



Compass Crypto Total Return Indices

Benchmark Statement

November 28th, 2023

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1 General Information

Index Family Name : Compass Crypto Total Return Indices

Initial Date of Publication : December 4th, 2023

Index Owner : Compass Financial Technologies SA

Index Administrator : Compass Financial Technologies (France)

Index Calculation Agent : Compass Financial Technologies (France)

2 Index Description Objective

The Compass Crypto Total Return Indices (the *Indices* or the *Index*) measure the return generated by an investment in a specific digital asset while staking on the corresponding blockchain.

The Compass Crypto Total Return Indices have been designed to provide institutional investors with independent and robust cryptocurrency prices. Based on a resilient and BMR compliant methodology, they serve as independent and transparent prices to value cryptocurrency portfolio or as benchmarks for investors willing to issue investment products tracking cryptocurrencies prices.

3 Regulatory Information

The Compass Crypto Total Return Indices are non-significant benchmarks according to EU Regulation 2016/1011 given:

1. it is not used directly or indirectly within a combination of benchmarks as a reference for financial instruments or financial contracts or for measuring the performance of investments funds having a total average value of at least EUR 50 billion on the basis of all the range of maturities or tenors of the benchmark, where applicable, over a period of six months; and
2. it has market-led substitutes and, in the event that the benchmark ceases to be provided or is provided on the basis of input data no longer fully representative of the underlying market or economic reality or unreliable input data, the benchmark administrator do not anticipate a significant and adverse impact on market integrity, financial stability, consumers, the real economy or the financing of households or businesses in the EU.

4 Index Methodology

4.1 Index Mechanism

The Compass Crypto Total Return Indices invest simultaneously in a long position in a specific digital asset while staking a proportion of the investment on the digital asset blockchain.

On every Reinvestment Date, the staking reward gained since the previous reinvestment date is accrued to the previous digital asset quantity invested.

The Index Level on each calculation date corresponds to the value of the Index at 4pm London Time.

4.2 Underlying Price

Compass Crypto Total Return Indices invest in one or more digital assets called Underlying Components.

Reference prices of the Underlying Components used in the determination of the Index are the hourly Compass Crypto Reference Indices fixing at 4pm London Time, noted $Ref_{LD}^{4pm}(t)$.

The Compass Crypto Reference Indices have been designed to provide institutional investors with independent and robust cryptocurrency Reference prices. Based on a resilient and BMR-ready compliant methodology, they serve as independent and transparent prices to value cryptocurrency portfolio or as benchmarks for investors willing to issue investment products tracking cryptocurrencies prices.

More details on the Compass Crypto Reference Indices including the methodology are available on the Compass website (www.compass-ft.com)

4.3 Staking Yield

Compass Crypto Total Return Indices use Compass Staking Yield Reference Indices to reflect the return linked to staking.

The Compass Staking Yield Reference Indices measures the annualized staking yield obtained when staking on a specific blockchain

The Compass Staking Yield Reference Indices have been designed to provide institutional investors with independent and robust blockchain staking yield. Based on a resilient and BMR-ready compliant methodology, they serve as independent and transparent yield to value cryptocurrency portfolio or as benchmarks for investors willing to issue investment products tracking cryptocurrencies prices.

More details on the Compass Staking Yield Reference Indices including the methodology are available on the Compass website (www.compass-ft.com)

5 Amendment to the Index methodology

The Index methodology may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the Index is compiled or calculated or affect the Index in another way. In the absence of exceptional circumstances affecting the Index calculation or methodology, the Index is reviewed annually. Changes in Index methodology decided during the annual review will be published on the Compass website (www.compass-ft.com).

The Index Administrator shall inform Index licensees of any amendment to the Index methodology with reasonable prior notice. The notification document shall provide Index licensees with the amendments, the reasons for making such amendment and the effective date of the changes.

6 Cessation of the Index

The Index Administrator has established procedures to be followed for termination of a Compass Crypto Custom Reference Index. Any termination of a Compass Crypto Custom Reference Index must be approved in advance by the Index Committee. A notice to licensees will be published in advance of the termination. Before deactivating an index, the Index Administrator always determines whether there are any listed financial products issued on that index as the underlying. The Index Administrator terminates indices only provided that:

- All existing commercial customers have been consulted, and commercial relationships have been terminated or transitioned accordingly.
- Consultations with stakeholders have not led to the decision to continue the index.

The Index Administrator is not responsible for determining or offering an alternative index to its subscribers or other stakeholders when the Index is terminated. However, the Index Administrator may recommend an alternative index if it considers, based on various criteria, that this alternative index could be a credible substitute index.

7 Disclaimer

Nothing contained herein shall constitute or shall be deemed to constitute a financial, legal, tax or other advice of any kind, or a solicitation to purchase, sell or invest in any financial products or to engage in any financial strategy. Compass Financial Technologies SA or any of its affiliates (“Compass”) (i) does not guarantee the adequacy, the accuracy, the timeliness, the completeness, the evolution and/or the movements of its indices or any data included therein (the “Indices” or the ”Index”), (ii) shall not have any liability for any errors, omissions, delays or interruptions therein and (iii) makes no warranty, express or implied, as to results to be obtained by owners of any securities, or by any other person or entity from the use of the Indices. Compass does not make any express or implied warranties, and expressly disclaims, all warranties of merchantability or fitness for a particular purpose or use with respect to the Indices. Without limiting any of the foregoing, in no event shall Compass have any liability for any lost profits or indirect, punitive, special or consequential damages or losses, even if notified of the possibility thereof.



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