

MAY 2024

# STOXX Complaints Procedure

Compliance Department



**STOXX**

Part of  
 **DEUTSCHE BÖRSE  
GROUP**

Type	Procedure
Subject	Complaints Procedure
Scope	STOXX Ltd.
Approved by	Head of Compliance
Approved date	May 2024
Responsible Department	Compliance
Relevant documents	n/a
Valid from	Date of STOXX Recognition
Valid until	Revocation
Version (Updated)	4.4

## 1. Background

This Procedure is based on Art. 9 of Regulation (EU) 2016/1011 on indices used as Benchmark in financial instruments and financial contracts or to measure the performance of the investment funds ("BMR") and on the Policy on Complaints management of Deutsche Börse Group as updated.

## 2. Objective and Purpose

The objective of this Procedure is to institute an internal process which ensures that:

- Stakeholders and clients can submit complaints and concerns in relation to Benchmark Administration;
- Complaints and concerns submitted by stakeholders and clients are handled promptly, efficiently and transparently;
- STOXX assesses whether the complaint is a result of procedural deficiency, carelessness or fraud and also if any financial or reputational consequences of a complaint might occur; and
- A structured documentation of the complaint is prepared and filed.

## 3. Scope

This Procedure applies to all indices that are administered by STOXX.

Complaints, according to this Procedure, refer to any written correspondence received from a client or other market participant or stakeholders as defined by BMR and IOSCO, in which the complainant complains about any stage of the benchmark determination process conducted by STOXX, covering but not limited to areas such as:

- treatment of a corporate action;
- calculation errors;
- disputed free float or shares in issue/calculation figures;
- index review data incorrect;
- interpretation or application of an index rule;
- tax treatment including withholding taxes;
- significant delay of the publication of index data; or
- any other claim about the integrity of a benchmark.

In order that STOXX can consider the correspondence as a complaint under this Procedure, the complainant must fully substantiate their claim with evidence and sufficient level of detail to enable a comprehensive investigation by STOXX. Where there is insufficient detail to pursue the investigation, the complainant will be notified as such.

In all cases, the complaint must include at a minimum the following information:

- The full name and contact address of the complainant and if applicable the company name and the contact address;
- The rationale behind the complaint and the status of the complainant (client, market participants or other stakeholder)
- A detailed description of the incident that lead to the complaint and of the implications of the incident on the complainant in line with the above (including all relevant background information);
- The index to which the complaint refers; and
- The date of the complaint.

In light of the above, STOXX will not consider those complaints that:

- do not regard any stage of the benchmark determination process, or
- do not include the above-mentioned minimum information, or
- are not sufficiently evidenced and detailed to enable a comprehensive investigation by STOXX.

For instance, a generic complaint on the increase of indices' license cost does not fall within the above definition, hence it will not be treated according to the present procedure. Similarly, a complaint about a non-specified stage of the benchmark calculation, or devoid of a clear indication of the affected index, does not meet the above definition of complaint and therefore will not be treated accordingly.

This Procedure must be read in line with the provisions of BMR and with the Deutsche Börse Policy on Complaints management in place.

## 4. Submission of Complaints

Complaints can be submitted to STOXX by means of the following channels:

- via e-mail to: [STOXX-Compliance@iss-stoxx.com](mailto:STOXX-Compliance@iss-stoxx.com)
- by completing the "Complaints" form accessible at [stoxx.com/complaints](https://stoxx.com/complaints)

## 5. Procedure

Once a complaint regarding the provision of a benchmark is received through the above-mentioned channels, the Head of Compliance shall appoint, among the Compliance Team, an **Internal Investigator** and a Deputy (responsible for supporting, assisting and substitute the former if need be).

As a first step, the Internal Investigator shall assess whether the received complaint meets the requirements defined in Section 3 (Scope). In case of negative outcome, the Internal Investigator shall provide a detail explanation of his assessment and include it in a response to the complainant – which shall be forwarded by Client Service. The explanation and the response shall be retained in the Compliance SharePoint's dedicated folder.

If instead the complaint does meet the aforementioned requirements, the Internal Investigator will treat it in accordance to the STOXX internal governance and the present Procedure, as outlined below.

### 5.1. Complaint handling process

The Internal Investigator has the responsibility to handle the complaint, identify possible conflicts of interest, evaluate if the complaint addresses structural failures or deficiencies, initiate mitigating measures for identified conflicts of interest, structural failures or deficiencies and act as a contact person to the complainant as well as to internal stakeholders. The external communication to the complainant will be conducted by the Internal Investigator.

The Internal Investigator shall have immediate access to all levels of related staff and management at any time. Further, the Internal Investigator shall enjoy the right to request from the involved parties a detailed description of the behavior or other actions in relation to the complaint (including but not limited to: date/place of the complaint triggering event and, if possible, all persons/business areas involved in the event triggering the complaint).

The Internal Investigator has to acknowledge the received complaint and give an indication of the process time to the complainant **within 5 business days upon receipt**.

In line with Article 9, BMR, the complaint shall be investigated in a timely and fair manner and the outcome of the investigation shall be communicated to the complainant within a reasonable period of time, unless such communication would be contrary to objectives of public policy or to the EU Market Abuse Regulation. Compliance will use best effort to conclude the investigation and communicate the related outcome to the complainant within twenty (20) business days from the aforementioned acknowledgement. However, whereas the complexity of the matter requires it, Compliance reserves the rights to set-up a longer timeline.

The response to the complainant has to be made in writing using plain and clear language. When providing a final decision that does not fully satisfy the complainant's demand, the Internal Investigator shall include a thorough explanation of the firm's position on the complaint.

All complaints, their processing, the measures taken, and the final decisions will be systematically documented without unnecessary delay in the Complaint register by the Internal Investigator.

The present Procedure shall be published in an easily and accessible way on ISS STOXX website.

## 6. Complaints Register

Compliance shall maintain a Compliant Register, which shall include all treated complaints and state at least:

- Contact details on the complainant
- Receiving date of the complaint
- Date of informing the complainant about the acknowledgement of the complaint
- The nature of the complaint
- The occurred financial loss or measurable impairment of the complainant's business
- Name of the Internal Investigator
- Decision on dealing with the complaint and related decision taking body
- Date of informing the complainant about the decision

The Complaints register will be stored in the dedicated section of the Compliance SharePoint, and a 10-year retention period will be ensured for all the information included therein.

## 7. Compliance Function

STOXX Head of Compliance will oversee the complaints handling process by the assigned internal investigator. Furthermore, STOXX Compliance shall be responsible for record-keeping and reporting.

### 7.1. Record Keeping

As provided in the STOXX Record Keeping Policy, Compliance is responsible for retaining all the documents relating to any complaint, including those submitted by a complainant. Furthermore, Compliance shall also retain documentation related to those complaints which did not meet the definition set above and hence were not treated according to the present procedure. Once processed in the context of the investigation, these documents are archived in the Compliance SharePoint without undue delay and in accordance with the requirements set forth in the Policy.

Furthermore, on a yearly basis Compliance performs a completeness check of:

- the Complaints register, verifying whether all the information listed in Section 6 are duly retained for each received complaint;
- the related documentation, verifying whether for each registered complaints, all respective documentation in support is duly archived.

In case of incompleteness, Compliance gathers the missing information/documentation.

As for the Compliance Register, the data shall be retained for a period of 10 years, at the end of which it shall be deleted. In the context of the above-mentioned annual check, Compliance shall also identify all complaints data and information older than 10 years and delete them.

### 7.2. Reporting

Compliance shall also establish an annual reporting on the complaints management to the Index Governance Committee (IGC) and other relevant stakeholder (e.g. Risk and Compliance Committee). The reporting has to include at least a description of the complaint and the event triggering the complaint, the handling decision and (if identified), the conflicts of interest, structural failures or deficiencies recognized.

## 8. Risk Function

A member of the ISS STOXX Risk team will have the responsibility of evaluating whether the received complaint presents a new risk or indicates a change to a current risk. This includes the identification of Operational, Business, Financial and Compliance risks. Identified risks will be either mitigated, accepted, or considered within the internal control framework. Information collected around the complaint will be provided by the assigned internal investigator.