Modo Energy (“Benchmarking”) Limited
Change and Cessation Policy

ME BESS GB Index Family

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1. Purpose and Scope

This policy sets out the procedures to be followed by Modo Energy (Benchmarking) Limited (“Modo Energy” or “the Administrator”) in the event of any material change to, or cessation of, the ME BESS GB Index Family, in accordance with Article 28 of the UK Benchmarks Regulation (UK BMR).

It applies to all benchmarks within the ME BESS GB Index Family and is published alongside the Benchmark Statement (Article 27).

2. Governance and Oversight

- The Oversight Function is responsible for reviewing any proposed change or cessation and ensuring that the procedure complies with this policy and the UK BMR.

- Final approval for any change or cessation rests with the Board of Directors, following recommendations from the Chief Product Officer (CPO) and the Oversight Function.

- All decisions, supporting evidence, and stakeholder communications are documented and retained for a minimum of five years.

3. Triggers for Change or Cessation

A review or cessation may be triggered when:

1. Unavailability of Input Data:

   Input data from NESO, Elexon, EPEX, N2EX, or EMRS ceases to be published or becomes permanently unavailable, and no suitable alternative source exists that would allow the benchmark to continue to be determined in line with the published methodology or remain representative of GB BESS revenues.

2. Structural Market Change:

   A fundamental change in GB electricity-market design or related policy framework renders the benchmark unable to represent the intended market reality.

3. Regulatory Requirement:

   A directive from the FCA or another competent authority requires modification or cessation of the benchmark.

4. Business Decision:

   The benchmark is no longer commercially or operationally viable to maintain within the UK BMR framework.

4. Assessment and Decision Process

Before any change or cessation decision is made, Modo Energy will:

- Assess continuation feasibility - determine whether reliable input data or minor methodology amendments could allow continued publication in a fair, representative, and compliant form.

- Consult the Oversight Function - review findings, risk assessment, and market implications.

- Recommend action - either continuation under an amended methodology, implementation of a material change, or initiation of cessation procedures.

Material Changes to the Benchmark

Proposed changes to the benchmark methodology or calculation process are assessed using the same governance framework applied to cessation decisions.

Any material change-such as updates to input data sources, eligibility criteria, or calculation procedures-is reviewed by theBoard of Directors and Oversight Function to ensure the benchmark continues to represent GB BESS revenues fairly and accurately.

All material changes follow the formal approval process set out in Modo Energy's Methodology Change Procedure, including stakeholder consultation, Board approval, and public notification through the Benchmark Statement and Methodology Disclosure (Article 13).

Minor operational or technical updates that do not affect the representativeness or use of the benchmark are documented internally but do not require public consultation.

Where reliable continuation is not possible, cessation is formally approved by the Board of Directors and documented in Modo Energy's governance and compliance records.

5. Notification and Communication

- Modo Energy will notify the FCA prior to any planned cessation or material change and will publish a public notice at least 90 days in advance on its website.
- Direct communication will be issued to benchmark subscribers and other known stakeholders, outlining:
    - the reason for cessation or change;
    - the expected timeline; and
    - any implications for data access, archive availability, or potential alternatives.
- In exceptional or unforeseen circumstances (e.g., immediate loss of data availability), Modo Energy will notify the FCA and users as soon as practicable.

6. Transition and Fallback Arrangements

- During the notice period, Modo Energy will continue to publish existing benchmark values where feasible using validated data in accordance with its Fallback Policy.

- If the benchmark can no longer be determined reliably, publication will cease on the announced date.

- Historical data, methodology documentation, and all supporting materials will remain accessible for audit and reference purposes for at least five years.

- Due to the specialised design of the ME BESS GB Index Family, all benchmarks rely on publicly available, GB-specific market data and apply limited discretionary input solely to verify asset characteristics.
    - Any event that prevents Modo Energy from continuing publication would equally affect the availability of this underlying data, meaning that no directly comparable or substitutable benchmark could be produced by any other provider.
    - As a result, there are no feasible or appropriate alternative benchmarks that could maintain representativeness of GB BESS revenues under such conditions.
    - In the event of cessation, users may therefore choose to develop their own internal reference measures or performance indicators based on private operational or market data available to them.
    - Modo Energy does not provide or validate such internal references, as outlined and reasoned within its Conflict of Interest Policy.
    - Alternatively, users may consider constructing hypothetical revenue models to estimate potential GB BESS performance; however, such modelling would be purely illustrative and not a regulated benchmark.

7. Post-Cessation Actions

Following cessation:

- A final benchmark value will be published, clearly labelled as such.

- The cessation event, including the rationale and approval record, will be fully documented.

- All associated records will be retained in accordance with Modo Energy's data-retention and governance policies.

8. Review and Publication

This policy is reviewed every two years, or sooner if a material change occurs.

It is published alongside the Benchmark Statement and updated whenever revisions are approved by the Oversight Function and the Board of Directors.