

## Minutes – 81st Oversight Committee Meeting

<b>Meeting Title</b>	81 <sup>st</sup> Oversight Committee Meeting
<b>Date and Time</b>	19 <sup>th</sup> January 2021, 13.30 to 16.30
<b>Location</b>	Conference call
<b>Members</b>	A. COVIN (Chair); M. BRIZEE; Z. CHATZIMPEI; J.C. CUEVAS; D. LE MASSON; T. MILLION; T. MIRONCZUK; M. VERHEIJEN; L. VLAMINCK; J-L. SCHIRMANN (CEO, ex-officio member, non-voting member)
<b>Observer</b>	O. BRISSAUD (Member of the EMMI Board of Directors; observer)
<b>Excused</b>	
<b>Secretariat</b>	J. CSÖRGEI; A. DE LISIO; J. FELDKAMP; A. GUZZARDI ; C. CUSTINNE ; J. EVENEPOEL; P. COLOT
<b>Quorum</b>	9 voting Members

Agenda Item	
<b>WELCOME</b>	Mr. A. COVIN welcomed the Members to the 81st EURIBOR and EONIA Oversight Committee meeting.
<b>ITEM 1 CONFLICTS OF INTEREST</b>	The Chair reminded everyone that Members of the Oversight Committee are appointed on a personal basis and should not be subject to instructions from the company/organization they are affiliated to (if any). Members are personally responsible to recuse of relevant decision making in the event a conflict of interest situation might arise.
<b>ITEM 2 MINUTES OF THE PREVIOUS MEETING</b>	<b>Discussion Points:</b> The members reviewed the minutes of the previous meeting of the Oversight Committee that took place on 25 November 2020.
	<b>Decisions and votes:</b> The minutes of the previous meeting were approved unanimously.
	<b>Action Points:</b> To publish the approved minutes on the EMMI website.

Agenda Item	
<b>ITEM 3</b> <b>ANNUAL REPORT OF THE CHAIR TO THE BOARD OF DIRECTORS</b>	<p><b>Discussion Points:</b></p> <p>Mr. A. COVIN shared the annual report to the Board of Directors with the Members of the Oversight Committee.</p> <p><b>Decisions and votes:</b></p> <p>N/A</p> <p><b>Action Points:</b></p> <p>N/A</p>
<b>ITEM 4</b> <b>UPDATE ON EMMI'S CORPORATE GOVERNANCE</b>	<p><b>Discussion Points:</b></p> <p>Mr. J-L. SCHIRMANN gave an update to the Members on EMMI's corporate governance. The Articles of Associations had been reviewed and approved by the General Assembly on 10<sup>th</sup> December, in compliance with the new Belgian Code of Companies and Associations. The new Articles of Association will be published on EMMI's website.</p> <p><b>Decisions and votes:</b></p> <p>N/A</p> <p><b>Action Points:</b></p> <p>N/A</p>
<b>ITEM 5</b> <b>REGULATORY UPDATE</b>	<p><b>Discussion Points:</b></p> <p>Ms. A. DE LISIO provided an update to the Members on regulatory items.</p> <p><b>Decisions and votes:</b></p> <p>N/A</p> <p><b>Action Points:</b></p> <p>N/A</p>
<b>ITEM 6</b> <b>ANNUAL REVIEW OF EURIBOR METHODOLOGY - PBCG FEEDBACK</b>	<p><b>Discussion Points:</b></p> <p>Mr. J. FELDKAMP summarised the recent discussion held on the Panel Bank Contact Group call of 16<sup>th</sup> December regarding the implementation of changes to the EURIBOR Hybrid Methodology.</p>
<b>ITEM 7</b>	<p><b>Discussion Points:</b></p>

Agenda Item	
<b>CHANGES TO THE EURIBOR BDM</b>	Mr. J. FELDKAMP presented the main changes to the EURIBOR Benchmark Determination Methodology following the 1 <sup>st</sup> Annual Review of the EURIBOR Hybrid Methodology.
	<b>Decisions and votes:</b> Members approved the proposal to change the EURIBOR Benchmark Determination Methodology unanimously.
	<b>Action Points:</b> To propose the approved amendments to the EURIBOR Benchmark Determination Methodology to the Board of Directors.
<b>ITEM 8 PANEL BANKS EXTERNAL AUDIT REPORTS</b>	<b>Discussion Points:</b> Mr. J. FELDKAMP gave a short presentation on the Panel Bank external audit reports of 2020, the first external audit following the introduction of the EURIBOR Hybrid Methodology.
<b>ITEM 9 COMPOSITION OF THE EURIBOR PANEL</b>	<b>Discussion Points:</b> Mr. J. FELDKAMP confirmed that there had not been any changes to the composition of the EURIBOR Panel since the last meeting of the Oversight Committee.
<b>ITEM 10 REVIEW OF THE EURIBOR RE- FIXING POLICY</b>	<b>Discussion Points:</b> Mr. C. CUSTINNE presented potential amendments to the EURIBOR re-fixing policy. He explained the difference between an ‘error’ and a ‘revision’, described the main aspects of the current re-fixing policy and outlined the difference between the set-up in place before and after the introduction of the EURIBOR Hybrid Methodology. He argued that with the introduction of the Hybrid Methodology, the contribution of input data to the benchmark had become more intricate, with a wider array of potential scenarios that affect the EURIBOR determination process on the day of the error and/or on subsequent days.
	<b>Decisions and votes:</b> N/A
	<b>Action Points:</b> N/A
<b>ITEM 11 MONEY MARKET REPORT</b>	<b>Discussion Points:</b> Mr. A. GUZZARDI presented the Money Market report for the Q4/2020. He updated the Members on the development observed in Money Market activity and rates. After presenting the last two ECB Governing Council decisions, he showed how

Agenda Item	
	<p>EURIBOR rates reached record low levels in the longer tenors amid accommodative monetary policy in the euro area and historical high level of excess liquidity.</p>
<p><b>ITEM 12</b> <b>EURIBOR OVERSIGHT REPORT</b></p>	<p><b>Discussion Points:</b> Mr. J. CSÖRGEI presented the EURIBOR Oversight Report for December 2020.</p>
<p><b>ITEM 13</b> <b>EONIA OVERSIGHT REPORT</b></p>	<p><b>Discussion Points:</b> Mr. J. CSÖRGEI presented the EONIA Oversight Report for December 2020. No operational issues were observed in the production of EONIA.</p>
<p><b>ITEM 14</b> <b>ANNUAL REVIEW OF THE EONIA METHODOLOGY</b></p>	<p><b>Discussion Points:</b> Mr. J. FELDKAMP introduced EMMI’s proposal not to change the EONIA Methodology. He explained that EONIA was tied to a fixed spread (8.5bps) which had been set in 2019 following 12 months assessment period, and that the ECB had published the results of the first annual review of the €STR on 11th December where they concluded that €STR fulfilled the requirements of data sufficiency, rate accuracy and rate representativeness. With the discontinuation of EONIA in perspective, EMMI sees no room for a revision of the historically determined spread. Therefore, EMMI proposed not to change the current EONIA Methodology.</p> <p><b>Decisions and votes:</b> Members approved the proposal not to change the EONIA Methodology unanimously.</p> <p><b>Action Points:</b> N/A</p>
<p><b>ITEM 15</b> <b>ANY OTHER BUSINESS</b></p>	<p>Mr. J.-L. SCHIRMANN reminded the Members of the upcoming discontinuation of EONIA and Mr. A. COVIN emphasized that Members should promote the transition from EONIA to €STR.</p> <p>Mr. A. COVIN thanked Mr. O. BRISSAUD, Member of the Board of Directors, who attended the meeting as observer. Mr. O. BRISSAUD thanked for the opportunity to participate.</p>