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## **EuroTLX SIM S.p.A. Market Data Transparency Obligation Disclosures 2018**

### **1.0 Introduction**

Article 11, “Transparency obligation”, of Commission Delegated Regulation (EU) 2017/567 of 18 May 2016, as published in the Official Journal of the European Union on 31 March 2017, requires that “*Market operators and investment firms operating a trading venue and systematic internalisers shall disclose the price and other terms and conditions for the provision of the market data in a manner which is easily accessible to the public*” and makes requirements on the contents of this disclosure.

This document covers all of the relevant disclosures for EuroTLX SIM S.p.A. (“EuroTLX”) in connection with such transparency obligation, with the exception of current price lists and related terms and conditions, with the latter including the notice period for any changes to the fees. As detailed below, these are available respectively at <http://www.eurotlx.com> in the section Services/Market Data and at <http://www.eurotlx.com> in the section Services/Market Data within the EuroTLX Data Distribution Agreement and the EuroTLX Data Supply Agreement.

All data generated from the trading systems operated by EuroTLX are collated and developed before being distributed via vendors, as detailed in the EuroTLX Data Distribution Agreement, or directly for internal usage, as detailed in the EuroTLX Data Supply Agreement.

### **2.0 Contents of Disclosures**

#### **Current price lists**

Current price lists for EuroTLX are publically accessible at on the Real Time Data pages of the website at <http://www.eurotlx.com> in the section Services/Market Data.

Contractual terms and conditions can be found within the EuroTLX Data Distribution Agreement and the EuroTLX Data Supply Agreement at <http://www.eurotlx.com> in the section Services/Market Data.

#### **Advance disclosure of future price changes**

Information on notice of future price changes is contained within EuroTLX Data Distribution Agreement and the EuroTLX Data Supply Agreement, and provides for a minimum of 90 days’ notice of future price changes.

#### **Information on the content of the market data distributed**

Disclosure relating to content of market data distributed is below:

Regulatory obligation	Response	Explanatory note
<b>Number of instruments covered</b>	4.917	<i>Instruments traded on EuroTLX's market as of 31/12/2016</i>
<b>Total turnover of instruments covered</b>	€66.240,3 m.	<i>2016 value traded on EuroTLX's market</i>
<b>Pre-trade and post-trade market data ratio</b>	99,89% pre-trade : 0,11% post trade	<i>Based on 2016 data:</i> <ul style="list-style-type: none"> <li><i>Pre-trade: number of orders (new orders, amendments, cancellations, fills and expires) on all markets</i></li> <li><i>Post trade: number of trades on all markets</i></li> </ul>
<b>Data provided in addition to market data</b>	EuroTLX provides the following data services: <ul style="list-style-type: none"> <li>• End of Day Data and Market Statistics</li> <li>• Reference Data</li> </ul>	
<b>Date of last licence fee adaption for market data provided</b>	1 January 2018	<i>Notice of this fee change was provided to the market on 18 September 2017, to take effect from 1 January 2018.</i>

#### Revenue obtained from making market data available

Per audited 2016 accounts:

<b>Revenue obtained from making market data available</b>	€2.4m (EuroTLX gross revenue including intercompany)
<b>Proportion of that revenue compared to total revenue</b>	17% (of total EuroTLX gross revenue including intercompany)

#### Information on how the price was set including the cost accounting methodologies

Costs are apportioned in line with the methodology described in this document.

#### Background

EuroTLX is 70% owned by Borsa Italiana S.p.A. and, as minority shareholders, by Banca IMI S.p.A. and UniCredit S.p.A., and is part of the London Stock Exchange Group (“LSEG” or the “Group”).

The cost accounting methodology reflects the advice of external subject matter experts, engaged to understand industry best practice, to help form the cost allocation model to be used by LSEG and its subsidiaries (“Group”).

### Methodology

Costs are grouped in three categories: direct costs, indirect costs and joint costs.

Direct costs are specifically incurred to run EuroTLX’s Market Data business. These costs are allocated in total to the Market Data business and they are not shared with other business areas.

Indirect costs represent the internal services that are incurred to run EuroTLX’s Market Data business. These are aggregated in cost pools and assigned allocation drivers, which in turn allow their costs to be shared by the Group’s revenue generating business.

Joint costs are incurred to run concurrently the Market Data and Trading businesses on the basis that these are jointly produced services and it is not possible to offer one service without the other.

#### *Direct costs:*

The following are the key direct costs for the EuroTLX Market Data business:

- **Third party information services fees**
- **Subscription fees**
- **Professional fees**
- **Depreciation and amortisation**
- **Market Data technology platform operating costs**

#### *Indirect costs:*

The following are the key indirect costs allocated to the EuroTLX Market Data business:

- **Staff costs**
- **Property costs**
- **IT infrastructure costs**
- **Divisional support function costs**
- **Group support function costs**

#### *Joint costs:*

EuroTLX Trading and Market Data businesses provide jointly produced services: a single technology platform facilitates both trading activity and data production and it is not possible to offer one service without the other.

EuroTLX allocates platform costs equally between its Trading and Market Data businesses.