

# GOVERNANCE FRAMEWORK

Effective Date 2<sup>nd</sup> February 2024

Version 1.5

Version	Approved by	Date approved	Summary of changes
1.0		April 2022	Initial Draft
1.1	IIS Board of Directors	July 2022	OC members updated
1.2	Chief GRC Officer	November 2022	Update to include Errors Policy
1.3	Chief GRC Officer	July 2023	Update to include Governance Forum changes.
1.4	Chief GRC Officer	August 2023	Update to include PS CMF ToR
1.5	Chief GRC Officer	February 2024	Rebrand and also updated PS CMF ToR

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# INTRODUCTION

## 1.1 OVERVIEW

1.1.1 ICAP Information Services Limited trading as Parameta Solutions ("Parameta Solutions") develops, calculates and publishes indices.

1.1.2 Parameta Solutions is the administrator of such benchmarks (as defined in Article 3(1)(6) of the Benchmark Regulation ("BMR")) and is regulated by both the UK Financial Conduct Authority ("FCA") and European Securities and Markets Authority ("ESMA").

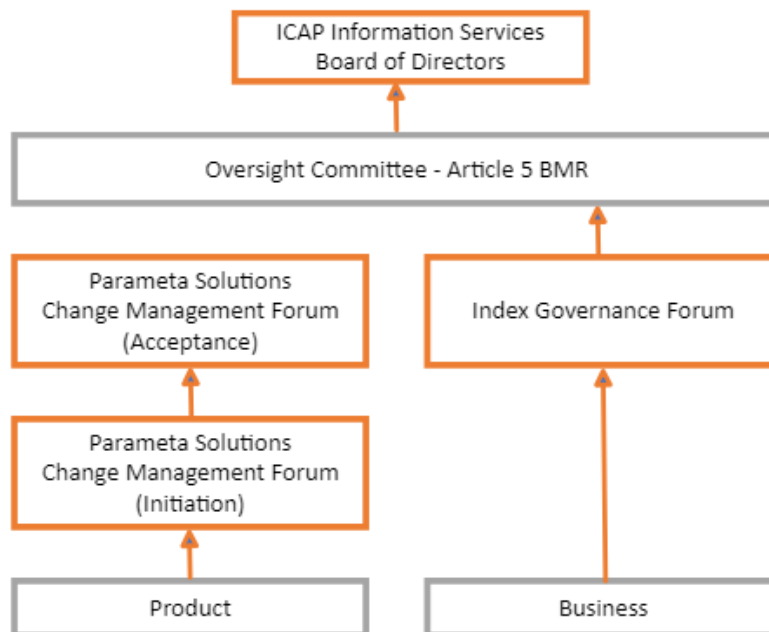
1.1.3 This document sets out the Governance Framework of Parameta Solutions.

1.1.4 For further information regarding the benchmarks including licensing and distribution, please contact [findoutmore@parametasolutions.com](mailto:findoutmore@parametasolutions.com)

## GOVERNANCE

### 2.1 OVERVIEW

2.1.1 Parameta Solutions has in place a "Three Lines of Defence" model, enabling close cross- monitoring of the governance process - this being business, compliance/ risk and audit who all have a key role in ensuring that Parameta Solutions meets its regulatory requirements. The overarching governance is complimented by the Oversight Committee ("OC"). The OC can escalate to the Parameta Solutions Board if required.



### 2.2 BUSINESS FORUMS

2.2.1 The PS Change Management Forum ("PS CMF") is responsible for approving the initiation and final acceptance of all new products.

2.2.2 The Index Governance Forum ("IGF") is responsible for

- (a) overseeing the provision of the benchmarks operationally and with respect to the methodologies; and
- (b) supporting the OC.

## 2.3 OVERSIGHT COMMITTEE (“OC”)

2.3.1 The Oversight Committee is appointed by the Administrator to review the integrity of the benchmarks, in accordance with the OC Terms of Reference (“ToR”)

2.3.2 The OC’s responsibility includes:

- reviewing the benchmark definition and methodology at least annually;
- determining and keeping under review the ToR for the OC;
- reviewing and approving the agenda and minutes of the OC;
- considering internal or external audits commissioned by the OC and monitoring the implementation of any identified remedial actions;
- overseeing any changes to this methodology and being able to request the Administrator to consult on such changes;
- reviewing and approving procedures for cessation of the benchmarks, including any consultation about a cessation;
- overseeing any third party involved in the provision of the benchmark, including calculation or dissemination agents;
- evaluating any client complaint with respect to the determination of a benchmark in accordance with the Parameta Solutions Complaints Policy.

## 2.4 INTERNAL AUDIT

2.4.1 The internal audit function provide reasonable independent assurance over the adequacy and effectiveness of the internal controls and governance.

## COMPLAINTS POLICY

3.1.1 Parameta Solutions conducts its business with integrity. In case of a complaint, please submit it via email to [benchmarks@parametasolutions.com](mailto:benchmarks@parametasolutions.com). Further details on our Complaints Policy can be found [here](#).

## COMMITTEE MEMBERS

Member Name	Company	Role	Committee Position	Other directorships (if relevant)	Conflicts of Interest
Claire Bridel	TP ICAP	Chief Operating Officer, Liquidnet Division	Chair	N/A	No
Rushmi Katyal	Parameta Solutions	Chief GRC Officer	Member	Director PVM Data Services GmbH (the Legal Representative in relation to its recognition status)	No
David Mackintosh	TP ICAP	Senior Manager, Risk	Member	N/A	No
Lewis Kelly	TP ICAP	Compliance Advisory Manager	Member	N/A	No

## 4.1 TERMS OF REFERENCE

4.1.1 Click [here](#) to view the Parameta Solutions Oversight Committee Terms of Reference.

4.1.2 Click [here](#) to view the Parameta Solutions Index Governance Forum Terms of Reference

4.1.3 Click [here](#) to view the Parameta Solutions Change Management Forum Terms of Reference.

## INDEX POLICY SUMMARY

### 5.1 BENCHMARK DESIGN POLICY

5.1.1 The purpose of the Benchmark Design Policy is ensure the design of any Parameta Solutions administered indices achieve, and result in an accurate and reliable representation of the economic realities of the Interest it seeks to measure, and eliminate factors that might result in a distortion of the price, rate, index or value of the Benchmark. Specifically, this Policy covers the criteria used for determining the construction of the index, the rules the methodology will follow to ensure that it satisfies the requirements of Article 12 Benchmark Regulation ("BMR"). The Policy further ensures the published methodology contains all key elements prescribed under BMR. The initial methodology will be approved by the PS CMF and any subsequent changes or review (at least annually) are determined by the IGF and follow the process detailed in the Cessation and Transition Policy.

### 5.2 ERRORS POLICY

5.2.1 The purpose of the Errors Policy is to detail the process for managing potential errors in the calculation of any Parameta Solutions administered indices including the criteria that are taken into account by the IGF and the process followed when a restatement occurs including the website market notification. The Parameta Solutions will endeavour to resolve any ambiguity, error or omission using expert judgement and will assess any potential impact in accordance with the Cessation and Transition Policy. Any decision to consult with stakeholders shall be considered by the IGF and OC.

### 5.3 CESSATION AND TRANSITION POLICY

5.3.1 The purpose of this Cessation and Transition Policy is to detail the process for any changes, cessations or transitions of Benchmarks or Indices administered by Parameta Solutions including taking into account where the price, rate, index or value of the Benchmark no longer adequately represents the manner in which it was originally intended, ensuing that it satisfies the requirements of Article 28 BMR. Material Changes are defined as shall mean any changes which might significantly affect the benchmark's representation of its intended Interest, including the composition including construction rules, market structure changes and/or eligibility rules.. Parameta Solutions shall review if any changes result in the need for a market consultation and any cessation, transition or index methodology changes shall be sent to the IGF for voting and the OC. Stakeholders will be notified via the Parameta Solutions Website regardless of whether the change is material or not.

### 5.4 DATA HIERARCHY POLICY

5.4.1 The purpose of the Data Hierarchy Policy is to detail the process Parameta Solutions follows in relation to input data used in any of its administered indices or benchmarks. This includes the hierarchy of inputs, pre-publication monitoring, and also the validation of input data and use of expert judgement.

### 5.5 DATA SUFFICIENCY POLICY

5.5.1 The purpose of the Data Sufficiency Policy is to detail the process for ensuring the data used to construct a Benchmark is sufficient, accurate and reliable to ensure it accurately and reliably represent the interest measured by the Index or Benchmark.

## GET IN TOUCH

For further information, please visit us at: [parametasolutions.com](https://parametasolutions.com)

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Support: [operations@parametasolutions.com](mailto:operations@parametasolutions.com)



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