

## **Policy Statement on Transparency of Benchmark Determinations**

Transparency underpins SMM assessment process, just as it does SMM data publishing processes, in the metal markets.

When determining a final market assessment, SMM gives the greatest priority to fully verifiable and transparent market information.

A firm bid or offer will establish clear parameters for SMM final published assessments. But it will not be published by SMM, which is different from its data publishing standards.

SMM will typically assess market value somewhere between the best bid, and best offer, open to the market at the close of the assessment process. This ensures that SMM assessments reflect the transactable value of the commodities.

SMM will publish a brief explanation of how each benchmark is determined, to include:

- The number and the volume of submitted transactions used in the benchmark market assessment
- The range and the average volume of each type of market data used in the benchmark market assessment
- The range the average price of submitted transactions of each type of market data used in the benchmark market assessment
- Indicative percentages of each type of market data used in the benchmark market assessment
- Terms referring to SMM's pricing methodology

SMM will make brief explanation of SMM's approach to using expert judgement for determining benchmarks in each relevant metal market.

SMM will ensure it published 'sufficient information to allow Stakeholders to understand how a determination was developed'.

Because different metal market conditions have their particularities, the definition of the above is therefore different. More information regarding the above can be found within the SMM Benchmark Methodology documents for each relevant metal market.