

[METIS MARKET PRICES METHODOLOGY]

Metis market price discovery is based on regular contact with a wide network of market participants. This network is constantly reviewed and expanded to ensure a balance of buyers and sellers, and reflect actual activity in the market.

All price assessments are carried out by experienced analysts with deep knowledge of the industry, and all dialogues with the market sources are treated in a strictly confidential way with no information shared with third parties or Metalshub team.

Data collection

Metis team executes daily price discovery for bulk and noble ferroalloys market in Europe by reaching out to the wide network of market participants, including producers, consumers, and traders. The conversations can be done via telephone, email, private one-to-one instant messenger services or any other private means of communication. All price data and additional information is confidential and stored securely.

Metis collects deal prices, offer prices, bids, price sentiments and assessments, talking to market participants. Deals prices, however, have the highest priority during the final market price range calculation.

Metis seeks to verify each deal price with both parties but when it is not possible, deals will be accepted by one party of a transaction. Metis also collects the information about chemical composition, delivery date, volume and payment terms.

Admissible price data is limited to transactions concluded at arms-length. This means a trade must be between companies who are unrelated in ownership and/or where the transaction is not part of any other arrangement. This therefore necessarily excludes intra-company transfers.

Final Metis market price range calculation

Standard process

The high and low values of the published price range are established as follows:

1. All data points submitted are assessed against admissibility criteria in the relevant product specification and reliability of the data point provider.
 - a. Data points which meet the criteria without normalisation are determined as acceptable.
 - b. Data points that require normalisation and can be normalised are normalised, and the resulting data determined as acceptable.
 - c. All other data points are rejected and will not be used in subsequent price evaluation.

2. Expert judgement is used to establish the high and low values of the published price range. Metrics such as the standard deviation may be used as a guide to this process, but not as a sole determinant of the range.

Exclusion of outliers

Metis experts may use expert judgement in the exclusion of a data point as an input to the calculation of the final price.

Any transaction that deviates from the collected price data for the trading period will receive extra scrutiny from Metis team. For example, if a transaction is considered to be a potential outlier, supporting documentation as a means of further authentication may be asked for.

Transactions verified by both buyer and seller or authenticated with supporting documentation will normally carry more weight in a final assessment than transactions reported without any supporting documentation.

Price determination in an illiquid market

In the case that there are no data points that meet, or after normalisation can meet, the methodology pricing definition in any price assessment time period, the previous published price will be rolled over and used as the final assessment value for the published price.

Metalshub data usage

Strictly anonymised Metalshub price and trade data are only supporting the Metis team to validate information received from market participants.

The Metalshub Price Indices are generated solely based on platform activity, such as transactions, bids, and offers. Metis Market Prices (price assessments) will not be included into the Metalshub index.

In turn, Metis Market Prices are based on the data collected through journalistic methods, and only validated by Metalshub data.

Metalshub Data security

Access to data on Metalshub is strictly limited to a minimal number of Metalshub employees. Therefore, the Metis team has only access to anonymized transaction data from the Metalshub platform. All this information from Metalshub will be only used to verify information received from market participants and will not be shared with anyone. Hence all information regarding individual negotiations remain confidential.