



MTS SpA, EuroMTS Limited and MTS France SAS (“MTS”) 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 MTS in connection with such transparency obligations, 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 directly published and available at www.mtsmarkets.com in the Fee Schedules and MTS Market Data Documents respectively.

All data generated from markets operated by MTS is pooled and commercialised by EuroMTS Limited. MTS SpA and MTS France S.A.S have dedicated non-exclusive commercial agreements with EuroMTS for this purpose. Other market operators such as MTS Associated Markets SA and BondSpot SA, which are not part of the MTS Group (but whose markets are run on the same technology) also have non-exclusive commercial data distribution agreements in place with EuroMTS Limited. EuroMTS Limited collates data from the above markets and develops them into packages that are then distributed via vendors or directly to end-users, as detailed in the MTS Data Documents and Fee Schedules.

2.0 Contents of Disclosures

Current price lists

Current price lists for MTS Market Data are contained within the Fee Schedules, publically accessible at www.mtsmarkets.com/resources/market-data. Contractual terms and conditions can also be found at the same location.

Advance disclosure of future price changes

Information on notice of future price changes is contained within the MTS Market Data Documents, as outlined above, 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:

| | | |
|---|---------------------------------------|--|
| Number of instruments covered | 2,588 | <i>Instruments admitted to trading on MTS Markets as of 31/12/2016</i> |
| Total turnover of instruments covered | €10,517mn | <i>2016 average daily volume traded</i> |
| Pre-trade and post-trade market data ratio | 99.993% pre-trade : 0.007% post-trade | <i>Based on 2016 data:</i> <ul style="list-style-type: none"> • <i>Pre-trade: number of quotes</i> • <i>Post trade: number of trades</i> |
| Date of last licence fee adaption for market data provided | 1 April 2017 | <i>Notice of this fee change was provided to the market in Dec 2016, to take effect from 1 April 2017. The next fee change will be effective 1 April 2018 and notice was provided in Dec 2017.</i> |

No data is provided in addition to market data.

Revenue obtained from making market data available

Per audited 2016 accounts:

| | |
|---|-------|
| Revenue obtained from making market data available | €6.6m |
| Proportion of that revenue compared to total revenue | 10% |

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

MTS SpA, MTS France SAS and EuroMTS Limited are ultimately owned by the London Stock Exchange Group plc ("LSEG"). 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 across 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 the MTS Market Data business. These costs are allocated in total to the MTS Market Data business and they are not shared with other business areas.

Indirect costs represent the internal services that are incurred to run the MTS 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 businesses.

Joint costs are incurred to run concurrently with 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 MTS Market Data business:

- **Staff costs**
- **Cost of sales – third party real-time data licences**
- **Third party information services fees**
- **Marketing fees**
- **Professional fees**

Indirect costs:

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

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

Joint costs:

The MTS trading and market data businesses are jointly produced services: a single technology platform (one each for Cash and BondVision) facilitates both trading activity and data production and it is not possible to offer one service without the other. MTS allocates platform costs equally between its trading and market data businesses.