ICIS EU Benchmarking BV – British Natural Gas Benchmark Statement

1. General Disclosures	
Benchmark Name	British NBP Assessments: NBP Day-Ahead, Weekend, Month +1
Date of initial publication of this document	24th April, 2020
Date of last update to this document	This document will be updated periodically as appropriate and at least annually following the conclusion of the annual external assurance audit. Last Update Oct 2022
ISIN (where available)	There are currently no ISINs available for the benchmarks covered by this benchmark statement.
Determination by contributions of input data	The administrator receives contributions of data from market participants relating to its commodity benchmarks.
Qualification of the benchmark under Title III of Regulation (EU) 2016/1011.	British NBP Assessments: NBP Day-Ahead, Weekend, Month +1 is a Commodities benchmark which pursuant to Article 19 falls under Annex II of the EU Benchmarks Regulation.

2. Key Terms relating to the benchmark or family of benchmarks	
General description of the market or economic reality	ICIS assesses gas prices and calculates indices covering Europe's physical, over-the-counter (OTC) natural gas trading hubs. Major hubs include the Dutch TTF, British NBP, German THE, Italian PSV, French PEG, Belgian Zeebrugge, Austrian VTP and Spanish PVB. The Dutch TTF has since 2014 been the most liquid gas hub in Europe and is widely considered the European benchmark.
Geographical boundaries of the market or economic reality	**British** NBP Assessments: NBP Day-Ahead, Weekend, Month +1 covering all entry and exit points in mainland Britain.
Other relevant information relating to the market or economic reality	The traded market for European gas is split between exchange platforms and brokered OTC platforms.

3. The potential limitations of the benchmark and the circumstances in which the measurement of the market or economic reality may become unreliable	
Circumstances in which we would lack enough input data to determine the benchmark according to the methodology	ICIS methodologies are constructed to give representative values across a wide range of market conditions. It is therefore unlikely

	that ICIS would be unable to determine a benchmark price assessment on a day. On occasions where insufficient, inadequate or no transaction information exists, ICIS will use bid and offer data and where this is not available it will assess market value by using other market information including data from other associated markets.
Circumstances in which the degree of liquidity of the underlying market becomes insufficient to ensure the integrity and reliability of the benchmark determination	ICIS does not impose a minimum data threshold on its price assessment benchmarks. In circumstances where there is very low liquidity in the underlying market, priority will be given to the highest bid and lowest offer in its assessment process.

4. The controls and rules that govern the exercise of judgment or discretion in the calculation of the benchmark or family of benchmarks	
Description of the exercise of judgement or discretion in the calculation of a benchmark	ICIS reporters are always required to follow the ICIS methodologies. They are trained to perform their assessments consistently and management conducts regular supervisory checks to ensure this discipline is maintained. Where the methodology allows for different methods of calculation a keycode is used to inform the reader how the assessment was arrived at. If an ICIS reporter exercised judgement or discretion in the assessing of a benchmark, this would require senior editorial staff input and a full description of the reasons for the exercise of discretion and judgement would be provided in the market commentary.
Governing the exercise of judgement or discretion	The methodology is designed in a way so that the exercise of judgement in a price assessment is a rare occurrence due to the guidance available. The robustness of the methodology provides for the exercise of judgement to be done within a control framework involving peer review, senior members of staff and the completion of spot checks. Significant issues would be immediately escalated through an escalation process that is controlled by ICIS Benchmarking Europe BV.
Ex-post evaluation process	Before a price assessment can be finalised and published, a peer review is carried out by a trained reporter or senior member of

	editorial staff. On an ex-post publication basis, editorial management spot-checks on methodology application are regularly and randomly carried out to ensure compliance with ICIS methodologies. In addition, full investigations will be carried out into any price assessment if management deems it necessary, for example, if a published assessment is questioned by a market participant. The ICIS correction policy will be applied and if the managing editor concludes a correction is required, ICIS will notify all subscribers via a note published on its subscriber platform as well as via an email notification, and the benchmark assessment will be re-published. Overall editorial adherence to required standards and internal policies is overseen by an editorial quality committee.

5. Review of the methodology and changes to, or cessation of, the benchmark or family of benchmarks	
The methodology	ICIS ensures all benchmarks are checked, verified and free from conflicts of interest. In every instance, we meet all the International Organization of Securities Commissions (IOSCO) price reporting agency principles and EU Benchmark Regulations (EU BMR). These principles are set to ensure that commodity benchmark price assessments meet the highest standards. ICIS uses a market-appropriate methodology to assess prices across markets. These methodologies are governed by ICIS standards of compliance, in consultation with the public and our stakeholders. All ICIS methodologies are regularly reviewed to ensure alignment with industry practice along with the needs of the market. ICIS assessments reflect the way markets are traded rather than impose a view on the market.

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	ICIS conducts a formal consultation process covering all pricing methodologies. This process ensures that ICIS is in full compliance with its obligations set under IOSCO and EU Benchmark Regulations. As part of the review, ICIS will use broad questions to assess the performance of the methodology in providing a reliable measure of physical market value. Further, ICIS will consult on specific changes to the methodologies to address any issues identified in market structure, behaviour, existing methodology or in response to feedback from customers or market participants ICIS is committed to conducting a fair and open consultation and encourages all market participants to engage in the process. As such a material change in methodology will only be confirmed following the conclusion of the consultation process. Therefore, market participants should not assume methodology changes automatically due to the commencement of a consultation process.
Possible impacts of changes to or the cessation of the benchmarks upon the financial contracts, financial instruments that reference the benchmark or the measurement of the performance of investment funds.	It is possible that factors, including external factors beyond the control of the administrator may necessitate changes to, or the cessation of an ICIS benchmark. It is also possible that changes to or the cessation of ICIS price assessments may have an impact upon the financial instruments that reference the benchmarks. ICIS makes all reasonable efforts to maintain the highest standards of accuracy in its publications. Where errors are detected, these will be corrected as promptly as reasonably possible, with notification being provided to subscribers at the earliest opportunity. Any material changes to price assessment processes within a benchmark methodology

	are made to improve the ability of the benchmark to provide a reliable measure of physical market value and would only be made following consultation with the market.

6. Commodity Benchmarks	
Qualification as a commodity benchmark	ICIS benchmarks are commodity benchmarks
Title II or Annex II regime	ICIS benchmarks fulfil the conditions specified in Article 19 of the BMR to be subject to the requirements of Annex II for commodity benchmarks.
Criteria that defines the relevant underlying physical commodity	ICIS price assessments of the wholesale gas market reflect the value of physically traded natural gas contained within pipeline systems of physical markets operated within specified countries to locally specified quality standards.
Publication of information relating to commodity benchmark	ICIS benchmark information and related calculations are explained and published daily in reports and online. The related methodologies are explained on our publicly available website.
Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks, benchmarks that pursue ESG objectives or benchmarks that take into account ESG factors?	No
Does the benchmark or family of benchmarks pursue ESG objectives?	No

IMPORTANT:

This Benchmark Statement is made in accordance with Article 27 of the EU Benchmark Regulation. It will be updated whenever the information it provides is no longer correct or sufficiently precise and at least where:

(a) there is a change in the type of the benchmark.

(b) there is a material change in the methodology for determining the benchmark or, where the benchmark statement refers to a family of benchmarks, in the methodology for determining any benchmark within the family of benchmarks.

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About Us

At ICIS, we help businesses make strategic decisions, mitigate risk, improve productivity and capitalise on new opportunities. We make some of the world's most important markets more trusted and predictable by providing data services, thought leadership and decision tools. As a result of our unmatched global presence, we deliver targeted connected intelligence to influence thousands of decisions across supply chains every single day. Drawing upon our legacy, we are also in a unique position to leverage big data and analytics as part of RELX, a FTSE20 data and analytics company with over 30,000 experts across 40 countries. With our intelligence, we shape the world by connecting markets to optimise the world's valuable resources.

Contact Us

For more information, including methodology please visit our compliance and methodology page or contact us at icisbenchmarking@icis.com