

Bolsas y Mercados Españoles (BME) calculates publishes and disseminates in real-time the IBEX Index BME the company that integrates the principal securities markets and financial systems in Spain is Europe's fifth biggest exchange operator by equity turnover according to data from FESE. The equity turnover for December was 36,299 billion euros and the number of trades amounted to 4.43 million.

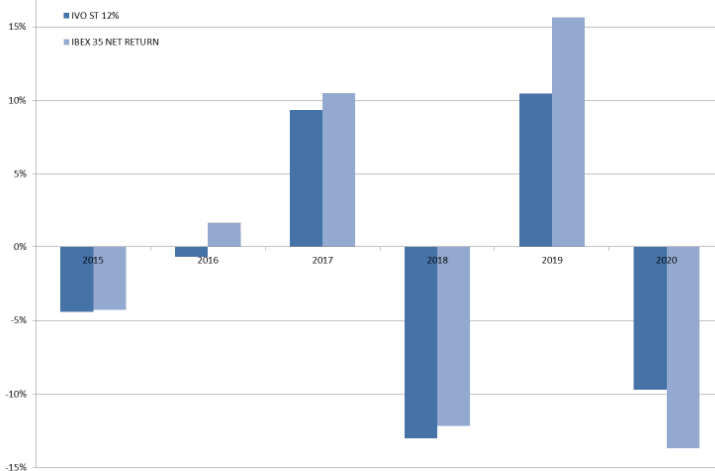
The Target Volatility indices series bases its strategy in a combination of investments in Equity and risk free fixed income. These indices strategy is to limit the investment risk to achieve this goal they set a volatility target and distribute the investment between Equity and risk free fixed-income according to market conditions.

There are two series of Target Volatility indices. The Standard series, which owns an initial capital and divides it to invest a proportion in Equity and the rest of it in risk free fixed-income. The Financed series, which only invests in Equity, borrows the amount necessary to fulfill this investment. For each of these two series there are four levels of target volatility, therefore there are two strategic indexes:

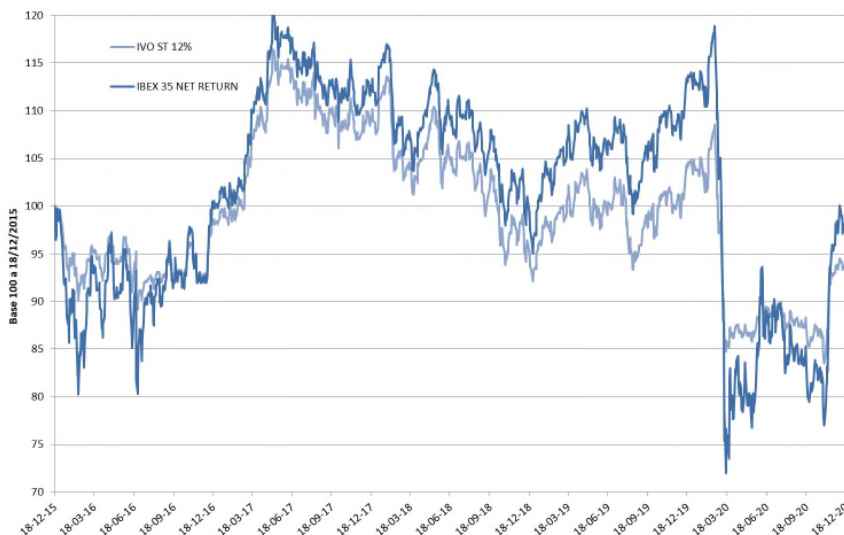
Series\Target Volatility

| | 10% | 12% | 15% | 18% |
|----------|-------------|-------------|-------------|-------------|
| Standard | IVO ST (10) | IVO ST (12) | IVO ST (15) | IVO ST (18) |
| Financed | IVO F (10) | IVO F (12) | IVO F (15) | IVO F (18) |

Annual returns of the Standard series (12%) and the underlying



Performance of the Standard series (12%) and the underlying



Characteristics

- The IBEX 35 Target Volatility are strategic indices based on IBEX 35
- The indices are Euro-denominated and are calculated at the close of the market.
- The volatility calculation is done by an EWMA model based on historical data.
- The four levels of target volatility are 10%. 12%. 15% and 18%.
- The investment in Equity is made specifically through an investment in the IBEX 35 Net Return (www.sbolsas.com) with a maximum leverage level.
- The investment in fixed-income obtains a return according to EONIA (Euro OverNight Index Average)
- The Financed series borrows the capital at the cost of EONIA
- IBEX 35 is the domestic and international benchmark for the Spanish Stock Market
- IBEX 35 is made up by the 35 most liquid securities traded on the Spanish Stock Market. Selection criterions of constituents have no sector diversification bias.
- IBEX 35 constituents are weighted by market capitalisation adjusted by free float.

>December 2020<

Returns breakdown

| | 6 MONTHS | 12 MONTHS | 3 YEARS | 5 YEARS |
|------------|----------|-----------|---------|---------|
| IBEX 35 NR | 8,69% | -14,24% | -13,96% | -3,06% |
| IVO ST 10% | 3,22% | -8,51% | -12,35% | -5,56% |
| IVO ST 12% | 4,23% | -10,36% | -14,80% | -6,73% |
| IVO ST 15% | 4,98% | -12,84% | -19,06% | -9,68% |
| IVO ST 18% | 5,55% | -15,76% | -20,89% | -10,20% |
| IFO F 10% | 3,46% | -8,19% | -12,04% | -4,70% |
| IFO F 12% | 4,38% | -9,91% | -14,65% | -7,26% |
| IFO F 15% | 4,96% | -12,94% | -19,06% | -9,70% |
| IFO F 18% | 5,58% | -15,16% | -20,71% | -9,83% |

Annual volatility

| | 2020 | 2019 | 2018 | 2017 | 10 year average |
|------------|--------|--------|--------|--------|-----------------|
| IBEX 35 NR | 34,02% | 12,39% | 13,64% | 13,03% | 21,31% |
| IVO ST 10% | 11,54% | 9,60% | 10,39% | 9,94% | 10,14% |
| IVO ST 12% | 13,84% | 11,51% | 12,43% | 11,90% | 12,17% |
| IVO ST 15% | 17,33% | 14,39% | 15,56% | 14,86% | 15,21% |
| IVO ST 18% | 20,70% | 17,00% | 18,41% | 17,80% | 18,18% |
| IFO F 10% | 11,56% | 9,62% | 10,39% | 9,96% | 10,16% |
| IFO F 12% | 13,87% | 11,54% | 12,44% | 11,87% | 12,17% |
| IFO F 15% | 17,33% | 14,40% | 15,57% | 14,87% | 15,22% |
| IFO F 18% | 20,71% | 17,01% | 18,43% | 17,80% | 18,20% |

Investment proportions analysis in 2020

| | 10% LIMIT | 12% LIMIT | 15% LIMIT | 18% LIMIT |
|------------------------------------|-----------|-----------|-----------|-----------|
| Average investment in Equity | 40,41 | 48,50 | 60,62 | 72,39 |
| Minimum investment level in Equity | 90,86 | 109,04 | 136,29 | 150,00 |
| Maximum investment level in Equity | 16,76 | 20,11 | 25,14 | 30,17 |

Codes

| | ISIN | Reuters | Bloomberg |
|--|--------------|-----------|---------------------|
| IBEX 35 | ES0S10000005 | <.IBEX> | IBEX Index <GO> |
| IBEX 35 Net Return | ES0S10000062 | <.IBEXNR> | IBEXNR Index <GO> |
| IBEX 35 Target Volatility Standard 10% | ES0S00000083 | <.IBEXVA> | IBXTV10S Index <GO> |
| IBEX 35 Target Volatility Standard 12% | ES0S00000091 | <.IBEXVB> | IBXTV12S Index <GO> |
| IBEX 35 Target Volatility Standard 15% | ES0S00000109 | <.IBEXVC> | IBXTV15S Index <GO> |
| IBEX 35 Target Volatility Standard 18% | ES0S00000117 | <.IBEXVD> | IBXTV18S Index <GO> |
| IBEX 35 Target Volatility Financed 10% | ES0S00000125 | <.IBEXVE> | IBXTV10F Index <GO> |
| IBEX 35 Target Volatility Financed 12% | ES0S00000133 | <.IBEXVF> | IBXTV12F Index <GO> |
| IBEX 35 Target Volatility Financed 15% | ES0S00000141 | <.IBEXVG> | IBXTV15F Index <GO> |
| IBEX 35 Target Volatility Financed 18% | ES0S00000158 | <.IBEXVH> | IBXTV18F Index <GO> |

IBEX Index Series



IBEX 35 TARGET VOLATILITY 12% STANDARD

Index launch
24th September 2013

Index Calculation
Real-time

Weighting
Index based on IBEX 35 Net Return

Currency
Euro

Base date
April 29th, 1999

Base level
100

Review dates
Quarterly
Ordinary in June and December
Follow-ups in March and September

Index Rules
Available at www.sbolsas.com

Factsheet Data
Sociedad de Bolsas' data as at 18th December, 2020