

REFINITIV BENCHMARK OVERSIGHT COMMITTEE MEETING MINUTES

Thursday 24 March 2022, 14:30 UK time

Location: Virtual only

Attending Members

Mark Evans, Chair

Jayne Fagas

Vinay Reddy

Alex Hardouin

Apologies

Phil Lloyd

John Mason

Refinitiv Representatives

Shirley Barrow

Tristan Long

Wendy Trump

Thomas McWilliams

Andrei Brenko

Robert Walton

Irina Ons Vilaboa

Keith Elliott

Dennis Higham

Tracey Rebello

Richard Davies

Scott Harman

1. Welcome

The meeting was called to order and declared quorate.

2. Annual Declaration of Conflicts of Interest

- In connection with the annual declaration of conflict of interest, all the members have:
 - re-attested the adherence to the confidentiality agreement and Conflict of Interest policy as per the Appointment Letter.
 - agreed that they still remain fit and proper and confirmed no conflict of interest changes.
 - reconfirmed no changes to their roles and interests which are public information on the website.
- As an annual process, RBSL Conflicts of Interest Register has been provided to the Oversight Committee for visibility.

3. Approved minutes of previous meeting 9 December 2022

For noting - Previous meeting minutes had been approved prior to the meeting and the public version is available on the Refinitiv website.

4. Action items

Three action items have been reviewed and closed.

Convertibles

5. Operations Update for Convertibles

5.1 Index Management and Technology

- There were no Index restatements during this reporting period (December 2021 – January 2022)
- There were no expert judgment / notable events during the current reporting period.
- Methodology Version 10 is currently awaiting approval from the Board. Version 10 is a non-material re-write to improve the document flow and add transparency.
- A few points for next methodology review in 2022 have been advised.
- A metric for the number of constituents presents in the Index with at least one price query known for such constituent as recorded by Refinitiv's Independent Evaluation Pricing Service has been provided.

5.2 Convertibles Content Operations.

- Regular sessions between Index Operations and Content Operations continued.
- An incident report was shared to the Oversight Committee.

6. Methodology Update

Covered within agenda 5.1

7. Technology Update

- The progress of all workstreams for the Cloud migration was shared.
- The CBI Workshops scheduled for Q2 were shared.

8. Project Update

An update of the ongoing Convertible project was provided to the Oversight Committee.

Refinitiv Term SONIA

9. Content Operations Update

- There were no late publications or refixes in the previous 3 months.
- Permission changes will become effective 19th April to reflect licensing and ongoing access to real-time data

10. Monitoring and Surveillance Update

- The benchmark rates movement across December 2021 to February 2022 was briefed to the Oversight Committee.
- All alerts in the previous quarter (Dec 2021 – Feb 2022) were investigated by the M&S team and closed at Level 1 with no further actions.

11. Methodology Update – annual review

- Term SONIA Methodology was provided to the Oversight Committee for review as part of the annual review process. The purpose of this annual review is to assess how well the Methodology has functioned in producing Term SONIA benchmark settings during the review period and whether any changes are considered desirable at this stage.
- The Oversight Committee approved the Methodology.

12. Threshold Calculation – annual review

- As part of the annual review process, the Threshold Calculation Assessment report for Term Sonia was shared with the Oversight Committee members for review.
- The Oversight Committee approved the Threshold Calculation Assessment for Term Sonia.

SAIBOR

13. SAIBOR Content Operations Update

- All publications were on time with no republications and there were no issues to note during the last quarter.
- Transition to the enhanced SAIBOR methodology is underway and progressing without issue. (Completed as of the week of the Oversight Committee meeting)

14. SAIBOR Monitoring & Surveillance Update

- The Oversight Committee was briefed on the movement of the submission and the impact on the alerts triggered.
- An embargo period (from 2nd January 2022) necessitated changes to the standard surveillance processes.

15. SAIBOR Methodology Update – Transition enhanced methodology

- The transition completed effectively on 20th March. Refinitiv has sent formal notification to users and the submitters at the banks that the publication of individual contributions which were suspended during the transition periods would restart from 23rd March.
- Trivial changes of removing the reference of the legacy methodology and the transition were to be made to the Methodology and the Benchmark Statement.

16. Threshold Calculation – annual review

As an annual review process, the SAIBOR/ SAIBID Threshold Calculation Assessment was provided to the Oversight Committee for review. The Oversight Committee approved the SAIBOR/ SAIBID Threshold Calculation Assessment.

17. Contributors Assessment

DH shared with the Oversight Committee the Contributor Assessment for December 2021 to February 2022.

TONA TSR

18. Content Operations Update

- There were 3 late AM publications in last quarter December 2021 to February 2022 due to technical issues at Refinitiv. No alerts were raised and no queries have been received.
- There were no republications for the last quarter.
- The incident report for the No-fix on 30th November 2021, including the root cause and the remediation measures, was provided to the Oversight Committee.

19. Monitoring and Surveillance Update

- No material matters were identified, and all alerts were closed at level 1 by the Monitoring and Surveillance team with no further actions.

20. Methodology Update – TSR Fallback / Enhancements

- The changes to the Methodology and the Benchmark Statement for TSR including reference of data source are not material. Notification will be published on the website no less than 2 weeks before the effective date.
- The Oversight Committee approved the Methodology and Benchmark Statement changes and confirmed that they did not disagree with the proposition that the changes were not material.

USD IBOR Cash Fallbacks

21. Content Operations Update

- There were no late publications and no republication for both USD IBOR Cash Fallback Institutional rates and Consumer rates.
- Institutional rates were launched as Production Rates on the 26th November 2021. Consumer 1W and 2M rates launched as prototype on 16th Dec 2021 and as Production Rates on the 3rd January 2022.

22. Methodology Update

No changes for USD Dollar Cash Fallback rates.

23. Business Update

Business update on Russian sanctions were provided to the Oversight Committee.

- With regards to the market event with the Ukraine/Russia conflict, LSEG group has a strong approach in place across the different business areas as to how to manage the consequences of the sanctions and the potential impact on calculations and provision of data. RBSL has been linked with the key groups within LSEG evaluating the meaning of the sanctions in order to ensure that a consistent approach is followed.

There was no discernible impact on the RBSL Interest Rate Benchmarks.

24. Regulatory Update

A regulatory update was provided to the Oversight Committee including internal projects and FCA communications.

25. Overall Summary

The Oversight Committee is satisfied with the work Refinitiv has done in response to any issues (Quality Control, Monitoring and Surveillance or other issues) brought to the attention of the Oversight Committee in the quarterly period leading up to this meeting.

26. Any Other Business

The timing of sending the meeting pack was discussed.

The meeting was brought to a close at 16:20 BST.