



CIRDAN CAPITAL MANAGEMENT LTD

BENCHMARK STATEMENT

Publication Date: 1 November 2023

Last Update: 1 August 2024

This document constitutes a Benchmark Statement ("Statement") as defined in UK Benchmark Regulations ("BMR"), and applies to all the Benchmark Family of Cirdan Capital Management Ltd ("Cirdan Capital") that are listed in Annex 1.

In the context of this Statement, a *Benchmark* means an index that is used to – i) determine the amount payable under a financial instrument, or the value of a financial instrument, that is designed and manufactured by Cirdan Capital; and/or ii) measure the performance of an investment fund for the purpose of tracking the return, defining the asset allocation or a portfolio, or computing the performance fees.

More information on the methodology of each Benchmark can be found in the Benchmark Rules and Disclosures which are available to investors of the products linked to the Benchmarks. Please contact your relationship manager at Cirdan Capital if you have any questions.

1. Definitions

- **Adjustment Events:** Business, market, legal, regulatory, judicial, financial, fiscal or other circumstances that may arise that could necessitate or make desirable a modification or change to Cirdan Capital's Benchmark's methodology.
- **Administrator:** Cirdan Capital is acting as the "Administrator" as defined in Article 3.1(6) of the BMR.
- **Benchmark:** A benchmark as defined in Article 3.1(3) of the BMR, and in the section immediately above.
- **"Benchmark Family"** means a group of indices provided by Cirdan Capital and determined from input data of the same nature which provides specific measures of the same or similar market economic reality.
- **Index Committee:** An oversight committee within the Product Governance Committee of Cirdan Capital pursuant Article 5.1 of the BMR.
- **Calculation Agent:** Cirdan Capital, when it is tasked with the determination of a Benchmark.
- **Control Framework:** Cirdan Capital internal policy and control framework, governing its benchmark administration business activities.



- **EU BMR:** Regulation 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014. This regulation forms part of “retained EU law” in the UK as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time).
- **ESG:** Environmental, Social and Governance.
- **Expert Judgment:** The exercise of discretion by Cirdan Capital, including, but not limited to, extrapolating values from prior or related transactions, and adjusting values for factors that might influence the quality of data.
- **External Input Data:** Third Party Transactional Data and / or Third Party Non-Transactional Data.
- **Cirdan Capital Benchmark:** A Cirdan Capital administered proprietary Benchmark, pursuant to Article 3.1(6) of the BMR.
- **Benchmark Investors:** Clients of or investors in, financial instruments manufactured by Cirdan Capital that reference Cirdan Capital’s proprietary Benchmarks.
- **Incidents:** Input data or calculation errors or anomalies affecting the published level of the Cirdan Capital Benchmarks.
- **Internal Input Data:** Data already available in Cirdan Capital prior to the provision of its Benchmarks, which was created for purposes other than the determination of the Benchmarks.
- **Investor Disclosures:** Documentation outlining the methodology for each Cirdan Capital Benchmark that is made available to the Benchmark Investors.
- **Input Data:** The data in respect of the value of one or more underliers used by Cirdan Capital to determine a Benchmark.
- **Non-significant benchmark:** A Benchmark categorised as a non-significant benchmark following the provisions of Article 3.1(27) of the BMR.
- **Published Level:** The official level of a Cirdan Capital Benchmark as defined by the relevant Benchmark Rules and Disclosures.
- **Restatement Event:** An incident that results in the restatement of the published level of a Benchmark
- **Statement:** This Benchmark Statement published by Cirdan Capital pursuant Article 27 of BMR.
- **Index Advisor:** A third party not affiliated with and not an agent of Cirdan Capital which has the right (but not the obligation to) periodically determine and rebalance the relevant components and their assigned weights, and / or certain other parameters of a Benchmark or of one of its



components, in accordance with the terms separately agreed between the Index Advisor and Cirdan Capital (each such determination by the Index Advisor, once so implemented by Cirdan Capital, being a “Parameter Adjustment”). A Benchmark (for the purpose of this designation only, including one or more of its direct or indirect components) with an Index Advisor is designated as a Managed Benchmark.

- **Third Party Calculation Agent:** A third party to Cirdan Capital involved in certain determinations and calculations in respect of a Benchmark.
- **Third Party Non-Transactional Data:** Input data consisting of estimated prices, actual or estimated rates, quotes and committed quotes, or other values or surveys provided by third parties to Cirdan Capital.
- **Third Party Transactional Data:** Input data in the form of observable prices, rates, indices or values representing transactions in third party trading venues or other marketplaces where Cirdan Capital may or may not participate.
- **UK BMR:** The EU BMR as it forms part of “Retained EU law” in the UK as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time).
- **Underliers:** The underliers for the relevant Benchmark, as defined in Annex 1.

2. Statement Overview

Cirdan Capital creates a limited number of Benchmarks that are solely used for the purpose of its own proprietary investment products, and which are deemed to be within the scope of the BMR.

Cirdan Capital’s Benchmarks are not ESG benchmarks, do not pursue ESG objectives nor take into account ESG factors.

This Statement is made and published in accordance with Article 27 of the BMR.

This Statement intends to define the market and/or economic reality measured by the various Benchmark Families defined in Annex 1 and the circumstances in which such measurement may become unreliable. The Statement also highlights, where applicable, any elements of the calculation of the Benchmarks where Cirdan Capital may apply a discretion or Expert Judgment.

The Statement provides an overview of those internal or external factors which may require changes to the methodology of the Benchmarks and the potential impact on the value of financial instruments referencing such Cirdan Capital Benchmarks.

Information about the Cirdan Capital Benchmarks’ methodologies is available to Benchmark Investors via the Benchmark Rules and Disclosures documentation. Clients and investors should carefully read the relevant documentation prior to making any investment decision on the Benchmarks.

3. Benchmarks ISINs

Some of the Cirdan Capital Benchmarks have ISIN codes allocated to them at the time of publication of this Statement.



4. Contributions

Cirdan Capital Benchmarks are not determined using “contributions of input data”, as defined in Article 3.1(8) of the UKBMR.

5. Category of Benchmarks

Cirdan Capital Benchmarks are *non-significant benchmarks* as set out in Article 3.1(27) of the BMR.

6. Market or economic reality measured by the Benchmark

Other than the Managed Benchmarks as separately described in this Statement, the Benchmarks are synthetic rules based Cirdan Capital proprietary systematic strategies and methodology which aim to notionally replicate the realised performance of a systematic investment process, periodically selecting and adjusting the weights of various underliers. The Underliers of the Benchmarks may be selected from one or more designated regions (e.g. “World”, “Emerging Markets”, “Europe”), and / or be based on a set of criteria defined by the methodology for the Benchmark as set out in the relevant Benchmark documentation.

Each Managed Benchmark has an Index Advisor, which may select and adjust the Underliers and/or rebalance their weights, and / or adjust certain other parameters, from time to time at its own discretion, provided that the selection and adjustment satisfies the constraints specified in the Benchmark Rules and Disclosures. The Index Advisor’s decisions may have a material impact (including any potential adverse impact) on the Managed Benchmark pursuing its economic intention and therefore, may largely drive the performance of such Managed Benchmark.

Cirdan Capital has no or limited discretion or influence on the decision made by the Index Advisor to adjust (or not adjust) the Managed Benchmarks, and Cirdan Capital does not assess whether any proposed Parameter Adjustment is in the best interests of investors in the Managed Benchmarks. Cirdan Capital is not responsible for the action taken or decision made by the Index Advisor.

Cirdan Capital Benchmarks may also include various types of computation steps which reference market data which in some cases falls outside of the universe of Underliers, including, but not limited to, an internal simulated currency hedge, a volatility target mechanism, a synthetic interest rate return or a mechanism to combine various components into a basket. Such computation steps are not expected to be the primary driver of the performance of the Benchmarks and are included for technical reasons including, but not limited to, to hedge foreign exchange exposure of the Underliers of a Benchmark, to target a particular volatility level for a Benchmark or to combine various components into a basket. Annex 1 of this Statement provides more details in respect of each Benchmark category.

7. Benchmark Methodology

(a) Methodology of Cirdan Capital Benchmarks

The methodologies of the Benchmarks are developed by Cirdan Capital to establish a set of rules, aiming to achieve a defined objective through replicating the performance of a basket of Underliers. Detailed information related to the methodologies of the Benchmarks, including a detailed description of the calculation arrangements and parameters applied and input data used, can be found in the Benchmark Rules and Disclosures which are available to Benchmark Investors.



Cirdan Capital Benchmarks are determined using the values of the Underliers, based on their relative weight or quantity which are rebalanced periodically as per the defined methodology:

A) As more particularly specified for the relevant Benchmark in Annex 1, the determination of the values of Underliers of a Benchmark relies on:

- i. External Input Data; or
- ii. A combination of External Input Data and Internal Input Data.

B) Other than the Managed Benchmarks as separately described herein, the determination of the weights or quantities of the Underliers of a Benchmark is fully systematic and may use various metrics relating to the Underliers such as the performance, the realised volatility, or other metrics measured during a defined observation period.

C) With respect to each Managed Benchmark, the relevant components are selected by and the weights, quantities or certain other parameters of such components are determined and adjusted by the Index Advisor at its own discretion from time to time, within the constraints specified in the Benchmark Rules and Disclosures of the Managed Benchmark.

Changes in the value of the Underliers may impact their weighting in a Benchmark and the value of such Benchmark. The value of a Benchmark may be reduced by the deduction of rebalancing costs, asset servicing costs and/or other types of deductions, each as specified in the Investor Disclosures.

(b) Procedures for approving the Cirdan Capital Benchmarks

Prior to being launched, new Cirdan Capital Benchmarks are subject to a defined approval process internally, including but not limited to, approval by the Product Governance Committee and its underlying Index Committee acting as a technical committee for all Benchmarks).

The Product Governance Committee:

- Reviews and approves new Benchmarks;
- Reviews and approves material changes and modifications of Benchmarks;
- Provides challenges on key aspects of the provision of Benchmarks, including the Benchmarks' methodologies, the expected or known usage of the Benchmarks and the materiality of existing or potential conflicts of interests identified in respect of the Benchmarks.

The Index Committee

- Oversees the implementation and control infrastructure as well as the continuous operation of the Benchmarks;
- Reviews and proposes changes and updates to Benchmarks' methodologies to the Product Governance Committee.

(c) Changes to the Cirdan Capital Benchmarks

Cirdan Capital is entitled to make modification or changes to the methodologies of the Benchmarks, under circumstances defined in the Benchmark Rules and Disclosures, and subject to the oversight of the Product Governance Committee and Index Committee. The changes may only result in methodologies that are consistent with the Benchmark Rules and Disclosures.



Such circumstances may include correction of manifest or proven error, correction of contradictory or defective provisions, necessary changes to the calculation frequency, changes to allow the calculation and determination of weights and value following the occurrence of an Adjustment Event.

Changes to a Cirdan Capital Benchmark' methodology may have an impact on financial instruments that reference the Benchmark or the measurement of the performance of investment funds directly or indirectly linked to the Benchmark. Specific processes related to review of and changes to the methodologies of the Benchmarks and cessation of Benchmarks are defined in the In Benchmark Rules and Disclosures.

8. Input Data

Input data for the Benchmarks consists of External Input Data and, in some cases and as specified in Annex 1, Internal Input Data.

Input Data is subject to quality controls prior to being used in the determination of the Benchmarks. Multiple different data sources may be used, where readily available to Cirdan Capital (or its appointed Third Party Calculation Agent, where applicable), depending on the type of Input Data. Cirdan Capital has controls in place to ensure completeness and accuracy of the Input Data used.

Cirdan Capital may use multiple sources of Input Data for the determination of the Benchmarks. In the event of a discrepancy between the data obtained from the different sources, Cirdan Capital aims to find alternative sources of data to corroborate the previously available Input Data. Cirdan Capital may change the Input Data on which the Benchmarks are determined and/or change the frequency of publication of the Benchmarks as set out in the Index Rules and Disclosures.

9. Discretion and Expert Judgment

Cirdan Capital may apply discretion and/or Expert Judgment in limited circumstances, for example where Cirdan Capital is required or entitled to make a determination in relation to a Benchmark and that determination involves the exercise of Expert Judgement or discretion. This includes but is not limited to when a restatement of the Benchmark may be required, when dealing with errors in input data, or the occurrence of any disruption events (including but not limited to market disruption events and asset substitution events) or Adjustment Events.

Such expert judgement or discretion is exercised in good faith and in a commercially reasonable manner (unless otherwise specified in the Investor Disclosures), and subject to Cirdan Capital internal control framework which includes review and approval by the Product Governance Committee and Index Committee.

10. Cessation of Benchmarks

Cirdan Capital may discontinue or terminate the determination and publication of the Benchmarks in accordance with the provisions of the Benchmark Rules and Disclosures.

The Index Committee may, prior to the proposal for discontinuation or cessation of a Benchmark, assess the potential impact of the cessation. The Index Committee shall make a recommendation to the Product Governance Committee for an approval. Cirdan Capital aims to inform stakeholders about a potential discontinuation and aims to offer alternative solutions to Benchmark Investors to ensure an orderly transition out of the discontinued Benchmark.



11. Incidents and Adjustment Events

From time to time Adjustment Events may arise that could necessitate or make desirable a modification or change to the Benchmarks. Adjustment Events, for example, include (but are not limited to)

- (i) events that impair or are expected to impair the market liquidity of transactions relating to an Underlier,
- (ii) changes to, or suspensions or terminations of, or other events affecting, the Benchmarks or an Underlier, or
- (iii) other events affecting the ability of an input data provider to supply the necessary Input Data for purposes of calculating the value of the Benchmark or events affecting the availability of Input Data relating to an Underlier.

Cirdan Capital maintains internal controls and processes to identify and correct Incidents. All Incidents, attributable to Cirdan Capital or to a third-party, are subject to internal policies and procedures for handling potential Restatement Events.

Unless otherwise specified in the Benchmark Rules and Disclosures, Cirdan Capital may make adjustments to the Benchmark as a result of Adjustment Events and Incidents. Such Adjustment Events and Incidents are subject to the oversight of the Product Governance Committee and Index Committee, and to the provisions of the Benchmark Rules and Disclosures. Any adjustments made to the Benchmarks are subject to review and approval by the Product Governance Committee, and are announced, where necessary, to Benchmark Investors.

12. Limitations to the determination of Benchmarks

Cirdan Capital has identified the following situations as the main potential limitations to the determination of the Benchmarks:

- *Compromise of Input Data:*

The Input Data used in the determination of the Benchmarks may be compromised in certain circumstances. For example, there may be insufficient data available or a material change in the formula for or method of calculating the Input Data by data providers. In addition, Benchmarks' External Input Data is generally available via third party data providers. Cirdan Capital may have insufficient input data to determine the Benchmarks if such External Input Data becomes inaccessible or incomplete.

If the Input Data is compromised or unavailable, the Published Level could stop being a reliable representation of the market or economic reality the Benchmarks intend to measure. In those situations Cirdan Capital may lack alternative input data to determine the Benchmarks in accordance with their methodologies. The Benchmark Rules and Disclosures specify provisions for the use of alternative input data, including potentially using Internal Input Data in certain circumstances under the oversight of the Product Governance and Index Committee.

- *Limitations in methodologies of the Benchmarks*

Cirdan Capital Benchmarks may be subject to constraints and limitations which, in certain



events (for example in illiquid or fragmented markets or in the case of concentrated input data), may cause the Benchmarks not to accurately capture the market or economic reality they intend to measure. These constraints and limitations could also be a result of assumptions used in the design of the methodology or implementation complexities.

- *No or limited discretion or influence on Index Advisor's decisions*

The ability of Cirdan Capital Benchmarks which are Managed Benchmarks to achieve their objective may be substantially affected by the abilities of, and determinations made by, the Index Advisor. There is no guarantee that the Index Advisor will act rationally and in accordance with current market trends in determining any Parameter Adjustment. There is no guarantee that the adjustments by the Index Advisor will enhance the performance of the Managed Benchmark and their decisions may also have a negative impact on the performance of the Managed Benchmark.

- *Changes to market structure*

Trading activity on the Underliers, carried out by Cirdan Capital or other market participants, could affect the Published Level of the Benchmarks as well as the fundamental assumptions of the Benchmarks' methodologies of Cirdan Capital.

Annex 1 - Overview of Benchmark Family

Name of the Benchmark Family	Underliers	Geographical Regions	Input Data (*)	Managed Benchmark	Economic Intention
Managed Benchmarks	Equities, Fixed Income, Options, Futures, FX, Funds	Global	External Input Data	Yes	The strategies in this Benchmark category aim to calculate the investment performance of the basket selected by the Index Advisor
Dividend Adjustment Benchmarks	Equities	Specific to a determined geographic area (e.g. US, UK)	External Input Data, OR internal Input Data, OR combination	No	The strategies in this Benchmark category aim to calculate the adjusted performance of a stock using a pre-determined series of future dividend payments
Fund Allocation Benchmarks	Funds	Global	External Input Data	No	The strategies in this Benchmark category aim to calculate the performance of a basket of funds with similar investment strategies

Cirdan Capital's Benchmarks are not ESG benchmarks, do not pursue ESG objectives nor take into account ESG factors.