

---

# **WIBID AND WIBOR REFERENCE RATES LIST OF KEY TERMS**

---

Translation according to legal condition as of 14<sup>th</sup> July 2023. Revised on 25<sup>th</sup> August 2023.

**NOTE:** Translation is provided for information only, although all efforts have been made to ensure its accuracy.

The Administrator presents the key terms used in the Regulations for the WIBID and WIBOR Reference Rates, the Fixing Participant Code of Conduct and the Benchmark Statement.

<b>Administrator</b>	GPW Benchmark S.A. with a registered office in Warsaw, ul. Książęca 4, 00-498 Warsaw, entered in the Register of entrepreneurs of the National Court Register by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division under the number KRS 0000493097; with share capital in the amount of PLN 5,900,000 paid up in full; NIP 525 254 65 11
<b>Limits Questionnaire</b>	the questionnaire provided as the template in Annex 3 to the Code of Conduct, concerning limits necessary to enter into Deposit transactions, granted by a Fixing Participant candidate for Deposits against another Fixing Participant
<b>Automation of the Model Quote Contribution Process</b>	the Model Quote contribution process with the use of the automated Model Quote System
<b>Committed Quote Base</b>	the value determined by the Fixing Participant in accordance with the Quoting Policy, taking into account the principles set out in the Administrator's Recommendation regarding the Committed Quotes, subject to adjustment with the value of Adjustment of the Committed Quote Base
<b>Error</b>	the event, which is not a Suspicious Quote, yet has attributes of unintentional defect, revealed at the stage of preparation of the Quote to be submitted to the Administrator
<b>CET1</b>	The Common Equity Tier 1 capital ratio referred to in Article 92 (2) (a) of the Regulation (EU) No 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 (OJ EU L 176 of 27.6.2013, p. 1)
<b>Transaction Data</b>	the Data on transactions concluded by the Fixing Participants based on which the Fixing Participant determines the Model Quote under the Waterfall Method
<b>Input Data</b>	the Quotes, which are the input data within the meaning of Article 3(1)(14) of the Benchmarks Regulation
<b>Fixing Participant's Declaration</b>	the document submitted by the Fixing Participant to the Administrator, containing a declaration of will of the Fixing Participant concerning conclusion of an agreement with the Administrator, the content of which is specified in the Code of Conduct. A template of the Fixing Participant Declaration is attached as Annex 2 to the Code of Conduct
<b>Deposit</b>	the transaction of a Fixing Participant consisting in the acceptance or placement of cash in Polish zloty for a fixed period, on which interest is charged for the period for which the cash was accepted or placed, without any legal collateral established to secure liabilities arising from such transaction
<b>Quote Submitter</b>	the designated employee of the Fixing Participant, responsible for the contribution of a Committed Quote or a Model Quote

<b>Decision Day on the Amendment to the Code of Conduct</b>	the day on which the Administrator decides to amend the Code of Conduct
<b>Fixing Day</b>	the Business Day on which the Fixing takes place
<b>Business Day</b>	the calendar day, other than Saturday, Sunday, or public holiday, on which the Fixing Participants operate on the Polish money market
<b>Transaction Factor</b>	the numerical value constituting the basis for applying the BID/OFFER Spread Calculation Procedure under the Waterfall Method to determine the Model Bid-Quote and the Model Offer-Quote
<b>Fixing</b>	the process of determination of the Reference Rates
<b>Fixing Time</b>	the Fixing Time for a Tenor on a given Fixing Day, which is: a) 5:00 pm for the Fixing Tenor - overnight O/N and Fixing Tenor - tomorrow/next (T/N), b) 11:00 am for all Fixing Tenors except for the Fixing Tenor - overnight O/N and Fixing Tenor - tomorrow/next (T/N).
<b>Confidential Information</b>	information protected under the Confidentiality Protection Procedure, including: <ul style="list-style-type: none"> <li>- the Quoting Policy,</li> <li>- the Contribution Template,</li> <li>- the Model Quote Report,</li> <li>- the set of data and factors related to the determination of the Committed Quote or Model Quote provided as part of the communication of the Quoting Unit with other units of the Fixing Participant during the Special Protection Period</li> </ul>
<b>FINREP Instruction</b>	the document "Instruction supplementing the FINREP individual package (FINPL)", available on the website <a href="http://www.nbp.pl">www.nbp.pl</a> with all changes and additions
<b>Credit Institution</b>	the domestic bank, including an affiliating bank, a branch of foreign credit institution operating in Poland and branches of foreign banks operating in Poland but excluding cooperative banks, mortgage banks, cooperative savings and credit unions and the NBP
<b>Quoting Unit</b>	the organizational unit of the Fixing Participant, responsible for determining and forwarding the Committed Quote or Model Quote
<b>Information Sheet</b>	the document indicating contact details of the Administrator and the Fixing Participant, as indicated in templates in Annexes 4 and 5 to the Code, respectively
<b>KNF</b>	Komisja Nadzoru Finansowego (the Polish Financial Supervision Authority)

<b>Code of Conduct</b>	WIBID and WIBOR Fixing Participant Code of Conduct with all annexes which are integral parts thereof, with all amendments and additions
<b>Oversight Committee of Interest Rate Benchmarks</b>	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
<b>Adjustment of the Committed Quote Base</b>	the value by which, based on discretion within the meaning of the Benchmarks Regulation, the Committed Quote Base is adjusted, determined by the Fixing Participant on the basis of a Quoting Policy, taking into account the Administrator's Recommendation regarding the Committed Quotes
<b>Fixing Participant Criteria</b>	the mandatory criteria to be met by any entity to obtain the Fixing Participant status
<b>Model Quote</b>	the interest rate at which the Fixing Participant could accept (Model Bid-Quote) or place (Model Offer-Quote) a Deposit on the Underlying Market for each Fixing Tenor, determined by a Fixing Participant in accordance with the conditions set out in the Code of Conduct, based on Transaction Data in accordance with the Waterfall Method, being the result of Waterfall Level 1, 2 or 3
<b>Quote</b>	the Model Quote and the Committed Quote, constituting the Input Data, upon which the Administrator performs the Fixing of the Reference Rates for particular Fixing Tenors, in accordance with the Method of Determining the Reference Rates
<b>Suspicious Quote</b>	the Quote, as to which the manipulation as defined in the MAR can be suspected
<b>Committed Quote</b>	the Quote specifying the interest rate at which the Fixing Participant is, in accordance with the conditions set out in the Code of Conduct, committed to place (Committed Offer-Quotes) or accept a Deposit (Committed Bid-Quotes) from another Fixing Participant for each of the Fixing Tenors, the result of Level 4 of the Waterfall Method
<b>Minimum Limits</b>	minimum transaction limits, specified by the Administrator, which the Fixing Participant is obliged to maintain for at least 2/3 of the remaining Fixing Participants
<b>Levels of Control</b>	the First, Second and Third Level of Control, implementing the compliance control process within the organizational structure of the Fixing Participant, associated with obligations of the Fixing Participant stemming from the Code of Conduct and the Benchmarks Regulation
<b>MAR</b>	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) including the delegated and implementing acts

<b>Waterfall Method/ Waterfall</b>	the method by which the Fixing Participants determine the Input Data in accordance with the hierarchy of Waterfall Method Levels, i.e. determine Quotes contributed to the Administrator for each Fixing Tenor, in accordance with the detailed rules laid down in the Code of Conduct
<b>Method of Determining the Reference Rates</b>	the method applied by the Administrator to determine the Reference Rates in form of the Fixing
<b>NBP</b>	the National Bank of Poland
<b>Contribution Window</b>	<p>the timeframe in which the Fixing Participant is obliged to provide the Administrator with Input Data, which is:</p> <p>1) Period on the Fixing Day between 10:00 - 11:00 am for the Committed Quote;</p> <p>2) Period on the Fixing Day between 10:00 - 11:00 am for the Model Quote for the following Fixing Tenors:</p> <ul style="list-style-type: none"> <li>• 1 week (SW),</li> <li>• 2 weeks (2W),</li> <li>• 1 month (1M),</li> <li>• 3 months (3M),</li> <li>• 6 months (6M),</li> <li>• 1 year (1Y),</li> </ul> <p>3) Period on the Fixing Day between 4:00 - 5:00 pm for Model Quotes for the following Fixing Tenors:</p> <ul style="list-style-type: none"> <li>• overnight (O/N),</li> <li>• tomorrow/next (T/N)</li> </ul>
<b>Transaction Window</b>	the timeframe on the Fixing Day of 15 minutes after closing the Contribution Window for the Committed Quotes
<b>Transaction Data Window</b>	the timeframe which Transaction Data which is the basis for determining the Model Quotes are derived from
<b>Fixing Suspension Period</b>	the timeframe, in which provision of Reference Rates is suspended in accordance with the Regulations for WIBID and WIBOR Reference Rates
<b>Quote Compliance Verifier</b>	the person from the Second Level of Control, who is responsible for verifying the Contribution Template and the Model Quotes Report, after the Quote is contributed to the Administrator, as well as for providing the Administrator with the Quote Compliance Confirmation
<b>Representing Person</b>	the person indicated in the Information Sheet by the Fixing Participant and the Administrator
<b>Incrementality Parameter</b>	the minimum number of Transaction Data necessary to determine a Model Quote in accordance with the Waterfall Method hierarchy
<b>Quoting Policy</b>	the document outlining the guidelines, methods and the mode, as well as variables, applied to determine the Quotes

<b>Training Policy</b>	Fixing Participant's policy, defining the rules of conducting trainings for all employees of the Fixing Participant, involved in the process of determination, contribution and verification of Quotes
<b>Conflicts of Interests Management Policy</b>	the conflicts of interests management policy associated with participation in the Fixing
<b>Fixing Participant's Policies and Procedures</b>	the set of policies and procedures set out in point 10, which regulate processes specified in the Code of Conduct
<b>Confirmation of Quote Compliance</b>	Fixing Participant's confirmation, resulting from a formal verification of compliance of Quotes with the internal Quoting Policy, conducted by the Second Level of Control
<b>Banking Law</b>	the Act of August 29th, 1997 "Banking Law" (JoL. of 2018 item 2187, as amended)
<b>Emergency Procedure</b>	the procedure for contribution of the Quotes in emergency situations, which is a part of the Technical Standards
<b>Quote Submitters Procedure</b>	the Fixing Participant's procedure, specifying the detailed criteria to be met by the Quote Submitter
<b>Procedure of Extrapolation of Prices from Related Markets to Underlying Market</b>	the procedure by which the volume-weighted average price value is determined on the basis of the Transaction Data on the Related Market is subject to adjustment and stabilization in accordance with the Model Quote Specification so as to represent the value consistent with the Underlying Market
<b>Escalation Procedure</b>	the procedure that the Administrator is entitled to apply in relation to the Fixing Participant in the case of a breach of the Code of Conduct
<b>Suspicious Quotes Identification Procedure</b>	the Fixing Participant's procedure setting out a method of identification of Suspicious Quotes or manipulation of the Reference Rates within the meaning of MAR
<b>Model Quote Interpolation Procedure</b>	the procedure by which the Fixing Participant performs interpolation of the Model Quote values, which means the process by which the Fixing Participant determines the Model Quote for a given Fixing Tenor on a given Fixing Day based on Model Quotes from Level 1 for the two Fixing Tenors adjacent to that Fixing Tenor on the given Fixing Day
<b>Quote Supervision Procedure</b>	the procedure specifying the principles of internal supervision of processes associated with determination and contribution of the Quotes
<b>Error Correction Procedure</b>	the procedure to be followed in case of detection of an Error in a Quote
<b>Confidentiality Protection Procedure</b>	the procedure ensuring appropriate protection of Confidential Information associated with determination, verification and contribution of the Quotes
<b>Quote Contribution Procedure</b>	the operating procedure of the Fixing Participant, specifying the rules of contribution of the Quotes to the Administrator

<b>Data Delivery Procedure</b>	the set of rules and guidelines for the data delivery, included in Annex 7 to this Code of Conduct
<b>Procedure of Allocation of Fixing Tenors to Transactions</b>	the analytical procedure by which the Fixing Participants assign the Fixing Tenors to the Eligible Transactions
<b>Procedure of Allocation of Fixing Tenors to Non-fixing Tenor Transactions</b>	the procedure by which exactly two closest Fixing Tenor Transactions defined by prices and volume are assigned to each Eligible Non-fixing Tenor Transaction
<b>Record-keeping and Archiving Procedure</b>	the procedure specifying the principles of record-keeping of the data, communication, documents associated with the process of determination, contribution and verification of the Quotes, as well as archiving of the abovementioned provisions
<b>BID/OFFER Spread Calculation Procedure</b>	the analytical procedure by which the Fixing Participants determine the Quote Spread applied on the Transaction Factor, which leads to the determination of the Model Bid-Quotes and Model Offer-Quotes
<b>Analytical Procedures</b>	the procedures applied in the Waterfall Method: <ul style="list-style-type: none"> <li>• Procedure of Allocation of Fixing Tenors to Transactions,</li> <li>• Model Quote Interpolation Procedure,</li> <li>• Procedure of Allocation of Fixing Tenors to Non-fixing Tenor Transactions</li> <li>• Procedure of Extrapolation of Prices from Related Markets to Underlying Market,</li> <li>• BID/OFFER Spread Calculation Procedure</li> </ul>
<b>Model Quote Report</b>	the report including a set of data indicated in the Model Quote Specification, generated by the Fixing Participant after the contribution of the Model Quote
<b>Regulations for the WIBID and WIBOR Reference Rates</b>	Administrator's regulations addressed to entities using the Reference Rates, specifying the principles of determination of the Reference Rates, their publication and use
<b>Administrator's Recommendation regarding the Committed Quotes</b>	Annex 10 to the Code of Conduct, specifying the set of Administrator's guidelines for Fixing Participants, laying down the principles for determining the Committed Quote by a Fixing Participant
<b>Benchmarks Regulation</b>	the 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
<b>Underlying Market</b>	the Deposit transactions in the Polish zloty concluded between the Fixing Participants as well as concluded by the Fixing Participants with entities which are not Fixing Participants but meet the Fixing Participant Criteria
<b>Related Markets</b>	the Segments classified by the Administrator as the markets related to the Underlying Market (e.g. the Financial Institutions Segment)

<b>Segment</b>	the fragment of the money market in Polish zloty (covering the Deposit transactions), which the Administrator may classify as the Related Market
<b>Financial Institutions Segment</b>	the Segment, which consists of the Deposit transactions concluded by the Fixing Participants with non-Credit Institutions foreign credit institutions without a branch in Poland and foreign banks without a branch in Poland, pension, insurance and investment institutions as defined in the FINREP Instruction, mortgage banks, cooperative banks and cooperative savings/ credit unions
<b>Other Financial Institutions Segment</b>	the Segment, which consists of the Deposit transactions concluded by the Fixing Participants with financial institutions other than the Credit Institutions, foreign banks, foreign credit institutions, pension, insurance, investment institutions as defined in the FINREP Instruction, mortgage banks, cooperative banks and cooperative savings/ credit unions
<b>Model Quote Specification</b>	the Annex 8 to the Code of Conduct specifying the detailed principles for determining the Model Quote
<b>Quote Spread</b>	the spread between the offer rate and the bid rate provided in the Quote by each of the Fixing Participants
<b>Reference Rates</b>	the WIBID and the WIBOR, which are interest rate benchmarks within the meaning of Article 3(1)(22) of the Benchmarks Regulation, constituting a family of reference indicators within the meaning of Article 3(1)(4) of the Benchmarks Regulation
<b>Fixing System</b>	the Administrator's IT system through which the Quotes are contributed to the Administrator, Fixing calculations, Distribution and publication of the Reference Rates are carried out
<b>Model Quote System</b>	the IT tool and a set of procedures specified in the Model Quote Specification, the implementation of which is one of the conditions for the Fixing Participant to use the Automation of the Model Quote Process
<b>Contribution Template</b>	the audit file or files, which are filled out by the Quote Submitter, determining the Quote, which serves as a basis for verification of compliance of the Quote with the internal Quoting Policy within the framework of the Second Level of Control
<b>Special Protection Period</b>	the period between the receipt by the Quote Submitter of the collected data and the factors on which the Quote is based, and the end of the Contribution Window
<b>Fixing Tenors</b>	the Deposit tenors for which the Fixing Participants are required to contribute the Quotes on the Fixing Day in accordance with the Code of Conduct
<b>Non-Fixing Tenors</b>	the Deposit tenors that are not the Fixing Tenors
<b>Eligible Transaction</b>	the transaction of volume greater than, or equal to, the minimum volume eligibility threshold set by the Administrator, as specified in the Model Quote Specification



<b>Tier 1 Equity</b>	the core equity as a percentage of risk-weighted assets
<b>Temporary Change of the Method</b>	the change of the Method of Determining the Reference Rates, conducted under the circumstances specified in point 29.3 of the Code of Conduct
<b>Fixing Participant</b>	the entity that has received confirmation of being granted the Fixing Participant status from the Administrator and subsequently has not lost that status in accordance with the rules set out in the Code of Conduct
<b>Distribution of the Reference Rates</b>	distribution of the results of the Fixing of the Reference Rates and the contributed Committed Quotes to the Fixing Participants by the Administrator via the Fixing System, executed immediately after the Fixing Time
<b>Act on Trading in Financial Instruments</b>	the Act of July 29th 2005 on trading in financial instruments (JoL. of 2020 item 89, as amended)
<b>Technical Standards</b>	the classified document undisclosed to entities other than Fixing Participants, constituting business secret of GPW Benchmark S.A., provided as Annex 12 to the Code of Conduct, which specifies in particular the technical specifications for contribution of the Quotes, specifying the mode, form and system requirements for contribution of the Quotes, the monitoring framework for transmission of the Input Data to the Administrator, and defining emergency plans for contribution of Input Data to the Administrator, in particular in the event of technical or operational issues
<b>Quote Approver</b>	the person conducting the verification of the Quote in the Quoting Unit before contributing the Quote to the Administrator
<b>the WIBID</b>	the interest rate benchmark within the meaning of Article 3(1)(22) of the Benchmarks Regulation, reflecting the interest rate at which entities meeting the Fixing Participant Criteria would accept a Deposit for a specific Fixing Tenor from other entities that meet the Fixing Participant Criteria
<b>the WIBOR</b>	the interest rate benchmark within the meaning of Article 3(1)(22) of the Benchmarks Regulation, being a critical benchmark within the meaning of Article 3(1)(25) of the Benchmarks Regulation, reflecting the interest rate at which entities meeting the Fixing Participant Criteria would place a Deposit for a specific Fixing Tenor with other entities that meet the Fixing Participant Criteria