
TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS

Terms of Reference of the Oversight Committee of Interest Rate Benchmarks, adopted by Resolution No. 75/2021 of the GPW Benchmark S.A. Management Board of 9th December 2021		
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GLOSSARY

Acronym	Description
Administrator	GPW Benchmark S.A. with a registered office in Warsaw, ul. Książęca 4, 00-498 Warsaw, entered into the register of entrepreneurs of the National Court Register by the District Court for the capital city of Warsaw in Warsaw, 12 th Commercial Division under KRS0000493097, with share capital of PLN 5,900,000 - fully paid up; NIP code 5252546511
Compliance Officer	person occupying a separated compliance position within the organizational structure of GPW Benchmark S.A., described in the document "Organization Terms of Reference of GPW Benchmark S.A."
Independent Member	Oversight Committee Member who is not related to the Administrator in any way other than through participation in the Oversight Committee and who is free from conflict of interest related to participation in the determination of the Interest Rate Benchmarks or other professional activities to the extent that they could give rise to a conflict of interest
Input Data	input data as defined in the of Article 3(1)(14) of the Benchmarks Regulation
Definition	description of the market or economic reality that the Interest Rate Benchmark intends to measure
Administrator Documentation	set of documents of the Administrator describing, in particular, the Methods and internal procedures for the management of Interest Rate Benchmarks
Material Change of the Method	material change of the method as defined in the Procedure of Review and Change of Interest Rate Benchmarks Methods
Oversight Committee Member Candidate	person to whom the Administrator extends an invitation to participate in the Oversight Committee
Key Elements of the Method	key elements of the method as defined in the Procedure of Review and Change of Interest Rate Benchmarks Methods
KNF	Polish Financial Supervision Authority
Code of Conduct	code of conduct referred to in Article 15 of the Benchmarks Regulation
Oversight Committee	the committee appointed by the Administrator, performing the oversight function as defined in Article 5 of the Benchmarks Regulation in relation to Interest Rate Benchmarks, as defined in the Benchmarks Regulation
KRI	Key Risk Indicators which constitute a set of indicators for monitoring functioning risk
Materiality Criteria	Materiality criteria as defined in the Procedure of Review and Change of Interest Rate Benchmarks Methods
MAR	the Regulation of the European Parliament and the Council 596/2014 of April 16th, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (Market Abuse Regulation)

Methods	method of provision of each Interest Rate Benchmark, described in the Terms of Reference of a given Interest Rate Benchmark
Observer	entity that has the right to designate its representative who is not a Oversight Committee Member, to whom the Administrator will grant the right to participate in meetings of the Oversight Committee without voting rights
Independence declaration	declaration submitted by the Oversight Committee Members at the beginning of the engagement and regularly by January 31 each year, confirming that they are not under any conflicts of interest arising from their activities
Data Contributor	data contributor within the meaning of Article 3 (1) (9) of the Regulation on Benchmarks
Procedure of receiving and processing of complaints	„Procedure of receiving and processing of complaints in GPW Benchmark S.A.” adopted by the Administrator
Procedure of infringement reporting	„Procedure of infringement reporting in GPW Benchmark S.A.” adopted by the Administrator
Risk management procedure	„Risk management procedure” adopted by the Administrator
Procedure of Method Change	„Procedure of Review and Change of Interest Rate Benchmarks Methods” adopted by the Administrator
Supervisory Board	Supervisory Board of GPW Benchmark S.A.
Terms of Reference	Terms of Reference of the particular Interest Rate Benchmark in force at the Administrator, including in particular the description of its Method
Terms of Reference of the Oversight Committee	these „Terms of Reference of the Oversight Committee of Interest Rate Benchmarks”
Organization Terms of Reference	„Organization Terms of Reference of GPW Benchmark S.A.” adopted by the Administrator
Benchmarks Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation 596/2014
User of Interest Rate Benchmarks	entity using the Interest Rate Benchmarks within the scope indicated in the Benchmarks Regulation
Interest Rate Benchmark	each of the Interest Rate Benchmarks, mentioned of Article 3 (1) (22) of the Benchmarks Regulation, provided by the Administrator
Management Board	Management Board of GPW Benchmark S.A.

1. INTRODUCTION

- 1.1 The Oversight Committee acts with respect to the Interest Rate Benchmarks as the oversight function referred to in Article 5(1) of the Benchmarks Regulation.
- 1.2 The Oversight Committee oversees, under the terms of these Terms of Reference of the Oversight Committee, all aspects of the Administrator's provision of the Interest Rate Benchmarks.

2. TASKS AND FUNCTIONS OF THE OVERSIGHT COMMITTEE

- 2.1 The tasks of the Oversight Committee include:
 - 2.1.1 tasks in the area of Definitions and Methods, which include:
 - (a) reviewing the Definitions and Methods at least once a year and making recommendations for changes,
 - (b) overseeing changes made to the Methods,
 - 2.1.2 tasks with respect to the definition of Material Change in Methods and Materiality Criteria, which include:
 - (c) approving the definition of Material Change in Method and Materiality Criteria proposed by the Management Board,
 - (d) reviewing the definition of Material Change in Method and Materiality Criteria at least once every two years,
 - (e) overseeing changes made to the definition of Material Change in Method and Materiality Criteria,
 - 2.1.2 tasks of the management of the Interest Rate Benchmarks and their functioning, which include:
 - (a) supervising the Administrator in the management and functioning of the Interest Rate Benchmarks,
 - (b) conducting annual reviews of the Administrator's compliance with the Method,
 - 2.1.4 tasks of supervising Data Contributors and monitoring Input Data, which include:
 - (a) evaluating and recommending changes to the Fixing Participant Criteria,
 - (b) monitoring Input Data and the actions of Data Contributors regarding the contribution of Input Data,
 - (c) monitoring the actions of the Administrator regarding the questioning or validation of Input Data,
 - (d) supervision of the Data Contributors' compliance with their obligations to the extent set forth in the relevant Code of Conduct,
 - 2.1.5 tasks of suspending and discontinuing the provision of Interest Rate Benchmarks, which include:
 - (a) reviewing and approving the procedures for suspension or cessation of provision of Interest Rate Benchmarks,
 - 2.1.6 other tasks, which include:
 - (a) supervising, as appropriate, third parties involved in the provision of the Interest Rate Benchmarks, including those responsible for calculating or disseminating the Interest Rate Benchmarks,

- (b) assessing internal and external audits or reviews conducted with respect to the Administrator and monitoring the implementation of identified corrective actions,
- (c) notifying the KNF about identified instances of improper behavior of the Administrator,

2.1.7 tasks other than those indicated in points 2.1.1 - 2.1.5, assigned to the Oversight Committee in the Administrator Documentation.

Tasks of the Definition and Methods of Developing Interest Rate Benchmarks.

- 2.2 The Oversight Committee reviews the Definitions and Methods at least once a year, in accordance with the Administrator Documentation, including the Procedure of Method Change.
- 2.3 The Oversight Committee, based on a proposal from the Management Board, adopts a plan for the annual review of the Definitions and Methods and approve or reject the conclusions of the review of the Definitions and Methods, as presented in the Management Board' report, in accordance with point 3 of the Procedure of Method Change.
- 2.4 The Oversight Committee approves the individual definitions of Material Method Change proposed by the Management Board in accordance with the Method Change Procedure. A change in the definition of a Material Method Change is effective only after approval by the Oversight Committee.
- 2.5 The Oversight Committee provides its opinion on the Methods change proposals submitted by the Management Board and can make recommendations to change the Methods, in accordance with the Procedure of Method Change. The Management Board provides materials and information necessary for the Oversight Committee to issue the aforementioned opinions and recommendations.

Tasks of the management of the Interest Rate Benchmarks and their functioning

- 2.6 The Oversight Committee may make recommendations for changes to the Methods, the Administrator's internal procedures related to the Methods, and (if applicable) the participation of third parties in the provision of the Interest Rate Benchmarks, based in particular on the monthly report on the functioning of the Interest Rate Benchmarks prepared by the Administrator.
- 2.7 The Oversight Committee may issue recommendations for corrective actions on the basis of the analysis of KRI exceedances reported by the Administrator, in accordance with the Risk Management Procedure. In particular, the Oversight Committee may recommend a change in the scope of participation of third parties in the provision of the Interest Rate Benchmarks.
- 2.8 The Oversight Committee may make recommendations for changes made to the risk management system for the Administrator, based on the annual report prepared by the Administrator presenting an assessment of the risks of functionings, in accordance with the Risk Management Procedure.
- 2.9 The Oversight Committee receives information from the Administrator on complaints received and responses given to them, and considers appeals against complaints submitted to the Administrator, in accordance with the Procedure for Receiving and Considering Complaints.
- 2.10 The Oversight Committee may make recommendations on violations reported to the Administrator and accepts the annual report on the analysis of violations, in accordance with the Procedure of infringement reporting.
- 2.11 The Oversight Committee issues an opinion on the Administrator's compliance with the Method, taking into account, in particular, the conclusions of the annual report on the Administrator's compliance with the benchmarks' methods and Benchmarks Regulation,

submitted by the internal auditor to the Management Board, which forwards the report to the Oversight Committee in accordance with the Internal Control and Audit Procedure.

- 2.12 The Oversight Committee decides on notifying the KNF about identified cases of improper performance by the Administrator or its employees.

Tasks of supervision of Data Contributors and monitoring of Input Data

- 2.13 The Oversight Committee, on the basis of current information provided by the Administrator or its own analyses, may make recommendations to the Administrator regarding modification of the Fixing Participant Criteria.
- 2.14 The Oversight Committee may make recommendations to the Administrator regarding the Data Subjects and the Input Data they contribute, the Administrator's actions in validating or challenging the Input Data, and the assessment of the Data Contributors' compliance with their obligations under the Administrator Documentation, in particular the Code of Conduct and its appendices. The Oversight Committee may perform the above on the basis of the monthly report on the processes of determining the Interest Rate Benchmarks submitted by the Administrator.
- 2.15 The Oversight Committee may make recommendations to the Administrator for action with respect to violations of the Code of Conduct by the Data Contributor, acting on the basis of the information provided by the Administrator and explanations provided by the Data Contributor.

Tasks of suspension and cessation of provision of Interest Rate Benchmarks

- 2.16 The Oversight Committee reviews the decision to suspend the Administrator's provision of the Interest Rate Benchmarks, in accordance with the Documentation of the Administrator, including the Procedure of Method Change. The Management Board forwards to the Oversight Committee all information necessary to make the aforementioned decision.
- 2.17 The Oversight Committee approves or adjusts the Management Board's proposed course of action for the with regard to the restoration of continuity of determination of Interest Rate Benchmarks in emergency situations as provided for in the Administrator Documentation.
- 2.18 The Oversight Committee reviews the Administrator's decision to cease the provision of the Interest Rate Benchmarks, in accordance with Administrator Documentation, including the Procedure of Method Change. Opinion on cessation of provision of Interest Rate Benchmarks is issued by the Oversight Committee on the basis of the based on the information provided by the Management Board. The Oversight Committee may, for the purposes of forming the aforementioned opinion, request the Management Board to provide additional information and conduct additional analyses.

Other activities

- 2.19 The Oversight Committee may issue recommendations for corrective actions to the Administrator based on the results of the Administrator's internal and external audits. The Oversight Committee may request information from the Administrator on the status of implementation of the above recommendations.
- 2.20 The Oversight Committee decides whether to inform the KNF of violations by the Administrator, while maintaining confidentiality, based on the Procedure of infringement reporting.
- 2.21 In the event that a Oversight Committee Member violates the provisions of the Administrator Documentation applicable to it, including, in particular, these Oversight Committee Terms of Reference, the Oversight Committee reports this fact to the Management Board and may provide such information to the FSA in accordance with point 2.18.

- 2.22 The Oversight Committee reports to the Administrator recommendations for amendments to the Oversight Committee Terms of Reference.
- 2.23 The Oversight Committee performs all other tasks, not described above, assigned to the Oversight Committee in the Administrator Documentation .
- 2.24 The Oversight Committee has access to the Administrator Documentation to the extent necessary for the performance of its tasks as set forth in these Terms of Reference of the Oversight Committee and the Benchmarks Regulation, subject to the obligation of Oversight Committee members to observe confidentiality.

3. COMPOSITION OF THE OVERSIGHT COMMITTEE

- 3.1 The Oversight Committee consists of 5 to 11 members, appointed by the Administrator for a two-year independent term, except for the member designated by the Data Contributors, whose independent term is one year.
- 3.2 The majority of the Oversight Committee Members should be Independent Members.
- 3.3 The Oversight Committee Members are appointed by the Administrator.
- 3.4 Any Oversight Committee Member may be appointed multiple times to the Oversight Committee.
- 3.5 Eligible to be a Oversight Committee Member is a natural person:
 - 3.5.1 to which no criminal or administrative sanction has been applied, in particular related to the violation of financial sector regulations:
 - (a) the Benchmarks Regulation,
 - (b) the MAR,
 - (c) the Act of July 29, 2005 on trading in financial instruments,
 - (d) the Act of July 29, 2005 on public offerings,
 - (e) the Act of August 29, 1997 the Banking Law,
 - (f) the Act of May 27, 2004 on investment funds and management of alternative investment funds.
 - 3.5.2 having knowledge of Interest Rate Benchmarks, including contracts and financial instruments based on Interest Rate Benchmarks, or the activities of entities using Interest Rate Benchmarks related to their use, or knowledge derived from academic achievements related to the study of the market or economic realities the measurement of which is the purpose of Interest Rate Benchmarks,
 - 3.5.3 having at least 5 years of experience in the financial market,
 - 3.5.4 working in a position not directly related to the provision of Interest Rate Benchmarks,
 - 3.5.5 enjoying good reputation,
 - 3.5.6 having knowledge of the regulatory environment in which the Administrator operates in the field related to the provision of Interest Rate Benchmarks within the meaning of the Benchmarks Regulation.

4. APPOINTING OF OVERSIGHT COMMITTEE MEMBERS

- 4.1 Candidates for the Oversight Committee Members are indicated by:
 - 4.1.1 Administrator,

- 4.1.2 Data Contributors, through the Association of Polish Banks,
- 4.1.3 entities listed in point 4.4 below,
- 4.1.4 other entities requested by the Administrator to indicate Candidate members in accordance with point 4.7 below.
- 4.2 The Administrator indicates one Candidate for the Oversight Committee Member.
- 4.3 Data Contributors, through the Association of Polish Banks, indicate one Candidate for the Oversight Committee Member from among the persons employed by one of the Data Contributors who do not perform tasks related to the preparation and transfer of Input Data to the Administrator, nor supervise their performance. The Association of Polish Banks identifies a Candidate on behalf of the Data Contributors within 30 days of receiving a request from the Administrator. The procedure for selecting the Candidate is determined by Association of Polish Banks in consultation with the Data Contributors. A Oversight Committee Member who is a representative of the Data Subjects may not participate in the meeting of the Oversight Committee to the extent referred to in points 6.16.2 - 6.16.3 of these Terms of Reference.
- 4.4 The Administrator agrees to request the following stakeholders to identify, within 30 days of receiving a request from the Administrator, Candidates for Oversight Committee Members:
 - 4.4.1 Minister responsible for financial institutions - 1 candidate,
 - 4.4.2 President of the Office of Competition and Consumer Protection - 2 candidates,
 - 4.4.3 Association of Polish Banks - 2 candidates,
 - 4.4.4 Association of Financial Markets ACI Poland - 1 candidate,
 - 4.4.5 Chamber of Fund and Asset Managers - 1 candidate,
 - 4.4.6 National Bank of Poland - 1 candidate,
 - 4.4.7 Bank Guarantee Fund - 1 candidate.
- 4.5 The Administrator undertakes to appoint Candidates selected in accordance with point 4.4 above as the Oversight Committee Members, provided that they meet the criteria described in Point 3.5 above and can perform the role of an Independent Member and their candidacy has been submitted within the deadline referred to in point 4.4. In the event that a Candidate does not meet the criteria described in point 3.5 or can not perform the role of an Independent Member, the Administrator does not accept the candidacy and consequently the nominating entity may appoint another Candidate on the same terms.
- 4.6 If the Candidates for the Oversight Committee Members are not nominated by the entities referred to in point 4.4 above within 30 days from the date of the Administrator's request to such entities, or within 30 days from the date of the Administrator's non-acceptance of a Candidate in accordance with point 4.5, the Administrator may itself nominate a Candidate for the Oversight Committee Member, provided that such Candidate can perform the role of an Independent Member and meets the criteria referred to in point 3.5.
- 4.7 In addition, the Administrator may, upon consultation with the acting Oversight Committee, allow the nomination of a Candidate for the Oversight Committee Member to entities other than those listed in point 4.4 above (within 30 days from the date of receipt of the request from the Administrator), when it is advisable to do so in order to ensure stability and reliability of the Interest Rate Benchmarks, adequate competence of the composition of the Oversight Committee, adequate representativeness of the stakeholders of the Interest Rate Benchmarks or to ensure a minimum number of Oversight Committee members.
- 4.8 If, as a result of the dismissal, resignation or termination of a term of the Oversight Committee Member, the composition of the Oversight Committee is incomplete or does not

- meet the requirements for the number of Independent Members, the Administrator, without undue delay, takes steps to appoint new Oversight Committee Members.
- 4.9 The Administrator may, after consultation with the Oversight Committee, grant Observer status to institutions or entities whose participation in the Oversight Committee may enhance the stability, reliability and provision of the Interest Rate Benchmarks. Observer status may be granted to institutions or entities that:
 - 4.9.1 represent a group of stakeholders, particularly Interest Rate Benchmarks users,
 - 4.9.2 represent entities using reference indicators in accordance with in accordance with the Benchmarks Regulation pursuant to a relevant agreement with the Administrator,
 - 4.9.3 which, by virtue of their field of activity, are believed to provide material support to the Administrator in the process of oversight over provision and development of Interest Rate Benchmarks,
 - 4.9.4 create a broad money market or market for financial instruments based on the Interest Rate Benchmarks.
 - 4.10 The Administrator provides the entities referred to in point 4.4 with the opportunity to accept the status of an Observer, provided that such entities agree.
 - 4.11 The Observer representative may participate in the meetings of the Oversight Committee without voting rights. The Observer representative may not participate in the Oversight Committee meeting to the extent referred to in point 6.16 of the Oversight Committee Terms of Reference. The Observer representative is informed about the results of the Oversight Committee votes taken by circulation method.
 - 4.12 To the Candidates for the Oversight Committee Members, the Administrator sends a written invitation to participate in the Oversight Committee. The attachments to the invitation to participate in the Oversight Committee are:
 - 4.12.1 template of the Declaration of a Candidate for a Member of the Oversight Committee, attached as Annex 2 to the Terms of Reference of the Oversight Committee,
 - 4.12.2 template of the Declaration of Independence, attached as Annex 3 to the Terms of Reference of the Oversight Committee,
 - 4.12.3 template of the agreement with the Administrator to serve as an Oversight Committee Member.
 - 4.13 If the invitation is accepted, the Candidate for the Oversight Committee Member provides the Administrator with: a signed Declaration of the Candidate for the Oversight Committee Member, a description of qualifications confirming, in his/her opinion, that he/she meets the knowledge and experience criteria referred to in points 3.5.2, 3.5.3 and 3.5.6 of these Terms of Reference, and a Declaration of Independence.
 - 4.14 On the basis of the received documents referred to in point 4.13, the Administrator verifies the Candidate's fulfillment of criteria for membership in the Oversight Committee, and then make a decision on granting the status of Oversight Committee Member.
 - 4.15 The Administrator informs the selected person in writing about the granting of Oversight Committee Member status.
 - 4.16 With a Oversight Committee Member, the Administrator concludes a contract to serve as a Oversight Committee Member.
 - 4.17 The Terms of Reference of the Oversight Committee, the list of Oversight Committee Members, together with a description of their qualifications and the Declarations of Independence, are published on the Administrator's website: <https://gpwbenchmark.pl> .

- 4.18 The Management Board submits to the Oversight Committee at least once a year a report on the review of the Oversight Committee's membership from the point of view of compliance of the Oversight Committee's independence structure with the Terms of Reference of the Oversight Committee.

5. DISMISSAL OF OVERSIGHT COMMITTEE MEMBERS

- 5.1 The Administrator has the right to dismiss a Oversight Committee Member under the terms of these Terms of Reference.
- 5.2 A Oversight Committee Member may be dismissed only for valid reasons, which include, in particular, the following:
- 5.2.1 submission of false information by an Oversight Committee Member in the Declaration of the Candidate for the Oversight Committee Member or Declaration of Independence,
 - 5.2.2 the application to a Oversight Committee Member of a criminal or administrative sanction related to the violation of financial sector regulations,
 - 5.2.3 failure to attend Oversight Committee meetings for a period of 6 months,
 - 5.2.4 loss of status as an Independent Member or affiliation with the Administrator, in the case of Members the Oversight Committee,
 - 5.2.5 loss of good reputation,
 - 5.2.6 material breach by the Oversight Committee Member of the provisions of the agreement concluded with the Administrator, in particular breach of the obligation of confidentiality,
 - 5.2.7 cessation of the Member's compliance with the conditions referred to in point 4.3, or loss of the status of Data Contributor by the entity with which the Oversight Committee Member, appointed pursuant to point 4.3, has been employed.
- 5.3 The Administrator, after consultation with the chairperson of the Oversight Committee (in case the Administrator intends to dismiss a Oversight Committee Member other than the chairperson of the Oversight Committee), who evaluates the occurrence of valid reasons referred to in point 5.2, dismisses the Oversight Committee Member referred to in point 5.2 and promptly communicate such information to the dismissed Oversight Committee Member and the chairperson of the Oversight Committee, or to the dismissed chairperson of the Oversight Committee and the other Oversight Committee Members, respectively. The dismissal takes place on the date specified by the Administrator.
- 5.4 the event of the dismissal of a Oversight Committee Member appointed in accordance with point 4.4 of the Terms of Reference of the Oversight Committee, the institutions that designated that Oversight Committee Member are entitled to designate new Candidates for Members of the Oversight Committee. The Administrator refers the matter to the entity that designated that Oversight Committee Member, which in this situation is entitled to designate a new Candidate for a Member of the Oversight Committee. The provisions of points 4.4 - 4.6 apply accordingly.
- 5.5 An Oversight Committee Member may resign from the membership at any time in the Oversight Committee by submitting a written declaration to the Administrator.
- 5.6 In the event of resignation, membership in the Oversight Committee ceases on the first day of the month following the month of resignation. Until that time, the Oversight Committee Member has all the rights and obligations provided for in these Terms of Reference of the Oversight Committee, and the Administrator Documentation that applies to the Oversight Committee Members.

6. OVERSIGHT COMMITTEE WORK ORGANIZATION

- 6.1 The Oversight Committee Members elect the chairperson of the Oversight Committee from among the Independent Members; however, the chairperson may not be a Oversight Committee Member affiliated with the Users of Interest Rate Benchmarks or their associations.
- 6.2 The chairperson of the Oversight Committee is required to designate a deputy to act in situations where the chairperson is unable to attend meetings of the Oversight Committee. The provision of point 6.1 applies accordingly.
- 6.3 Subject to point 6.9, meetings of the Oversight Committee are held at the Administrator's office. In justified situations, the chairperson of the Oversight Committee may designate another meeting place, or order that the meeting be held and votes be taken by circulation by means of means of remote communication.
- 6.4 At the request of the chairperson of the Oversight Committee, the Administrator makes a dedicated communication portal available to the Oversight Committee Members.
- 6.5 The Oversight Committee may vote by circulation, through a dedicated communication portal or email.
- 6.6 The schedule of Oversight Committee Meetings is set by the chairperson of the Oversight Committee. Meetings of the Oversight Committee should be held at least once a month.
- 6.7 A meeting of the Oversight Committee is valid if all Oversight Committee Members have been invited.
- 6.8 The chairperson of the Oversight Committee, or the Administrator by chairperson's authority, sends an invitation to the Oversight Committee meeting by e-mail at least 5 working days before the date of the meeting. In cases of urgency, the chairperson of the Oversight Committee may shorten this deadline.
- 6.9 In emergency situations referred to in the Administrator Documentation, the chairperson of the Oversight Committee convenes the meeting immediately for the day on which the emergency situation occurred. In the situations referred to in the preceding sentence, the participation of a Oversight Committee Member in the meeting may be by means of remote communication.
- 6.10 The invitation to the meeting of the Oversight Committee is accompanied by a draft agenda.
- 6.11 Oversight Committee Members are required to attend Oversight Committee meetings.
- 6.12 In addition to Oversight Committee members, Oversight Committee meetings may be attended by:
 - 6.12.1 representatives of institutions and entities with Observer status,
 - 6.12.2 other invited persons, including representatives of Data Contributors or the Administrator, based on the decision of the chairperson of the Oversight Committee, when it is necessary to present an expert opinion at a meeting of the Oversight Committee.
- 6.13 A member of the Management Board or a person designated by the Management Board is entitled to participate in each meeting of the Oversight Committee.
- 6.14 Persons participating in the meetings of the Oversight Committee are obliged to observe the Terms of Reference of confidentiality. In order for persons other than Oversight Committee Members and representatives of the Administrator to participate in the meeting, they are required to sign and adhere to a declaration according to the template attached as Annex 4 to the Terms of Reference of the Oversight Committee in the case of a person representing

an Observer, or Annex 5 to the Terms of Reference of the Oversight Committee in the case of other invitees. A representative of the Observer is required to sign the declaration once before the first meeting in which he/she participates, and any other person before each meeting of the Oversight Committee in which he/she participates.

- 6.15 The obligation to send an invitation to the meeting applies to the persons who will attend the meeting in question, is realized in accordance with point 6.8.
- 6.16 The chairperson of the Oversight Committee is obliged to ensure that participation in the meeting on certain agenda items is restricted to Oversight Committee Members. Such restriction applies to:
 - 6.16.1 suspected violations of law by the Administrator,
 - 6.16.2 suspected violations of MAR by Data Contributors during the preparation of the Input Data,
 - 6.16.3 suspected violations of the relevant Code of Conduct by Data Contributors,
 - 6.16.4 violations reported to the Administrator, related to the determination of Interest Rate Benchmarks,
 - 6.16.5 internal reports submitted by the Administrator,
 - 6.16.6 other situations - at the discretion of the chairperson of the Oversight Committee.

7. PROCEEDINGS OF MEETINGS OF THE OVERSIGHT COMMITTEE

- 7.1 The chairperson of the Oversight Committee directs the proceedings of the meeting, gives the floor, orders the vote and announces the result.
- 7.2 All decisions of the Oversight Committee are made by a simple majority in the form of resolutions by voting during the meeting or by circulation through a dedicated communication portal or email. In the event of an equality of votes, the chairperson of the Oversight Committee has the casting vote.
- 7.3 In justified circumstances, the chairperson of the Oversight Committee may order a vote by circulation using a dedicated communication portal or e-mail. In such a case, the chairperson of the Oversight Committee is obliged to send informational materials to the Oversight Committee Members containing: a description of the event, the scenarios available to the Oversight Committee, an inquiry regarding the selection of the scenario of conduct from among those indicated, all information necessary for the adoption of the resolution, and the time and procedure for its adoption. In the case of resolutions, adopted by circulation through a dedicated communication portal or email, relating in particular to Methods, the information referred to above is made available by the Administrator at the request of the Chairperson, through a dedicated communication portal or email.
- 7.4 Resolutions of the Oversight Committee are considered valid if at least half of the number of Oversight Committee Members participated in their adoption.
- 7.5 The contents of the Oversight Committee's resolutions are included in the minutes.
- 7.6 In extraordinary circumstances as indicated in the Administrator Documentation, the chairperson of the Oversight Committee provides the Management Board with information regarding the resolutions adopted at the meeting no later than the end of the day on which the meeting was held.
- 7.7 In extraordinary circumstances, the Oversight Committee may adopt resolutions outside the meeting with respect to issues that were not previously on the agenda during the Oversight Committee meeting. In such a situation, the provision of point 7.3 applies accordingly.

- 7.8 The Oversight Committee adopts the resolutions referred to in point 7.7 by voting via the communication portal or e-mail. The validity and effectiveness of the resolutions referred to in this point is confirmed by the chairperson of the Oversight Committee on the basis of the information provided by the Administrator.

8. MINUTES OF MEETINGS OF THE OVERSIGHT COMMITTEE

- 8.1 Minutes are taken of each Oversight Committee meeting and the vote referred to in Point 7.8.
- 8.2 The minutes are prepared by a person designated by the Administrator who is obligated to maintain confidentiality.
- 8.3 The minutes faithfully and accurately reflect the issues and resolutions taken.
- 8.4 The draft minutes of regular and special meetings are provided to the Oversight Committee Members present at the meeting to which the minutes pertain, or respectively participating in the vote referred to in point 7.8, at least 7 days prior to the date of the next regular meeting of the Oversight Committee.
- 8.5 The Oversight Committee's decision on the adoption of the minutes of the last regular meeting of the Oversight Committee is taken at the meeting following the one to which the minutes pertain. Before ordering a vote on the subject, the chairperson of the Oversight Committee gives the floor to its Members to make any comments on the content of the minutes. If such comments are made, they are entered into draft minutes, which are then put on vote by the chairperson of the Oversight Committee.
- 8.6 If an extraordinary meeting of the Oversight Committee is held less than 7 days prior to the next regular meeting of the Oversight Committee, the draft minutes of the extraordinary meeting are submitted to the Oversight Committee Members no later than 7 days prior to the next regular meeting of the Oversight Committee falling after that meeting.
- 8.7 If the draft minutes are not provided to the Oversight Committee Members within the time limit specified in point 8.4, the decision on the adoption of the minutes of the last regular meeting of the Oversight Committee is made at the next regular meeting of the Oversight Committee falling after that meeting.
- 8.8 The Oversight Committee's decision on the adoption of the minutes of the last extraordinary meeting of the Oversight Committee is made at the regular Committee meeting following the extraordinary meeting to which the minutes relate. However, if the extraordinary meeting of the Oversight Committee was held less than 7 days prior to the regular meeting, the decision on the adoption of the minutes of that extraordinary meeting is taken at the next regular meeting of the Oversight Committee following the next meeting. Before ordering a vote on the subject, the chairperson of the Oversight Committee gives the floor to its Members to make any comments on the content of the minutes. If such comments are made, they are entered into the draft minutes, which are then put on vote by the chairperson of the Oversight Committee. The provisions of points 8.4 and 8.7 apply accordingly.
- 8.9 After the adoption of the minutes of the Oversight Committee meeting, the chairperson of the Oversight Committee signs the minutes during the meeting at which the decision to adopt the minutes was made.
- 8.10 The Administrator sends a copy of the minutes containing the resolutions to the KNF, subject to point 8.11.
- 8.11 Where the subject of the meeting is potential violations by the Data Contributors of the relevant Code of Conduct and other Administrator Documentation, the Administrator, in consultation with the chairperson of the Oversight Committee, sends a copy of the minutes

to the KNF omitting the names of the Data Contributors whose violations were the subject of the meeting.

- 8.12 The minutes of the Oversight Committee are archived at the Administrator's premises with assurance of confidentiality.
- 8.13 After each meeting of the Oversight Committee, the Administrator prepares and posts a communique on its website.

9. CONFLICTS OF INTEREST

- 9.1 Oversight Committee Members are required to submit a Declaration of Independence to the Administrator by January 31st of each year.
- 9.2 Conflicts of interest with respect to a particular Oversight Committee Member may arise, in particular, from his/her professional, family and organizational relationships and ties with the Users of the Interest Rate Benchmarks and with the Data Contributors.
- 9.3 An Oversight Committee Member informs, without undue delay, the Oversight Committee about the conflict of interest that has arisen, and refrain from participating in the discussion and voting on adoption of a resolution on the matter in which the conflict of interest has arisen.
- 9.4 The Oversight Committee decides whether the conflict of interest allows the Oversight Committee Member to continue to be a Member in the Oversight Committee and informs the Administrator of its decision. The Oversight Committee Member affected by the decision does not participate in the decision-making.

10. REMUNERATION OF OVERSIGHT COMMITTEE MEMBERS

- 10.1 Oversight Committee Members receive remuneration for performing their functions on the basis of the agreement with the Administrator referred to in point 4.15 of the Terms of Reference of the Oversight Committee. However, an Oversight Committee Member may decide to serve without remuneration.
- 10.2 The amount of remuneration and the manner of its payment is determined by the Administrator.

11. OVERSIGHT COMMITTEE OPERATING EXPENSES

- 11.1 The costs of the Oversight Committee are covered by the Administrator.
- 11.2 Administrative and technical support for the Oversight Committee is provided by the Administrator.
- 11.3 The costs associated with the purchase of the electronic signature provided to the chairperson of the Oversight Committee are covered by the Administrator. The Administrator is responsible for the validity of the electronic signature.

12. REVIEW AND UPDATE OF THE TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE

- 12.1 These Oversight Committee Terms of Reference are subject to approval by the Management Board.
- 12.2 The Administrator's Management Board reviews the Terms of Reference of the Oversight Committee annually, submitting updates to the Oversight Committee for approval.

- 12.3 The review is intended to ensure the adequacy and effectiveness of the Oversight Committee Terms of Reference, taking into account regulatory changes, market practices and recommendations of the KNF.

ANNEX 1 TO THE TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS - TEMPLATE OF THE INVITATION TO PARTICIPATE IN THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS

.....
(city, date)

I N V I T A T I O N

.....
(first name, surname)

On behalf of the GPW Benchmark S.A. (the "Administrator"), we would like to invite you to participate in the Oversight Committee of Interest Rate Benchmarks, operating in accordance with the Terms of Reference of the Oversight Committee of Interest Rate Benchmarks. If you accept the invitation, please send the completed Declaration of a Member of the Oversight Committee of Interest Rate Benchmarks (Annex 2 to the Terms of Reference of the Oversight Committee of Interest Rate Benchmarks), and the completed Declaration of independence (Annex 3 to the Terms of Reference of the Oversight Committee of Interest Rate Benchmarks), attached hereto.

.....
signature

CC: Supervisory Board

Attachments:

- 1) template of the Declaration of a Member of the Oversight Committee of Interest Rate Benchmarks,*
- 2) template of the Declaration of Independence,*
- 3) Terms of Reference of the Oversight Committee of Interest Rate Benchmarks,*
- 4) template of an agreement.*

ANNEX 2 TO THE TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS – TEMPLATE OF THE DECLARATION OF A MEMBER OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS

.....

(city, date)

GPW Benchmark S.A.

ul. Książęca 4

00-498 Warsaw

DECLARATION OF THE CANDIDATE FOR A MEMBER OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS

.....

(first name, surname)

I hereby declare that:

- 1) I accept the invitation to participate in the Oversight Committee of Interest Rate Benchmarks,
- 2) I have acquainted myself with the Terms of Reference of the Oversight Committee of Interest Rate Benchmarks and undertake to abide by them,
- 3) I have not been subjected to any criminal or administrative sanction related to violation of financial sector regulations, in particular:
 - (a) Regulation (EU) 2016/1011 of June 8, 2016 of the European Parliament and of the Council on indices to be used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EU and 2014/17/EU and Regulation (EU) 596/2014,
 - (b) Regulation (EU) 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC,
 - (c) the Act of July 29, 2005 on Trading in Financial Instruments, as amended,
 - (d) the Act of July 29, 2005 on Public Offering and Conditions for Introducing Financial Instruments to the Organized Trading System and on Public Companies, as amended,
 - (e) the Act of August 29, 1997 on the Banking Law, as amended,
 - (f) Act of May 27, 2004 on investment funds and management of alternative investment funds, as amended.
- 4) I have knowledge in the field of (please mark appropriate) Interest Rate Benchmarks, including: contracts and financial instruments based on Interest Rate Benchmarks/ in the field of activities of entities using Interest Rate Benchmarks, related to their use by these

entities/ knowledge resulting from scientific achievements related to the study of the market or economic realities, the measurement of which is the purpose of Interest Rate Benchmarks;

- 5) I have 5 years of experience in the area of financial market functionings,
- 6) I have knowledge of the regulatory environment in which the Administrator operates in the field related to the provision of Interest Rate Benchmarks within the meaning of the Benchmarks Regulation.

In confirmation of the qualifications referred to in points 4) - 6) above, I submit a list of relevant points from my professional and scientific biography as an attachment to this declaration.

.....

signature

ANNEX 3 TO THE TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS – TEMPLATE OF THE DECLARATION OF INDEPENDENCE

.....
(city, date)

GPW Benchmark S.A.
ul. Książęca 4
00-498 Warsaw

DECLARATION OF INDEPENDENCE

.....
(first name, surname)

As a Candidate for a Member of the Oversight Committee Interest Rate Benchmarks/ Member of the Oversight Committee Member of Interest Rate Benchmarks*, I hereby declare that:

- I am/am not under* conflicts of interest related to participation in the determination of interest rate reference indices within the meaning of the Interest Rate Benchmarks Regulation or other professional activities to the extent that they could give rise to a conflict of interest.
- I am/am not affiliated* with the GPW Benchmark S.A. other than through membership in the Oversight Committee of Interest Rate Benchmarks.

Comments/explanations:

.....
.....
.....
.....

.....
signature

* Delete as appropriate.

**ANNEX 4 TO THE TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE – TEMPLATE OF
THE DECLARATION OF CONFIDENTIALITY OF A PERSON REPRESENTING AN OBSERVER**

.....
(city, date)

GPW Benchmark S.A.

ul. Książęca 4

00-498 Warsaw

DECLARATION OF CONFIDENTIALITY

**of the person representing an Observer to the Oversight Committee of Interest Rate
Benchmarks**

.....
(first and surname, name of the represented Observer)

I, the undersigned, hereby undertake to keep confidential all information and not to disclose materials and documents, or drafts thereof, obtained in connection with participation in the meeting of the Oversight Committee of Interest Rate Benchmarks, and which have not been made public, or the disclosure of which could prejudice the material interests of GPW Benchmark S.A., the Data Contributors or other third parties.

At the same time, I acknowledge that:

- 1) meetings of the Oversight Committee of Interest Rate Benchmarks and the voting of the Oversight Committee by circulation through a dedicated communication portal or e-mail are recorded in minutes, and my personal data in the scope of name and surname together with the name of the Observer I represent may be recorded in the contents of the minutes;
- 2) in accordance with the requirements of the Terms of Reference of the Oversight Committee of Interest Rate Benchmarks, the minutes are sent for information to the KNF and published on the Administrator's website: <https://gpwbenchmark.pl>;
- 3) if my declaration is quoted, I may submit a request to correct my own declaration within 5 business days from the date of release of the minutes of the Oversight Committee of Interest Rate Benchmarks; failure to submit a request within the above period means acceptance of the quoted declaration.

.....
signature

ANNEX 5 TO THE TERMS OF REFERENCE OF THE OVERSIGHT COMMITTEE – TEMPLATE OF THE DECLARATION OF CONFIDENTIALITY OF A PERSON INVITED TO THE MEETING OF THE OVERSIGHT COMMITTEE OF INTEREST RATE BENCHMARKS

.....
(city, date)

GPW Benchmark S.A.

ul. Książęca 4

00-498 Warsaw

DECLARATION OF CONFIDENTIALITY

of a person invited to the meeting of the Oversight Committee

.....
(first name, surname)

I, the undersigned, hereby undertake to keep confidential all information and not to disclose materials and documents, or drafts thereof, obtained in connection with participation in the meeting of the Oversight Committee of Interest Rate Benchmarks, and which have not been made public, or the disclosure of which could prejudice the material interests of GPW Benchmark S.A., the Data Contributors or other third parties.

At the same time, I acknowledge that:

- 1) the meetings of the Oversight Committee of Interest Rate Benchmarks are recorded in minutes and my personal information in the scope of name and surname may be noted in the contents of the minutes;
- 2) in accordance with the requirements of the Terms of Reference of the Oversight Committee for Interest Rate Benchmarks, the minutes are sent for information to the KNF and published on the Administrator's website: <https://gpwbenchmark.pl>;
- 3) if my declaration is quoted, I may file a request to correct my own declaration within 5 business days from the date of release of the relevant excerpt from the minutes of the Oversight Committee of Interest Rate Benchmarks; failure to file a request within the aforementioned period implies acceptance of the quoted declaration.

.....
signature