

## **PRINCIPLES REGARDING DISCLOSURE OF CONFLICTS OF INTEREST**

Whereas:

- Article 4 para 5 requirements of Regulation (EU) 2016/1011 with regard to the Regulamentul (UE) 2016/1011 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 ( Regulation (EU) 2016/1011).
- Provisions of point V (para V.I.) - Guidelines on procedures and characteristics of the oversight function provided by the ASF Norm no. 21/2019 regarding *Guidelines on non-significant benchmarks under the Benchmarks Regulation*.
- Provisions of the *Procedure on the identification and management of conflicts of interest* available in [Investors Relation – Reference Documents Section](#) on the BVB's website.

### **1. General terms**

**1.1.** As a benchmarks administrator, BVB complies with the Regulation (EU) 2016/1011 requirements, including governance and conflict of interest requirements.

**1.2.** This document contains the principles underlying:

- (i) disclosure of all existing or potential conflicts of interest to users of a benchmark and the relevant competent authority, including conflicts of interest arising from the ownership or control on BVB, in accordance to the article 4 para 5 of Regulation (EU) 2016/1011;
- (ii) disclosure to the public of the material conflict of interest (as per item 20, lit. j) of ASF Norm no. 21/2019 considering *Guidelines on non-significant benchmarks under the Benchmarks Regulation*.

**1.3.** BVB has governance arrangements which include clear organisational structure and a framework for identifying, preventing or managing the potential conflict of interests, ensuring

in the same time that for the determination of the benchmarks, the judgement is independent and exercised correctly. Such arrangements are set by: Regulation of Organization and Operation of Bucharest Stock Exchange, provisions of the benchmarks manuals as well as by the Procedure on the identification and management of conflicts of interest and Remuneration policies.

**1.4.** BVB is a market operator and a listed company. Considering the applicable legislation, no BVB shareholder may hold more than 20% of the voting rights. Thus, manifesting of the conflicts of interest arising from the right of ownership or control over BVB is low.

**1.5.** In accordance with the applicable internal rules, BVB, by the Index Commission Secretariat highlights at the level of the meeting's minutes each situation in which a conflict of interests is declared and maintains a register of conflicts of interest declared by the members of the Index Commission. The registry of conflicts of interest contains at least:

- 1) Index Commission date;
- 2) description of the subject on the agenda in connection with which a conflict of interests is declared by one / more members of the Index Commission;
- 3) actions taken, if any.

**1.6.** The Market Surveillance Department maintains a register of major conflicts of interest in connection with the analysis of information and documents in the possession of its members. The register of major conflicts of interest is based on the statements of the members of this department and contains:

- 1) the date of declaring the conflict of interests;
- 2) description of the subject in connection with which the major conflict of interests is declared.

## **2. Conflicts of interest disclosure**

**2.1** In order to comply with the requirement regarding the disclosure of conflicts of interest in connection with the benchmarks' administration, BVB publishes on the website, in BMR section, the declared conflicts of interest, based on the information provided above (point 1.5 and point 1.6).

**2.2** The conflict of interest situation published by BVB contains anonymized information.

**2.3** The publication of conflicts of interest is carried out by the Secretariat of the Index Commission and, as the case may be, by the Market Surveillance Department, following the registration of one or more conflicts of interests in the registers maintained.

### **3. Entering into force**

This document and its amendments are approved by the BVB' CEO and shall be published on the BVB's website.

Edition	Entering into force on	Description
V.1.0.	July 6, 2020	Initial version