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## Data Quality Code

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For the purpose of this document, WMBA Limited and LEBA Limited shall be referred to as the 'Administrator', or 'Administrators' where the context requires unless the content is specific to one administrator where that administrator will be individually named.

## Establishment & Scope of the Code

This Data Quality Code has been established by considering Article 15 of the BMR which states "where a benchmark is based on input data from contributors, its administrator shall develop a code of conduct specifying contributor's responsibilities with respect to the contribution of input data". IOSCO Principle 14 which states: "the administrator should develop guidelines for submitters ("Submitter's Code of Conduct"), shall also be considered.

The benchmarks that are administered by the Administrators are regulated data benchmarks and are determined using input data that is readily available. For both these reasons, there are no contributors to these indices or benchmarks.

Despite there being no regulated contributors to the benchmarks, the Administrators have developed this Data Quality Code to identify certain standards that would be expected from any sources of input data. It should also be noted that whilst the objectives of IOSCO and the BMR are to create a common framework for the regulation of indices used as benchmarks in financial markets, the Administrators shall, where it is possible and proportionate to do so, apply the administration framework which includes this Data Quality Code, across all indices that it administers and as listed under the *[Index & Benchmark Portfolio](#)*.

Where a firm is classified as a contributor under the BMR as defined above, they must adhere to the *[Code of Conduct](#)*.

Where input data is regulated data, or where the input data provided is readily available, this *[Data Quality Code](#)* shall apply. The sources of this input data shall be referred to as "Data Providers" for the purpose of this document.

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## Data Quality Code

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### General Principles

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The Administrator expects all Data Providers to have in place the systems and controls to provide accurate information by: -

- having in place internal policies covering the data provision process, governance systems, training, record keeping, compliance, internal controls, audit and disciplinary procedures, including complaints management and escalation processes.
- maintaining and operating effective administration arrangements with a view to avoid and manage conflicts of interest affecting the benchmark data provided.

### Data Provision Guidelines

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Data Providers data shall on each trade date make available all eligible data in accordance with the terms of the Data Provider Pack and any relevant Data Supply Agreement.

As a minimum, the input data shall consist of the price, volume and time of each trade along with a means of identifying the trade for data validation purposes i.e. Trade ID. Additional data may be required from time to time for the Administrator to carry on its role. This may include counterparty names and trades done outside of the scope of the indices, for example, outside the eligible transaction window as specified in the relevant index or benchmark methodology.

All trade data shall be delivered to the Administrator in an expeditious manner thus allowing the accurate determination and publication of the indices or benchmarks.

### Governance Arrangements

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A Data Provider must establish and maintain adequate and effective organisational and governance arrangements for the process of providing input data.

#### Governance Policy

The Governance Policy must ensure that:

- Clearly accountable named individuals, at the appropriate level of seniority within the firm, are responsible for the oversight of the data provision and post provision reviews.
- Policies and Procedures are in place covering:
  - Reporting structure and operational procedures
  - Oversight and monitoring arrangements
  - Escalation and reporting procedures
  - Documented business continuity arrangements for collation and provision of input data
  - Timely input of eligible transactions to ensure inclusion within data provision

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- Timely pre-provision notification to the Administrator of systematic issues or identification of erroneous input data
    - Timely responses to validation requests from the Administrator
    - Timely post-provision notification to the Administrator of changes to input data
  - Staff involved in the provision of data to have the skills, knowledge and expertise necessary for the discharge of the responsibilities allocated to them and undergo appropriate training and development programmes. The training should include as a minimum:
    - policies and procedures, including the requirement to ensure that eligible input data is entered into internal systems in a timely manner for accurate inclusion within data provision
    - Notification procedures for informing internal compliance of errors to the input data for escalation to the Administrator in a timely manner.
    - The impropriety of attempting to manipulate the data and the need to report and such attempts of which they become aware
    - The importance of conducting benchmark related business over a taped line or electronic communication systems
  - Disciplinary action is taken against an individual if it is established that they have acted improperly in respect of the data provided
  - An effective whistle blowing mechanism is in place to facilitate early awareness of any misconduct or other irregularities in respect of the data provision process that may arise
  - Oversight of the data provision process is undertaken by the compliance function to ensure compliance with this Data Quality Code. The key duties of the Compliance function should cover:
    - Advising the relevant persons responsible for carrying out data provision related activities in complying with its internal policies
    - Involvement in gathering and investigating any complaints concerning the accuracy or integrity of the provided data, including the logging, review and follow-up of all complaints
    - Regularly reviewing the interactions with the Administrator, including the number and result of requests for further information and the number of late submissions
    - Regularly reviewing reports identifying exceptions and breaches of internal procedures
    - Issuing recommendations based on the result of work carried out
    - Verifying compliance with those recommendations
    - Recording and escalating its findings
  - Conduct regular internal audits of a reasonable sample of input data provided to the Administrator, the factors and all other evidence documenting the basis for such data provision and the exercise of any expert judgement in respect of the data to verify the integrity and reliability of the process. Confirmation of the review taking place and its findings should be made available to the Administrator on request
  - Ongoing provision of data to the Administrator denotes the Data Provider's adherence with this Data Quality Code. This may be supplemented by an annual disclosure to be made to the Administrator confirming adherence if requested.

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### Conflicts of Interest Policy

The Conflicts Policy should ensure that:

- Effective procedures are in place to:
  - Identify, with reference to the activities related to the provision of input data, conflicts of interests that may arise along with the procedures to be followed and measures to be adopted, to manage such conflicts
  - Prevent or control the exchange of information between staff engaged in activities involving an identified risk where the exchange of that information may affect the provision of input data
  - Contingency provisions in case of the absence of control of the flow of information
  - Rules to avoid collusion between the Data Provider and the Administrator
  - Measures to prevent any person from exercising inappropriate influence over the way in which staff involved in the data provision carry out activities
  - The removal of any direct link between the remuneration of staff involved in the provision of input data and the remuneration of, or revenues generated by, different staff principally engaged in another activity, where a conflict of interest may arise in relation to those activities

### Record Keeping Requirements

Records of all relevant aspects of the data provision process should be kept in line with the record keeping requirements in MiFID2. These records should cover but are not limited to:

- Procedures and methodologies governing the input data and its provision
- Names and roles of individuals responsible for data provision and its oversight
- Relevant communications with the Administrator
- Any changes to input data occurring after a provision of data
- Findings of external or internal audits related to input data or provision to the Administrator, remedial action and progress on their implementation
- Training records of staff involved in the provision of data process

Records should be kept in a medium that allows for storage of information in a way accessible for future reference and in such a manner that it must not be possible for the records to be manipulated or altered.

Notwithstanding the fact that the input data is comprised solely of completed transactions, the Data Provider should provide to the Administrator when requested to do so, any further information and assumptions used in respect of their provision of data.