

September 2023

Public Minutes

FTSE Russell Digital Assets Advisory Committee

07 September 2023



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Attendees

Members: eight (8); apologies: one (1)

Digital Asset Research: two (2)

FTSE Russell: seven (7) including the Chair and Committee Secretary

Attendees were reminded of their obligations in relation to confidentiality of information, conflicts of interest and competition law. There were no declarations.

1. **Statutory governance matters and committee information**

1.1 Membership changes

1.1.1 FTSE Russell welcomed a new member to the advisory committee.

1.1.2 The advisory committee noted a change in membership for an independent member; going forward the member will attend the meetings as a representative of Digital Asset Research.

1.2 Minutes

1.2.1 The minutes of the meeting held on Tuesday 28 February 2023 were approved as presented.

1.2.2 The public minutes of the meeting Tuesday 28 February 2023 were approved as presented.

1.3 Governance

1.3.1 None.

1.4 Action points and matters arising

1.4.1 None.

1.5 Key notices and updates

1.5.1 The methodology notices published since the last meeting were included in the meeting materials. There were no requests for clarification.

2. **Index methodology and policy**

2.1 One item was discussed.

2.2 Review of the exchange vetting criteria within the digital assets pricing methodology (presented for discussion).

2.2.1 Background: FTSE Russell is the Benchmark Administrator for the FTSE DAR Reference Prices, which are used in the FTSE Global Digital Asset Index Series. The FTSE DAR Digital Asset Prices are calculated by DAR and incorporate executed prices from vetted exchanges. DAR assesses the quality of pricing data, qualifies pricing sources, and supplies FTSE Russell with price feeds. FTSE Russell and DAR are responsible for the ongoing vetting of digital assets and of the exchanges of digital assets as set out in the [Guide to the Vetting of Digital Assets and Digital Asset Exchanges](#). The exchange vetting methodology is jointly owned by FTSE Russell and DAR.

2.2.2 FTSE Russell and DAR evaluate the list of eligible exchanges on a quarterly basis at each March, June, September, and December month-end. In circumstances where an eligible exchange fails the relevant inclusion criteria during a quarterly review, the exchange will be demoted to the Watchlist or the Enhanced Eligibility list (if a vetted exchange), demoted to the Penalty List (if a Watchlist Exchange) or disqualified according to the criteria failed.

2.2.3 A discussion took place, and the committee members provided their comments.

2.3 Digital asset regulatory developments (presented for discussion): an overview of the regulatory concerns and developments relevant to the indices and prices along with a summary of digital asset regulations, by region, were outlined in the report.

2.3.1 A discussion took place, and the committee members provided their comments.

3. AOB

3.1 Digital Asset Research – ESG framework for crypto assets (presented for information): the framework approach accompanied the agenda and set out DAR's approach to assessing environmental, social, governance and network factors.

3.1.1 A discussion took place, and the committee members provided their comments.

3.1.2 FTSE Russell thanked the representative from DAR for attending the meeting and invited committee members to contact DAR directly should they have any follow-up questions.

4. Meeting dates

4.1 The meeting dates for 2024 were included in the agenda and duly noted.

4.1.1 2024: 14 May / 05 November

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