

STIBOR Code of Obligations of Calculation Agent

September 2024

Contents

| | | |
|-------|---|---|
| 1 | Overview..... | 3 |
| 1.1 | Outsourced functions..... | 3 |
| 2 | Authorities and responsibilities..... | 3 |
| 3 | Calculation agent role and obligations..... | 4 |
| 3.1 | General requirements..... | 4 |
| 3.2 | Governance and control framework..... | 5 |
| 3.3 | Accountability framework..... | 5 |
| 3.3.1 | Record-keeping..... | 5 |
| 3.3.2 | Audit and reviews..... | 5 |
| 3.3.3 | Complaints and whistleblowing..... | 6 |
| 4 | Document Review..... | 6 |
| 4.1 | Publication..... | 6 |
| 4.2 | Version history..... | 6 |

1 Overview

The Swedish Financial Benchmark Facility (SFBF), as a critical benchmark administrator, has a responsibility of defining and implementing robust governance and control arrangements for functions that are outsourced in the provision of STIBOR.

SFBF shall ensure that outsourced functions in the provision of STIBOR do not materially impair SFBF's control over the provision of STIBOR or the ability of its competent authority to supervise STIBOR.

The objective of the STIBOR Code of Obligations of Calculation Agent (COCA) is to set out the requirements for the STIBOR Calculation Agent (Calculation Agent) in acting as an agent of SFBF for the determination of STIBOR.

1.1 Outsourced functions

SFBF has outsourced two important functions for the determination of STIBOR. The outsourced functions are:

- The Calculating Agent System (CA System) provided by Global Rate Set Systems (GRSS)
- The Helpdesk function provided by GRSS

Further, within the document the reference to Calculation Agent includes the functions and services of the CA System and the Helpdesk function.

2 Authorities and responsibilities

The SFBF Board of Directors (the Board) is the governing body of SFBF. The Board approves the components of the STIBOR Governance Framework, and changes thereto, based on their own considerations and recommendations, as applicable, of the Benchmark Oversight Committee (OC). The Risk and Compliance Committee (the RCC) is a Board Committee which has the responsibility for oversight over the SFBF's overall risk management governance structures and risk management program.

The OC is an independent committee composed of a balanced representation of stakeholders, which exercises an independent oversight over all aspects of the provision of STIBOR, including governance and methodological aspects.

The COCA is an integral component of the STIBOR Governance Framework and has been adopted by the Board. The Calculation Agent must confirm compliance with the COCA to SFBF on an annual basis. The standards set in this COCA are additional to and do not supersede any relevant legislation, regulation, or regulatory guidance applicable to SFBF. SFBF and the competent authority should be notified of any potential inconsistencies between the COCA and such legislation or regulation. The standards set out in this COCA are additional to and do not replace or supersede any requirement established contractually between SFBF and the Calculation Agent.

3 Calculation agent role and obligations

3.1 General requirements

The Calculation Agent must have the ability, capacity, and any authorisation required by law, to perform the calculation agent services reliably and professionally.

The Calculation Agent has the responsibility for the following:

- a. the efficient and timely operation of the daily STIBOR determination process as defined in the STIBOR Calculation Methodology with due regard for upholding the quality of the benchmark determination
- b. pre- and post-calculation data controls defined by the SFBF
- c. the accurate and timely dissemination of the calculated STIBOR rates to the authorised Data Vendors for publication
- d. the handling of access rights for authorised contributors to STIBOR, in accordance with the SFBF's instructions
- e. the regular reporting to SFBF on the quality of data submissions, including absent or persistently erroneous submissions
- f. the record keeping and retention of daily calculation events, actions taken and communications with Panel Banks in accordance with the requirements set out in Section 3.3.1 Record-keeping.; and
- g. as soon as practicable, escalate to SFBF any significant issue that occurs during the determination of STIBOR, including but not limited to, contingency, business continuity and disaster recovery scenarios, as detailed in the relevant policies and procedures.

The Calculation Agent may undertake further data analysis and quality roles for SFBF, in particular assisting in the post-calculation data controls performed by SFBF, using its expertise in these fields, provided that both parties agree on such responsibilities explicitly.

The Calculation Agent will provide the primary benchmark calculation infrastructure and shall maintain the ability to collect, calculate and distribute STIBOR for the cases when the primary infrastructure is unavailable.

The Calculation Agent must carry out the calculation agent services in compliance with applicable laws and regulations, as well as with relevant policies established by SFBF, as defined contractually.

The Calculation Agent must report immediately to SFBF in case of any development that may have a material impact on its ability to carry out the calculation agent services effectively and in compliance with applicable law and regulatory requirements.

The Calculation Agent shall cooperate with the relevant competent authority in connection with the outsourced activities. The administrator and the relevant competent authority shall have effective access to data related to the outsourced activities, as well as to the business premises of the Calculation Agent. The relevant competent authority shall be able to exercise those rights of access.

3.2 Governance and control framework

To perform the responsibilities described in 3.1 General requirements, the Calculation Agent should establish and maintain robust governance arrangements and control frameworks, including but not limited to:

- a. its internal Calculation Agent Code of Conduct detailing its governance processes and internal controls observed by the Calculation Agent with regard to STIBOR determination
- b. a documented oversight process for the determination of STIBOR, with accountable named managers of appropriate seniority
- c. robust systems and operational infrastructures, with appropriate resiliency including a disaster recovery capability, to ensure the consistent and timely determination of STIBOR
- d. policies and procedures for handling and making appropriate disclosure and correction of operational, computational, or other errors which may affect the level of the published STIBOR rates
- e. policies and procedures to maintain high standards for confidentiality and data protection in relation to its role as Calculation Agent
- f. policies and procedures to identify and to prevent or manage conflicts of interest in relation to its role as Calculation Agent
- g. clear communication processes with SFBF
- h. a reporting framework on the quality of the STIBOR determination process – including contributions of input data by Panel Banks - as defined in the relevant policies and procedures.

3.3 Accountability framework

The Calculation Agent should have in place an accountability framework, covering the following process in relation to its activities as STIBOR calculating agent:

- record keeping and retention
- auditing and review
- complaints and whistleblowing

3.3.1 RECORD-KEEPING

The Calculation Agent shall develop and maintain its own record-keeping policy that must comply with the SFBF's Record keeping, retention & destruction policy.

The record-keeping obligations of the Calculation Agent shall be detailed in a Service Level Agreement between the Calculation Agent and the SFBF.

3.3.2 AUDIT AND REVIEWS

The Calculation Agent will conduct internal reviews, on an annual basis, to ascertain it is meeting all of its obligations under its agreement with the administrator for the provision of the outsourced services. Internal reviews will be provided to the administrator and its auditors upon request.

The Calculation Agent provides rights to the administrator and government agencies to allow third party audits of the effectiveness of the controls in place, taking into consideration its responsibility as STIBOR Calculation Agent and its core processes and procedures. This will include access to any of the Calculation Agent premises, personnel and relevant records, data and information as may be reasonably required to verify that the Calculation Agent is complying with its obligations.

3.3.3 COMPLAINTS AND WHISTLEBLOWING

The Calculation Agent shall establish procedures for receiving, investigating, and retaining records concerning complaints made in relation to STIBOR.

The Calculation Agent shall establish whistleblowing arrangements for the reporting of potentially suspicious or manipulative activity.

4 Document Review

This document will be reviewed annually.

4.1 Publication

This document is made publicly available on the SFBF website.

4.2 Version history

| Version | Issue Date | Changes |
|---------|-------------------|------------------|
| 1.0 | August 2021 | Original release |
| 2.0 | 11 October 2021 | Revised release |
| 3.0 | 18 December 2023 | Revised release |
| 3.1 | 19 September 2024 | Revised release |