

MAREX SPECTRON – COMPLIANCE STATEMENT WITH THE IOSCSO PRINCIPLES FOR FINANCIAL BENCHMARKS

The Marex Spectron Group of companies includes Marex Financial and Marex Spectron International Limited (“MSIL”), (collectively, “Marex Spectron”).

MSIL administers and publishes a number of: (i) UK and European Gas and Power indices. The indices are calculated using the volume weighted average of day-ahead or month-ahead physically settled trades brokered by MSIL; and (ii) closing price indications in a range of OTC commodity markets including UK and European gas and power, coal, emissions, fuel oil, tanker and freight.

In addition, MSIL is a submitter of trade data to a number of third-party indices including the Tankard Index (UK and European Natural Gas), a number of indices administered and published by London Energy Brokers Association (UK power, emissions, European gas and coal), the Argus Gasoline Benchmark (petrol barge market) and the Platts end of day gasoline closing price assessments.

We consider few (if any) of these reference prices to fall within the scope of the IOSCO Principles for Financial Benchmarks. In particular, we are not aware of these reference prices being used to determine the price or measure the performance of any financial instrument.

In any event, MSIL carries out no proprietary trading in the underlying OTC energy markets to which the indices and closing price assessments that it publishes and/or contributes to relate and so, considers there to be a low risk of any conflict of interest arising between its front-office brokers and those responsible for publishing and/or contributing to such reference prices.

Marex Financial is a direct participant in the ICE Benchmark Administration’s (“IBA”) Gold and Silver Auctions. This involves participating in electronic auctions for spot, unallocated loco London gold and silver. The final auction prices are then published by the London Bullion Market Association (“LBMA”) as the LBMA Gold Price and LBMA Silver Price.

Whilst we recognise the final auction prices are regulated financial benchmarks administered by IBA and as such, do fall within the scope of the IOSCO principles for financial benchmarks, Marex Financial does not act as either an administrator or submitter of either the LBMA Gold Price or LBMA Silver Price, as defined by the European Benchmark Regulation.

Nevertheless, given Marex Spectron’s role in reference prices and benchmarks, we acknowledge the importance of maintaining adequate systems and controls to help ensure and uphold, the integrity, credibility and reliability of the reference prices and benchmarks Marex Spectron is involved in.

To this end, Marex Spectron’s governance framework for the reference price and benchmark activity Marex Spectron is involved in, includes:

- Establishing a Reference Price Committee made up of members of relevant senior management, who meet regularly and are responsible for the strategic direction and

operational conduct of the reference prices and benchmarks that Marex Spectron publishes, administers, contributes to and/or participates in, including the approval of any new reference prices or benchmarks;

- Appointing a Reference Price Officer to ensure that Marex Spectron's policies and procedures and any third-party codes of conduct are followed (for example, the LBMA Global Precious Metals Code);
- Issuing guidelines and procedures to relevant all staff;
- Implementing and monitoring certain automatic validation checks for any reference prices published or administered by MSIL Spectron that are manually created by brokers;
- Implementing monitoring and procedures for Marex Financial brokers and traders involved in the IBA Auctions, to ensure the potential conflict of interest is properly managed between those acting in different capacities;
- Regularly identifying and mapping any conflicts of interest;
- Logging queries and any complaints in relation to reference prices and benchmarks;
- Carrying out regular reviews of Marex Spectron's compliance around reference prices and benchmarks;
- Ensuring that any changes to the methodologies used to automatically calculate reference prices are regularly reviewed and any changes to the methodologies of contingencies thereto are published on the Marex Spectron website; and
- Ensuring on-going compliance with the rules and codes set out by the IBA.

For further information on Marex Spectron's governance and control around reference prices and benchmarks, please contact London-Compliance@marexspectron.com.