adhoc notifications? Please elaborate on the reasons for your response.
N/A

Q16: Do you agree with the proposed approach regarding the reporting of the TRs ad-hoc notifications? Please elaborate on the reasons for your response.

- **Item 48. Cessation of business**

REGIS-TR would like to provide some comments regarding the current reporting template (T57) for the ad-hoc item cessation of business:
- Section 1.3: we believe that the formal notification is sufficient and no legal documents as evidences at that point are needed.
- Section 1.4: we suggest to exclude from the notification the identification of responsible person(s) approving the winddown plan, as it should be sufficient to indicate who will execute i.e. will be contact person for ESMA and coordinating and implementing the winddown plan.
- Sections 1.6-1.12 are requiring to input information that has to be part of winddown plan as per our understanding, thus we consider repetitive to include this content in the template. Therefore, we suggest either to remove from the template these points or clarify if we shall exclude such information from the winddown plan to not repeat; or otherwise to include the reference in the template to the related document should be sufficient.
- Section 3.1: a longer time period should be given as it depends also on other TRs collaboration.

- Section 3.3: the requirement to keep safely the data that has been already transferred is redundant, because it should be deleted and removed from the system to avoid any unauthorised access.
- Section 3.4: such information which is reasonable to be asked for shall be provided with sufficient time before the execution takes place (ESMA to define this timeframe). However, the timing for providing this information shall not be based on the moment of notification of item 2,1 takes place, as this may be done too early in time before this specific information is available.
- Section 4.1: a clarification is needed from what moment onwards the updates shall be provided regularly.
- Sections 4.2 and 4.3 could be combined together given the information required.

- **Item 49. Notification of a portability request**

We do agree on the proposed approach, however we consider that within the current template, column M "EXPECTED_ACTIONS" is redundant with respect to column M "CURRENT_STATUS". We suggest column M to be removed.

- **Any other material changes to the conditions of registration**

In addition, REGIS-TR would like to suggest certain changes in the reporting of the following item subject to ad-hoc notifications:
- The item "Any other material changes to the conditions of registration" shall be removed. We believe ESMA should list all items they wish to receive in the Guidelines, not leaving this one open for interpretation what else TRs should deliver.

- **Additional comments**

The proposed Guidelines do not mention anything about the naming convention, nor format (xls, csv, zip..) of the reports as per current Guidelines in force. Could we assume that these requirements will no longer be applicable with the new Guidelines?
In addition, new proposed Guidelines refer that ESMA may require reporting entities to transmit certain templates through different reporting channels, for example through web-based applications managed by ESMA and via e-mail, depending on the nature of the item to be reported. Currently, TRs are required to use three different reporting channels:
- Tresorit, for all periodic reporting notifications.
- BWise, for ad-hoc notifications of incidents (item 55).
- E-mail, for the rest of ad-hoc notifications.

For the BWise tool used for incident reporting, we have encountered issues due to the lack of automation (all fields must be manually entered in the platform) and various bugs identified during initial use, which have complicated the complete submission of information. Additionally, this tool adds an extra step to the notification process (the template is completed internally and then information is manually added to BWise), delaying the notification process to ESMA, which must be completed within 24 hours. If this tool is to be used in long-term, its automation and enhancement should be considered to ensure a smooth submission process.

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We would like to suggest that ESMA uses only one reporting channel, such as Tresorit, and allow a number of individuals from the reporting entity to have access to the tool.