Guide to Freightos Baltic Global Container Index™ (FBX™)

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Preface

The Baltic has a well established reputation as a leading benchmark administrator. Freightos Limited specialises in analytics and the compilation of reference data using specialist software technology. The Baltic and Freightos Limited have collaborated, building on their respective expertise to provide the Freightos Baltic Global Container Index (FBX) where Freightos Limited is the Calculating Agent and Baltic Exchange Information Services (BEISL) is the Benchmark Administrator.

It is the Baltic’s aim for the FBX to be used by a wide range of market participants including not only Carriers, Shippers, Freight Forwarders, General Sales Agents and those involved in the container box supply chain, but also economists, journalists, market analysts and others who may wish to monitor trends in the container box market.

This Guide has been produced and designed in order to demonstrate BEISL’s compliance with Title II of the UK Benchmarks Regulation (BMR) and the IOSCO Principles for Financial Benchmarks (IOSCO PFBs) with respect to the FBX set out in the Appendix to the Guide (the Container Box Benchmarks).
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1 Introduction to the FBX Guide

1.1 About the Baltic Exchange Limited

1.1.1 The Baltic Exchange Ltd (the Baltic) is a wholly owned subsidiary of the Singapore Exchange Ltd (SGX). It operates as a membership organisation within the international shipping marketplace. Its revenues derive principally from membership subscriptions and payments by members to its subsidiary company, Baltic Exchange Information Services Ltd (BEISL), for access to its freight market information. The Baltic also derives revenues from licences for access to its information from clearing houses operating in the freight derivatives market and from information vendors and software application providers active in the financial markets.

1.1.2 BEISL publishes a wide range of shipping market reports, fixture lists and market rate indicators on a daily and (in some cases) weekly or quarterly basis. For this purpose, BEISL licences from the Baltic the rights to make use of its brand name in the production and publication of the data. The Baltic Exchange is not directly involved in the production, management or distribution of the data and it is BEISL which is herein documenting its processes.

1.2 About the FBX Guide

1.2.1 The Freightos Baltic Global Container Index™ (FBX) is a set of indexes that reflect ocean container transport spot freight rates across 12 global tradelanes. The FBX are produced jointly by Freightos Limited (the Calculating Agent) and BEISL (the Benchmark Administrator). This FBX Guide has been produced with respect to the FBX set out in Appendix 3 (the Container Box Benchmarks) and it documents the process for the definition, determination and management of the Container Box Benchmarks calculated by Calculating Agent and administered by the Benchmark Administrator.

1.2.2 BEISL as the Benchmark Administrator shall retain all primary responsibility for discharging all administrator obligations whilst it outsources to the Calculating Agent the provision of the Container Box Benchmarks related to:

   (1) Collecting, analysing or processing Relevant Data for the purpose of determining the Container Box Benchmark; and

   (2) Determining the Container Box Benchmark through the application of a formula or other method of calculation or by an assessment of Input Data provided for that purpose.

1.2.3 The FBX Guide will be updated as required to reflect necessary changes to practice, including any regulatory changes.
2 Governance Structure

2.1 Overview of Governance Arrangements

2.1.1 BEISL maintains robust and transparent governance arrangements for the provision of its benchmarks. The management body for the administrator is the BEISL Board of Directors (the BEISL Board). The benchmark determination process is carried out by the Calculating Agent but managed by BEISL with approval to the determined Container Box Benchmarks carried out by BEISL employees. BEISL ensures that all its employees and other persons whose services are placed at BEISL’s disposal and who are directly involved in the provision of benchmarks have the necessary skills, knowledge and experience as required by their duties and are aware of their responsibilities and of the procedures that must be followed for the proper discharge of those responsibilities. The oversight function for Container Box Benchmarks provided by BEISL is exercised by the BEISL Oversight Function. This is an independent committee composed of representatives of the Baltic and SGX, who are not directly involved in provision of benchmarks. Only the independent members of the BEISL Oversight Function are voting members. BEISL governance arrangements for benchmarks provision, including all relevant policies and procedures, are described in more detail in the following sections of the Guide.

2.1.2 The governance structure is designed to eliminate situations where a person may exercise undue control or influence over the provision of benchmarks. Terms of Reference and minutes for the BEISL Board and BEISL Oversight Function are available upon request.

Delegation of Authority to the Chief Executive Officer (CEO) of BEISL

2.1.3 The day to day responsibility for the operation of BEISL and certain responsibilities of the BEISL Board are delegated to the CEO of BEISL, in accordance with such policies and directions as the BEISL Board determines appropriate. This includes (but is not limited to):

(1) The appointment of new members to the BEISL Oversight Function;
(2) The appointment of Chairperson to the BEISL Oversight Function; and
(3) Governing other changes to the Guide, not relating to the benchmark methodology in accordance with Section 17.1.6 below.

2.1.4 The CEO shall update the BEISL Board as required, on the delegated, operational and day to day activities.

2.2 The BEISL Board

Role and responsibilities

2.2.1 The overall responsibility for the administration of the Container Box Benchmarks belongs to the BEISL Board, which is the key management body responsible for establishing credible and transparent governance, oversight and accountability procedures for the Container Box Benchmarks.

2.2.2 In particular, it is the responsibility of the BEISL Board to:

(1) Set the strategy, objective and overall direction of BEISL as benchmark administrator;
(2) Oversee BEISL management decision-making;
(3) Implement BEISL’s control framework, including by:

(i) Ensuring the integrity of the benchmark determination process; and
(ii) Putting in place effective systems, arrangements and procedures for the implementation of such a control framework.

(4) Monitor and govern adherence to the Guide by BEISL employees (including Assessors) and third parties involved in the provision of the Container Box Benchmarks, and, if and when appropriate, make decisions about any remedial actions required, taking into account the recommendations of the BEISL Oversight Function;

(5) Monitor and ensure the Calculating Agent’s compliance with the Guide, with the BMR and any other applicable legislation;

(6) Monitor and ensure BEISL’s compliance with the Guide, with the BMR and any other applicable legislation;

(7) Govern the changes to the Guide, including in relation to:

(i) Container Box Benchmark changes, by:

(a) Implementing changes to existing benchmarks;

(b) Governing development of new benchmarks, and

(c) Implementing cessation of benchmarks.

(ii) Other changes to the Guide, by:

(a) Governing changes to the Guide relating to BEISL benchmark methodology;

(b) Governing other changes to the Guide, not relating to BEISL benchmark methodology; and

(c) Conducting reviews of BEISL benchmark methodologies at least annually or as market conditions require.

(8) Implement the relevant policies and procedures preventing conflicts of interests in the determination of BEISL’s benchmarks; and

(9) Investigate and manage cases of complaints concerning BEISL, its benchmarks or benchmark methodologies.

Composition and decision-making

2.2.3 The BEISL Board is composed of a minimum of two directors and there is no maximum number of directors. Its decision-making, rules of proceedings and procedures for appointment are set in the BEISL’s Articles of Association.

2.3 BEISL Oversight Function

Role and responsibilities

2.3.1 BEISL is obliged by law to establish an oversight function. Such a function for the Container Box Benchmarks is performed by the BEISL Oversight Function. The BEISL Oversight Function is responsible for providing oversight of the overall functioning of the BEISL benchmark administration business.

2.3.2 In particular, it is the responsibility of the BEISL Oversight Function to:

(1) Oversee the implementation of BEISL’s control framework, including by overseeing:
(i) The management and operation of benchmarks administered by BEISL;
(ii) BEISL’s adherence to the published benchmark methodologies; and
(iii) The Calculating Agent’s adherence to the published benchmark methodologies;

(2) Oversee adherence to the Guide by BEISL employees (including Assessors) and third parties involved in the provision of benchmarks, including by:

(i) Conducting annual reviews of BEISL’s arrangements with third parties, including providers of outsourced functions;
(ii) Receiving periodic reports from the Assessors regarding their compliance with the Guide and formulating recommendations to the BEISL Board if and when any remedial action is deemed necessary;

(3) Oversee adherence to the Guide by the Calculating Agent, including by:

(i) Receiving periodic reports from the Benchmark Administrator about the Calculating Agent’s adherence to the Guide; and
(ii) Review the reports and, if and when appropriate taking effective measures in respect of:

(a) Any breaches to the Guide by the Calculating Agent by putting forward specific recommendations to the BEISL Board; and/or
(b) Reviewing the actions of the Calculating Agent in challenging or validating of Input Data.

(4) Assess internal and external audits and reviews, and monitor the implementation of remedial actions, if identified.

(5) Report to the Financial Conduct Authority any misconduct by the Calculating Agent, Assessors or BEISL, of which the BEISL Oversight Function becomes aware, and any anomalous or suspicious Input Data, unless such report has already been submitted by the Compliance Department.

(6) Oversee changes to the Guide, including in relation to:

(i) Benchmark changes, by:

(a) Reviewing procedures for making changes to existing benchmarks;
(b) Reviewing procedures for the development of new benchmarks; and
(c) Reviewing and approving the Cessation Policy; and

(ii) Changes to benchmark methodologies, by:

(a) Reviewing proposed changes to benchmark methodologies and, if and as required, requesting the BEISL Board to consult the market on such changes; and
(b) Conducting reviews of the definition and methodologies of benchmarks administered by BEISL at least annually or as market conditions require.
(7) Review policies and procedures relating to the management of conflict of interests in relation to the determination of the Container Box Benchmarks, and where necessary, raising specific issues for review by the BEISL Board.

(8) Review BEISL Board’s adherence with the Guide in implementing changes to, and cessation of, existing benchmarks.

Composition

2.3.3 The composition of the BEISL Oversight Function shall be independent from the composition of the BEISL Board. Members of the BEISL Oversight Function cannot be involved in the provision of a benchmark subject to oversight and/or any governance arrangements concerning that benchmark.

2.3.4 The BEISL Oversight Function shall be organised in a form of a committee, composed of at least three voting members that meet the selection criteria as set out in the BEISL Oversight Function Terms of Reference and to ensure the function is composed of members who together have the skills and expertise appropriate to the oversight of the provision of the Container Box Benchmarks.

2.4 Outsourcing Arrangements

2.4.1 For the purpose of the benchmark determination process BEISL outsources certain limited benchmark determination and technology functions to external service providers, namely the calculation of the Container Box Benchmarks to the Calculating Agent and some IT functions. The relevant outsourcing arrangements allow BEISL to maintain ultimate control over the provision of benchmarks. BEISL remains solely responsible for discharging all its responsibilities and regulatory obligations as a benchmark administrator. In particular, BEISL ensures that the service providers it engages with have the ability, capacity, and if relevant, any authorisation required by law, to perform the outsourced functions, services or activities in a reliable and professional manner.

2.4.2 For the purpose of outsourcing of BEISL’s technology provisions details governing the outsourcing arrangements are set out in the Oversight of the Outsourcing Arrangements policy.
3 Independence of the Administration of BEISL Benchmarks

3.1 Independence of Benchmark Governance

3.1.1 The methodology for the calculation of Container Box Benchmarks determined by the Calculating Agent and administered by BEISL is more fully set out in Section 4 (Overview of Benchmark Methodology) of this document.

3.1.2 Neither the Baltic Exchange nor any of its operating companies invest in or trade physical or financial container box rates. Likewise, neither the Calculating Agent nor any of its operating companies invest in or trade physical or financial container box rates for which it is the Calculating Agent.

3.1.3 Conflicts of interests are managed in accordance with the Baltic’s conflicts of interest policy set out in Section 11 (Conflicts of Interest) of this Guide.

3.1.4 The Senior Assessors report directly to the Head of Benchmark Production and CEO of the Baltic Exchange. Senior Assessors may raise any matters concerning the Container Box Benchmarks in confidence with the Chairman of the Baltic Exchange, the Compliance Department or BEISL Oversight Function.

3.1.5 The provision of Container Box Benchmarks shall be operationally separated from any other part of the Baltic’s business that may create an actual or potential conflict of interest for BEISL or the Calculating Agent.

3.2 Employees Dealing Restrictions

3.2.1 Employees of the Baltic are not permitted to invest in or trade freight derivatives. They are also not permitted to invest in private container box companies or indirect investment companies such as hedge funds and private equity firms which specifically target the container box market. Investments managed at arms’ length by a third party are not restricted by this section. Should an employee be in any doubt as to the acceptability of an investment then they are required to raise it with the CEO/Compliance Department.

3.2.2 Investment by employees in the shares of listed shipping companies, either directly or via collective investment vehicles (mutual funds) is acceptable as part of a long-term investment process. Day trading or short-term investment is not appropriate nor is the use of spread betting or similar products where they relate to the container box market.

3.2.3 All employee policies are contained within the Baltic Group Staff Handbook, a copy of which is provided to personnel when their employment commences. Amendments to the Group Staff Handbook are also distributed to employees as required.

3.2.4 The Senior Assessor, Assessors and all other employees involved in the provision of benchmarks are required to declare their compliance with Baltic’s personal account dealing restrictions annually.

3.3 Remuneration

3.3.1 The Baltic’s staff remuneration policy provides for a clear remuneration framework for all persons directly involved in the provision of the Container Box Benchmarks taking into account the functions and responsibilities allocated to them and ensures that there is no link between the performance of any of the benchmarks administered by BEISL and remuneration of employees and/or contractors involved in the provision of the benchmarks.
Overview of Benchmark Methodology

Container Box Benchmark Methodology

The Container Box Benchmarks intend to measure the cost to transport a container box on a trade route. For this purpose, an active market constitutes supply and demand for such transport services. The Container Box Benchmarks are a set of indices that reflect ocean container transport spot freight rates across global tradelanes as set out in Appendix 3. Container Box Benchmarks are the median all-in price, port to port, for a standard forty-foot (FEU), non-refrigerated container, based on carriers' rolling tariffs and related surcharges.

Where an active market exists, pricing information shall be sourced from International Freight Forwarders (IFFs) and Non Vessel Owning Common Carriers (NVOCC) using Freightos' rate management services. Spot rates are sourced on a daily basis.

Relevant Data and Input Data

Base data originates from IFFs and Non Vessel Owning Common Carriers (NVOCC) who use Freightos Applications in their day to day business. Only base data that meets the eligibility criteria set out in Section 5 of this Guide is considered Relevant Data.

Relevant Data consists of spot ‘freight all kinds’ (FAK) rates for the shipment of an FEU from a named load port to a named discharge port (Port to Port) and includes related surcharges. Distribution of the rates in the base data are analysed, discrepancies investigated and traced back to the data source for eligibility. Non-eligible base data is excluded from the Relevant Data.

Relevant Data is subject to regular data verification checks and filtering techniques to ensure that prices are related to the port pairs relevant to the trade lanes. Verification includes source data integrity to ensure premium and other relevant charges are captured. In the event that data points are identified as anomalous, they will be removed from the data set.

Input Data is derived from Relevant Data. It consists of Port to Port rates that have been created or modified within the last 35 days of publication day and are valid on or 7 days prior to the date of publication. The rates include all charges for a container yard to container yard (CY-CY) service, including ocean freight and any applicable seaborne surcharges, but excluding origin and destination port charges or import customs.

Input Data is subject to regular data verification checks by the Calculating Agent and the Benchmark Administrator. Data clustering algorithms are used to help identify anomalies. Clustering is applied at a tradelane level to monitor the highs and lows of the data set for outliers.

Individual Tradelane Methodology

Container Box Benchmarks are calculated from the Input Data based on the applicable Port to Port pairs, as set out in Appendix 3.

Data Density

In the event there are fewer than ten valid rates for a tradelane, additional rates will contribute in accordance with the waterfall methodology set out at Appendix 2.

In the event there are fewer than five Carriers on a tradelane then the assessor will validate the rates following the waterfall methodology Appendix 2.

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1 The Outlier detection methodology is set out in Appendix 1
4.3.4 If there are more than five carriers on a tradelane then a sixth carrier will be created containing all remaining carriers.

**Individual Tradelane Calculation**

4.3.5 A median value is calculated for each carrier on the tradelane.

4.3.6 A weighted average by carrier is calculated for each tradelane; the weighting reflecting each carrier's volume on that tradelane. Carrier volume is the carrier's annual committed container capacity between the tradelane relevant origin and destination regions. Carrier volume is reviewed annually by BEISL.

4.3.7 Given a tradelane L serviced by carriers C1, C2, ..., Cn in descending order of carrier volume on the tradelane V1, V2, ..., Vn. And given Median (L, Ci, ..., Cj) being the median price for Carriers Ci, ..., Cj on the tradelane L, then value for tradelane L is calculated as:

\[
\frac{\sum_{i=1}^{n}(\text{Median}(L, C_i) \times V_i)}{\sum_{i=1}^{n} V_i}
\]

4.3.8 The resultant numbers are rounded to the nearest integer.

4.4 **FBX Global Index Methodology**

4.4.1 The FBX Global Index is a weighted average of the tradelane indices calculated in Section 4.3 above; the weighting for each tradelane being based on that tradelane's share of carrier volume. Tradelane volumes are reviewed annually.

**Benchmark Calculation**

4.4.2 Given the index values of the 12 regional tradelanes (I1, I2, ..., I12) and their respective volumes (V1, V2, ..., V12) as listed in Appendix B, the Container Box Benchmark value is calculated as:

\[
\frac{\sum_{i=1}^{12} I_i \times V_i}{\sum_{i=1}^{12} V_i}
\]

4.4.3 The resultant number is rounded to the nearest integer.

4.5 **Expert Judgement and Priority of Use of Data**

4.5.1 Input Data is the primary source of data for the determination of the Container Box Benchmarks. Only where there is insufficient data density as set out in Sections 4.3.2 and 4.3.3 will the Waterfall methodology (set out in Appendix 2) be invoked and alternative data be used in the determination of the Container Box Benchmarks.

4.5.2 The Calculating Agent does not exercise any discretion or use any expert judgement in the calculation of the Container Box Benchmarks.

4.5.3 Where the Waterfall methodology is invoked, or in the case of 4.6.5 below, the Assessor may use his/her expert judgement and discretion in the determination of the Container Box Benchmarks.

4.6 **Verification and Validation**

4.6.1 Production reports detailing the benchmark value, the number of carriers, tariffs and data points are checked on a daily basis by the Calculating Agent data analyst (Data Analyst) and the Assessor for anomalies, data density and market relevance. The distribution of the data on all
tradelanes is assessed for anomalies and the impact of outliers is tested to ensure it falls within defined thresholds.

4.6.2 Detailed verification checks are done automatically by the software system deployed by the Calculating Agent. Data Analysts nonetheless perform the first line of control and assess, among others, completeness of Input Data contributed and its conformity with the relevant quality criteria.

4.6.3 Prior to publication, the Assessor reviews the Container Box Benchmarks with a descriptive statistical evaluation of the number of datapoints, sellers, carriers, tariffs and the calculated values.

4.6.4 Daily outlier detection is monitored by the Data Analyst and exclusion reports are provided to the Senior Assessor on a weekly basis.

4.6.5 Where the index value has been flagged as an anomaly or low market relevance and the calculating agent is unable to provide clarification or verification prior to publication the Assessor will use feedback from market participants along with other data sources to manually assess the market and use their expert judgement and discretion as to whether to accept the value calculated by the Calculating Agent pursuant to Section 4 of the Guide, or to replace the calculated value with the manually assessed value. SFA sign off is required to replace the calculated value with the manually assessed value.

**Backtesting and stress testing**

4.6.6 On at least an annual basis and following any material change of the methodology, the Benchmark Administrator undertakes backtesting of the Container Box benchmarks, with assistance from the Calculating Agent, by drawing comparisons with historical data and using statistical methods of testing to show trends, correlations and deviations. The Benchmark Administrator also undertakes backtesting of the Container Box Benchmarks against available transaction data. Further the Benchmark Administrator assesses the impact of various market conditions on the methodology using historical data from stressed market conditions. The results of any impact assessment or back-testing are used in the design of the benchmark methodology.
5 Relevant Data Eligibility Criteria

5.1 Base data from IFFs and NVOCCs using the Freightos Applications must be assessed as eligible and authorised for inclusion in Relevant Data.

5.2 Eligibility Criteria and Authorisation process

5.2.1 In order for an IFF or NVOCC’s data to be included in Relevant Data, its data must be assessed as eligible by the Calculating Agent.

5.2.2 The application user’s data must undergo a trial period of a minimum of one month where the user ingests Carrier rates used in its day-to-day business into the Freightos Applications (the Trial Period).

5.2.3 During the Trial Period the data is monitored by the Calculating Agent, overseen by an Assessor, for correlations, anomalies, reliability, integrity and validity.

5.2.4 At the end of a Trial Period, the inclusion of the data into the Relevant Data is authorised by the Senior Assessor when satisfied that sufficient review has been carried out.

5.3 Ongoing Monitoring

5.3.1 Automated and manual monitoring of data sources is performed by the Calculating Agent and monthly reports are provided to the Benchmark Administrator.

5.3.2 Data sources are monitored for:

(1) Rates that are consistently lower or higher than others (peer review); and

(2) Rates that are frequently excluded as an outlier.

5.3.3 Data sources will be included in the Relevant Data for an indefinite period of time as long as the data continues to be eligible.

5.3.4 Excluded data sources are reviewed at least quarterly and once they meet the eligibility criteria outlined in Section 5.2 above, they will be included in Relevant Data.
6 Benchmark Change and Cessation

6.1 Overview of Benchmark Change and Cessation

6.1.1 As a Benchmark Administrator BEISL is under an obligation to ensure integrity of the benchmarks it provides. In doing so, it needs to take into account the characteristics of the container box market noting that trade patterns change over time, all of which are to be reflected in the Container Box Benchmark methodologies.

6.1.2 While BEISL seeks to ensure that all relevant characteristics of the container box market are reflected in the benchmark methodologies, it is possible that certain factors will necessitate changes to, or cessation of, one or more of the Container Box Benchmark administered by BEISL. These circumstances may be due to external factors beyond the control of BEISL, internal strategic decisions or voluntary discontinuations.

6.1.3 Benchmark cessation shall be the permanent discontinuation of the determination and administration of a benchmark.

6.2 Internal Review

6.2.1 The Container Box Benchmark methodologies are reviewed by the Senior Assessors on an annual basis to ensure that they remain representative of the relevant market and economic reality and continue to meet the requirements of index users and deemed fit for purpose. They are approved by the BEISL Board for continued use.

6.3 Potential Reasons for Benchmark Change and Cessation

6.3.1 This section applies to instances in which it might become necessary or appropriate to change or cease any of the benchmark calculation, definition or publication due to circumstances, including but not limited to:

1. Legislative or regulatory change that would deem further provision of a benchmark impossible or otherwise unsustainable;

2. Changes in the underlying market which result in a benchmark becoming no longer representative of the economic reality it intends to measure or no longer appropriate as a reference for financial instruments, due to factors including (but not limited to) lack of sufficient data and/or developments in physical container box markets;

3. Request from an applicable regulatory body requiring BEISL to change or cease the benchmark methodology;

4. A prolonged implementation of a contingency measure where remediation is no longer possible or achievable;

5. BEISL becoming unable to continue to determine the benchmark in a reliable fashion;

6. A benchmark provision becoming economically unsustainable;

7. Limited or no use of a benchmark as a reference in financial instruments;

8. Change in economic reality, market demand or product strategies affecting BEISL’s benchmark administration activities for the Container Box Benchmark;

9. On the recommendation of the BEISL Board or BEISL Oversight Function; and

10. Issues raised by stakeholders including users and subscribers of the Container Box Benchmarks.
6.3.2 BEISL shall keep under review:

(1) The representativeness of the market;

(2) The users of a Container Box Benchmarks and the use to which they apply the Container Box Benchmarks;

(3) The structure and liquidity of the market underlying each benchmark; and

(4) Whether any priority should be given to different types of Input Data.

6.3.3 In its review at Section 6.3.2 above, BEISL may take the view that a Container Box Benchmarks no longer representative of its intended interest, and that this cannot be remedied by a corrective change to the Container Box Benchmark.

6.4 General Principles

6.4.1 BEISL shall have regard to the following general principles when considering or executing a proposed material change to, or a cessation of, its Container Box Benchmarks listed in this Guide:

(1) Consideration to be given to a potential impact on stability of the financial market;

(2) Consideration to be given to the potential economic and financial impact;

(3) Recognition that for the physical container box marketplace, trade patterns change over time which shall be reflected in the Container Box Benchmark methodology;

(4) Recognition that in respect of derivatives market, consideration to be given to outstanding open interest as well as the usage made of long-term physical deals;

(5) Consideration of any applicable regulatory and/or financial implications that may result from contracts and financial instruments that reference the Container Box Benchmark; and

(6) The practicality of maintaining parallel benchmarks (where feasible) in order to accommodate an orderly transition to a new Container Box Benchmark.

6.5 Benchmark Change or Cessation Plan

6.5.1 When BEISL determines a proposed material change to, or cessation of, its Container Box Benchmarks, BEISL will proceed with the execution of a change or cessation plan in accordance with the table set out in Section 6.7.1 below. To this end, BEISL will give due consideration to the following:

(1) Consultations- BEISL shall conduct necessary consultations with market participants, Baltic members and other stakeholder groups, as appropriate. Consultations shall occur over a period of three months.

(2) Provision of adequate notice- Where possible BEISL shall inform the market with as much notice as practical after the consultation process. Such notice shall be given by way of circulars that are directly distributed to members of the Baltic Exchange and also published on the Baltic website or any third-party platforms. BEISL may also communicate through the Baltic Advisory Councils, forums and newsletters. Any comments received during the consultations and the Benchmark Administrator’s responses, shall be accessible after the consultation except where confidentiality has been requested by the entity originally providing comments.
(3) **Provision of interim arrangements**— If deemed appropriate, BEISL shall develop interim procedures and practices to ensure that the determination and administration of Container Box Benchmarks is continued over a set period of time in order to permit existing contracts to migrate where necessary.

(4) **Relevant third parties and stakeholders**— Where appropriate, relevant third parties shall be incorporated into the planning, design, and implementation phases that may reduce transition risks.

6.6 **Benchmark Methodology Change: Materiality**

6.6.1 In determining a material change, BEISL shall have regard to:

1. Any fundamental change to the definition or determination process of a Container Box Benchmark methodology;

2. A significant change related to a potential cessation of a Container Box Benchmark, including interim arrangements to a new Container Box Benchmark;

3. The impact to any listed contract which references a Container Box Benchmark;

4. The extent to which the Container Box Benchmark no longer represents the underlying market and its appropriateness as a reference for financial instruments and contracts; or

5. Any other change deemed material as determined on a case-by-case basis.

6.6.2 Changes to document formatting shall not constitute a material change to the Container Box Benchmark methodology and shall not be subject to the roles and responsibilities outlined in Section 6.7.1. If BEISL determines that a proposed change is appropriate to the quality and representativeness of the Container Box Benchmark but does not constitute a material change to the Container Box Benchmark methodology, BEISL shall amend and publish the Container Box Benchmark methodology.

6.6.3 If BEISL determines that a proposed change is appropriate to the quality and representativeness of the Container Box Benchmark and does constitute a material change to the Container Box Benchmark methodology, BEISL shall execute the steps outlined in Section 6.7.1 below.

6.7 **Allocation of Responsibilities and Benchmark Change or Cessation procedure**

6.7.1 The following table provides an overview of the roles and responsibilities to be executed in the event of a proposed material change to, or cessation of, a Container Box Benchmark:
<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEISL (Senior Managers/ Compliance</td>
<td><strong>Analysis and investigation</strong>&lt;br&gt;BEISL together with the Calculating Agent, shall carry out an analysis and consider the Container Box Benchmark usage, liquidity in the underlying markets and availability of data, contracts and financial instruments that reference the benchmark, and the impact on economic and financial stability that might result from a material change to or cessation of the benchmark. <strong>Consultations</strong>&lt;br&gt;Upon completing the analysis, BEISL shall carry out its consultations as set out in Section 6.5.1(1) above. <strong>Benchmark change or cessation plan</strong>&lt;br&gt;BEISL shall prepare a benchmark change or cessation plan (the Plan), including timelines and process for consulting relevant stakeholders, and submit it for approval to the BEISL Board. <strong>Inform BEISL Oversight Function about the circumstances justifying the proposed material change, or cessation of, a benchmark.</strong></td>
</tr>
<tr>
<td>Department and Senior Assessor)</td>
<td></td>
</tr>
<tr>
<td>BEISL Board</td>
<td><strong>Review and approve the Plan prepared by BEISL.</strong>&lt;br&gt;Implement the proposed material change or cessation of the benchmark in accordance with the agreed Plan.</td>
</tr>
<tr>
<td>BEISL Oversight Function</td>
<td><strong>Review the material benchmark change or cessation process in accordance with this document and the Plan submitted by BEISL to the BEISL Board.</strong></td>
</tr>
</tbody>
</table>

6.8 **Emergency Benchmark Change, Benchmark Cessation or Suspension**

6.8.1 **It is possible that in extreme circumstances beyond the control of BEISL, it becomes necessary to change, cease or even suspend a benchmark with little notice and consultation. This may include (but is not limited to) a sudden change in circumstances or markets resulting in it being impossible to produce a viable Container Box Benchmark, and impossible to source alternative remedial action.**

6.8.2 **Under these extreme circumstances, BEISL will ensure that all relevant information including back-up plans, and where possible and appropriate, information on alternative benchmarks is published for users and stakeholders as soon as practically possible. BEISL will also ensure that updates are given promptly as circumstances evolve.**

6.9 **Timing and Notice**

6.9.1 **Any proposed timing and notice by BEISL shall take into account the following:**

   1. If the change or cessation of a Container Box Benchmark is a regulatory requirement or the effect of any regulatory, legal or other provisions;

   2. The urgency, if any, of changing, ceasing or where appropriate, suspending a Container Box Benchmark;
(3) The extent and impact, if any, of IT and operational issues;

(4) The duration of any consultations;

(5) The amount of notice to be given to the marketplace in order to allow them to take appropriate action; and

(6) To the extent a third-party service provider is involved, the extent and impact, if any, on the services provided.

6.10 External Engagement

6.10.1 In the process of implementing a Container Box Benchmark change or cessation procedure, BEISL shall take all reasonable steps to maintain open and transparent communication with all relevant stakeholders, including Container Box Benchmark users and Baltic Exchange members.

6.11 Record Keeping

6.11.1 BEISL shall maintain relevant records if it intends to implement a material change or cease a Container Box Benchmark. In particular (but not limited to), records relating to the reason for a material change, cessation, relevant discussions, meeting minutes, key communications and consultation documentation shall be retained for a minimum of five years.

6.12 Document Review and Approval

6.12.1 BEISL shall review its approach to Container Box Benchmark change and cessation on an annual basis or whenever a material change or cessation of a Container Box Benchmark is undertaken.
7 Container Box Benchmark Restatement

7.1 Purpose

7.1.1 BEISL is committed to providing Container Box Benchmarks that are of the highest quality, accurate and reliable whilst executing its responsibilities with integrity.

7.1.2 BEISL recognises, however, that in some situations inaccuracies can arise that may warrant a restatement of the Container Box Benchmark. Such inaccuracies may be caused by events such as incorrect application of the methodology. BEISL has set out the circumstances below in which the Container Box Benchmark shall be restated together with the procedure to be followed to ensure the restatement process is managed appropriately.

7.2 Restatement Circumstances

7.2.1 In the instance the Container Box Benchmark is published with an inaccuracy, BEISL shall review the impact on affected Container Box Benchmark values in determining whether to restate the benchmark.

7.2.2 In doing so, BEISL shall take the following into consideration:

(1) The size of the deviation between the published Container Box Benchmark and the updated Container Box Benchmark level;

(2) When the inaccuracy occurred and was discovered; and

(3) The number of Container Box Benchmark (and sub-indices) affected;

7.3 Restatement Action

7.3.1 The type of restatement action taken by BEISL shall depend on the nature, scope and period of the Container Box Benchmark inaccuracy.

7.3.2 The types of restatement action shall be (but not limited to):

(1) Historical restatement of Container Box Benchmark level;

(2) Correction only to the Container Box Benchmark level going forward;

(3) Historical restatement and correction to Container Box Benchmark level going forward; or

(4) No restatement action taken.

7.4 Procedure

7.4.1 In the event that BEISL becomes aware of an inaccuracy, or possible error requiring investigation, BEISL shall:

(1) Investigate the incident and circumstances giving rise to a possible index error or inaccuracy as soon as reasonably practical;

(2) Contact the Calculating Agent to request clarification or additional information as required;

(3) Review the impact on affected Container Box Benchmark(s) taking into account Section 7.2.2 above;
(4) Determine the restatement action as set out in Section 7.3 above; and

(5) Where necessary, publish a circular, providing the reason the restatement action as set out in Section 7.3 above together with any relevant revised material.

7.4.2 Where necessary, BEISL shall produce a market incident report to be submitted to Compliance Department, summarising the inaccuracy, root cause and remedial actions where applicable.

7.4.3 The relevant fields of the report and investigation will be updated by the Compliance Department if necessary.

7.4.4 Not all inaccuracies warrant a Container Box Benchmark restatement and some incidents may be more determinative than others. In complex circumstances, BEISL may consult market participants in order to determine the most appropriate course of action.

7.4.5 The BEISL Board and BEISL Oversight Function shall be made aware of any restatement or underlying issues, of which they would reasonably expect to be informed.

7.5 Documentation and Audit Trail

7.5.1 All documents relating to Container Box Benchmark restatement including those records of the Calculating Agent shall be retained for a minimum of five years.
8 The BEISL Assessor

8.1 The Role of the BEISL Assessor

8.1.1 The primary responsibilities of the BEISL Assessor includes monitoring Input Data received from the Calculating Agent (both prior and post-publication of the benchmark), evaluating Input Data according to the prescribed quality and accuracy standards, as well as validating Input Data after publication to identify errors and anomalies.

8.1.2 As such, BEISL Assessors perform a control function, which is critical for the day-to-day determination process of the Container Box Benchmarks to ensure their accuracy and reliability. It is therefore vital that, together with their expert knowledge and skills, BEISL Assessors are expected to uphold and exercise the highest standards of professional integrity.

8.2 Selection Criteria

8.2.1 An individual can only be appointed to the role of an Assessor if he or she meets the following qualification criteria:

(1) Has received training by virtue of their employment as an Assessor encompassing all FBX reported routes (as set out in APPENDIX 3), benchmark determination process, benchmark methodology and BEISL’s bespoke applications; and

(2) Possess the necessary skills, knowledge and experience to enable him or her to undertake his or her responsibilities and obligations in relation to the calculation of the Container Box Benchmarks.

8.3 Governance Requirements

8.3.1 The Benchmark Administrator shall ensure that their Assessors are:

(1) Subject to effective day-to-day management and supervision, including clear reporting lines, and well-developed sign-off procedures;

(2) Not subject to undue influence or any conflict of interest;

(3) Not remunerated in a way, or subject to performance evaluation, that would create conflicts of interest or otherwise impinge upon the integrity of the Container Box Benchmark determination process;

(4) Not in possession of any interest, or business relationship, that could compromise the activities of the Benchmark Administrator;

(5) Subject to effective procedures to control the exchange of information with other employees of the Benchmark Administrator, the Calculating Agent or other third parties involved in determination of the Container Box Benchmarks, which may create a risk of conflicts of interest, or with third parties where that information may affect the Container Box Benchmark; and

(6) Subject to specific internal control procedures to ensure their integrity and reliability, and including procedures concerning four eyes sign-off, before dissemination of a Container Box Benchmark.

8.4 Validation of Input Data

8.4.1 BEISL Assessor will check the Input Data daily for data density and adherence to the methodology as set out in Section 4.2.54.2.4.
8.4.2 Should the BEISL Assessor determine that the Input Data does contain an error and/or omission, or is significantly different from other corroborative sources, or is otherwise suspicious, he or she shall immediately contact the Calculating Agent to request clarification and/or correction. In either outcome, the BEISL Assessor is to ensure that a complete record is maintained.

8.4.3 In order to determine Input Data and to ensure the integrity and accuracy of Input Data prior to its inclusion in the Container Box Benchmark publication, the Assessor shall check Input Data received against other available indicators or data. To this end, the Assessor shall use his or her knowledge of the relevant container box market, as well as publicly available information, reports and data.

8.5 Benchmark Publication

8.5.1 Only following satisfactory validation of Input Data, may the Assessor allow its use in the production of the relevant Container Box Benchmark.

8.5.2 A Senior Assessor shall verify and sign off the Container Box Benchmarks and authorise publication.
9  Calculating Agent

9.1  Outsourcing

9.1.1  In line with the outsourcing arrangement approach as described in Section 2.4 (Outsourcing arrangements) of this Guide, BEISL outsources certain Container Box Benchmark determination functions and processes to the Calculating Agent. The structure of BEISL’s arrangements with the Calculating Agent, as set out in the relevant bilateral contractual documentation and this Guide, ensures that BEISL maintains ultimate control over the provision of the Container Box Benchmarks. In its capacity as the Administrator, BEISL is therefore solely responsible for discharging all of its responsibilities and regulatory obligations in respect of the Container Box Benchmarks.

9.2  Role of the Calculating Agent

9.2.1  The Calculating Agent is responsible for the collection of Relevant Data, its subsequent analysis, evaluation and verification for the purposes of ensuring its quality, accuracy and integrity. The Calculating Agent is also responsible for processing the Relevant Data and Input data for the purpose of calculation of Container Box Benchmarks, in accordance with the methodology set out in Section 4 (Overview of Benchmark Methodology) of this Guide. Finally, the Calculating Agent is responsible for transmitting the Input Data and the calculated benchmark to BEISL for validation and publication in accordance with the methodology.

9.3  Calculating Agent Selection Criteria

9.3.1  As an authorised Benchmark Administrator, BEISL adheres to the highest quality, compliance and due diligence standards concerning the benchmark determination processes. This is reflected in the operation of its own systems, controls, policies and procedures, as well as the selection of service providers who perform certain functions relating to the provision of BEISL benchmarks. The Calculating Agent is a leading provider of rate management services for the container box industry.

9.3.2  Therefore, as a minimum, a Calculating Agent must:

   (1)  Have the ability, capacity and any authorisation required by law, to perform the Calculating Agent service reliably and professionally;

   (2)  Possess the necessary skills, knowledge and experience to enable them to undertake their responsibilities and obligations in relation to the calculation of the Container Box Benchmarks;

   (3)  Ensure that its employees and/or persons whose services are placed at its disposal for the purpose of the review of Relevant Data, Input Data and calculation of the Container Box Benchmarks, are not subject to undue influence or conflict of interest; and

   (4)  Not have any business interests or business connections that would compromise the activities of BEISL as the Benchmark Administrator (see also provisions on dealing restrictions applicable to all Baltic Employees and set out in Section 3.2 (Employees dealing restrictions) of this Guide).

9.4  Calculation Agent Responsibilities

9.4.1  The Calculating Agent shall ensure that their Data Team is subject to the ongoing supervision and appropriate governance arrangements. To this end, the Calculating Agent shall ensure that their Data Team:

   (1)  Are subject to effective day-to-day management and supervision, including clear reporting lines and sign-off procedures;
(2) Are not subject to undue influence or conflicts of interest;

(3) Are not remunerated in a way, or subject to performance evaluation, that would create conflicts of interest or otherwise impinge upon the integrity of the Container Box Benchmark determination process;

(4) Do not have any interest or business connections that could compromise the activities of the Administrator and of the Calculating Agent;

(5) Are subject to effective procedures to control the exchange of information with other employees of the Administrator and the Calculating Agent involved in the determination of the Container Box Benchmarks and that may create a risk of conflicts of interest, or with third parties where that information may affect the Container Box Benchmark; and

(6) Are subject to specific internal control procedures to ensure their integrity and reliability, and including procedures concerning the sign-off by management before dissemination of a benchmark.

9.5 Calculating Agent Data Team

9.5.1 The primary responsibilities of the Data Team include monitoring and validation of Relevant Data received from the Freightos Applications, validation of the Input Data and the calculation of the indices, according to the prescribed quality and accuracy standards, as well as reviewing Input Data after publication to identify errors and anomalies.

9.5.2 The Data Team perform a control function, which is critical for the day-to-day determination process of the Container Box Benchmarks to ensure their accuracy and reliability. It is therefore vital that the Data Team upholds and exercises the highest standards of professional integrity.

9.5.3 The Data Team consists of VP Market Data, responsible for overseeing all aspects of the operation of the Calculating Agent, and a Data Analyst, reporting to VP Market Data. Other relevant team members, such as database developers, DevOps engineers, business intelligence specialists or machine learning experts are involved at the request of VP Market Data.

9.6 Monitoring of Data

9.6.1 The Calculating Agent shall undertake checks as set out in Section 4.2.3. These monitoring procedures are automated as much as possible, supported by software deployed by the Calculating Agent, and the Calculating Agent shall carry out:

(1) A monthly review of automated procedures is carried out; and

(2) Submit a report summarising its outcomes to the Senior Assessor.

9.6.2 Input Data is subject to regular data verification checks by the Calculating Agent and the Benchmark Administrator as set out in Section 4.2.5. In order to ensure the integrity and accuracy of Input Data prior to its inclusion in the Container Box Benchmark calculation, the Calculating Agent shall check Input Data against other available indicators or data. To this end, the Calculating Agent shall use correlating data from Freightos Applications, as well as publicly available information, reports and data.
10 Audits and Quality Control

10.1 Communications between the Benchmark Administrator and the Calculating Agent

10.1.1 The Administrator and the Calculating Agent shall establish efficient day-to-day communication measures. This includes regular exchange of information, reporting, and where necessary, escalation procedures for the Calculating Agent in respect of all matters concerning the calculation of the Container Box Benchmarks.

10.1.2 The Calculating Agent shall co-operate with the Benchmark Administrator during all audits and make available all requested data, information and documentation for review.

10.2 Compliance Audit: the Calculating Agent

10.2.1 The Calculating Agent shall be subject to annual audit by the Benchmark Administrator. The Benchmark Administrator shall keep details of such annual audit of the Calculating Agent, as set out in Section 10.5 (Record Keeping: The Benchmark Administrator and the Calculating Agent) below.

10.3 Methodology Audit: the Calculating Agent

10.3.1 The Calculation Agent shall also be subject to the Benchmark Administrator’s methodology audits to ensure the calculation of the Container Box Benchmarks meets the requirements set out in the Methodology of the Container Box Benchmarks as included in this Guide.

10.3.2 A random sample audit from the entire Container Box Benchmark data-set to examine the application of the benchmark methodology, weightings and elements sufficient to allow reproduction of the calculation process shall be taken on a quarterly basis.

10.3.3 The Benchmark Administrator shall keep details of the methodology audit of the Calculating Agent, including information about any remedial actions undertaken, in accordance with the record keeping requirements set out in Section 10.5 (Record Keeping: The Benchmark Administrator and the Calculating Agent) below.

10.4 External Audits

10.4.1 BEISL shall appoint an accounting firm to conduct independent reviews on a quarterly basis of the Container Box Benchmark determined with respect to adherence to the Container Box Benchmark methodology set out at Section 4 (Overview of Benchmark Methodology).

10.4.2 A major accounting firm shall also be appointed annually to review this Guide in order to ensure that it complies with the requirements of the ISOCO PFBs, the BMR and to confirm the Benchmark Administrator and the Calculating Agent are complying with the processes and procedures set out in this Guide.

10.5 Record Keeping: The Benchmark Administrator and the Calculating Agent

10.5.1 The Benchmark Administrator and the Calculating Agent shall maintain complete records of all aspects relating to the determination and provision of the Container Box Benchmarks including the items set out at Section 10.5.2 below. The Calculating Agent shall put in place appropriate record keeping arrangements and share with the Benchmark Administrator, if and when required, any relevant information pertaining to Container Box Benchmarks in order to allow the administrator to discharge all its responsibilities stemming from provision of Container Box Benchmarks.

10.5.2 The Benchmark Administrator and the Calculating Agent, as relevant, shall keep records of:

1. All Relevant Data and Input Data, including the use of such data;
(2) The methodology used for the determination of the Container Box Benchmarks;

(3) Any exercise of judgement or discretion by the Benchmark Administrator or Assessors in the determination of the Container Box Benchmarks when the waterfall methodology is invoked, including the reasoning for said judgement or discretion;

(4) The disregard of any Relevant Data or Input Data by the Calculation Agent where it did not conform to the requirements of the benchmark methodology and rationale for such disregard;

(5) The identities of entities using the Freightos Applications and of the natural persons employed by the Benchmark Administrator and Calculating Agent for the determination of the Container Box Benchmark;

(6) All documents relating to any complaint, including those submitted by a complainant;

(7) Electronic communications between any person employed by the Calculating Agent and entities using the Freightos Applications in respect of the Container Box Benchmarks;

(8) Audit trail of the calculation of the Container Box Benchmarks; and

(9) Resilience and back-testing results,

for at least five years.

10.5.3 Principles governing record keeping by the Benchmark Administrator and by the Calculating Agent shall include:

(1) Maintaining complete and transparent records of all aspects relating to the governance, methodology, and benchmark determination process;

(2) Ensuring that each participant involved in the provision of benchmark and its determination process, including but not limited to, Benchmark Administrator and Calculating Agent shall retain all records relevant to their responsibilities within the benchmark process;

(3) Maintaining records in a readily accessible medium and format for future reference. Records shall be provided to authorised personnel, external auditors, the Financial Conduct Authority or any other supervisory authority in a timely manner should they be requested;

(4) Maintaining records in a medium that complies with Benchmark Administrator's confidentiality requirements;

(5) Ensuring appropriate and effective security measures are in place so that records cannot be altered or manipulated, including endeavour to retain information and records within an environment that is secure and monitored regularly;

(6) Ensuring that appropriate and effective back-up arrangements are in place and operational should any records need to be recovered if, for instance, the Benchmark Administrator’s and/or the Calculating Agent’s primary databases fail or are breached in any way;

(7) Ensuring physical, electronic records, records of email communications shall be kept for at least five years. The Benchmark Administrator shall consider and exercise discretion to extend such period of retention having regard to instances such as (but not limited to) anticipated litigation and/or agreements with other parties; and
Holding any third-party agents that maintain records on behalf of the Benchmark Administrator and/or the Calculating Agent subject to the above principles.

10.5.4 Record keeping procedures

(1) BEISL shall maintain a retention register identifying each category of records to be retained according to this Guide. The retention register shall identify for each category of records, the storage location, and the Baltic member of staff/department responsible for the management and retention of that record.

(2) BEISL shall ensure responsibility is delegated to the appropriate person for the storage location and accessibility of the retention register and that such register is up-to-date and maintained.

(3) BEISL, through its responsibility of ensuring compliance with relevant record keeping requirements, will manage the storage of records in clearly organised and specific electronic or physical storage. The organisation of electronic and/or physical storage shall be managed by the IT or any other appropriate department determined by BEISL management and/or compliance department.

(4) The Compliance Department shall ensure the internal review of the maintenance of the retention register and compliance with the relevant record keeping requirements.

(5) The Compliance Department shall monitor relevant changes to applicable regulations including (but not limited to) the BMR and IOSCO PFBs in relation to the record keeping requirements that may impact BEISL.

(6) The Compliance Department shall be responsible for periodically reviewing and amending the requirements for record retention applicable to certain documents as directed by events such as litigation proceedings and/or agreements with third parties.

(7) Access to the relevant electronic or physical storage must be limited and determined at the discretion of BEISL management.

(8) BEISL shall review the record keeping procedures of third parties in respect of records held on BEISL’s behalf.

10.5.5 Conflicts of interest register

A conflicts of interest register shall be maintained by BEISL's Compliance Department, and it shall record, among other things, the following information:

(1) Name of the individual disclosing a conflict of interest;

(2) The disclosures made of conflicts of interest;

(3) Date of disclosure of the conflicts of interest;

(4) The appropriate measures and controls put in place; and

(5) The conflicts of interest register shall be maintained and updated on a regular basis and all associated documentation and communication involved shall be retained for a minimum period of five years.

10.5.6 Record keeping of complaints

BEISL shall keep all records and correspondence relating to Complaints for a period of five years.
10.5.7 Whistleblowing register

(1) A central and protected whistleblowing register shall be maintained by the RPP (as defined under section 13.3 below). Following receipt of a whistleblowing claim, relevant information in relation to a claim shall be recorded in the whistleblowing register.

(2) The RPP (as defined under section 13.3 below) shall also store in a protected and secure location all documents, data and information related to the whistleblowing claim, including all evidence collected during the investigation phase, the minutes of all meetings and the final resolution determined.

(3) All documents relating to the whistleblowing claim, including those submitted by the Whistleblower as well as BEISL's own record of proceedings, shall be retained for a minimum of five years.

10.6 Internal monitoring by Compliance Department

The Compliance Department is responsible for ensuring the continuous monitoring of BEISL’s compliance with the provisions of BMR and this Guide to Market Benchmarks. The Compliance Department shall report at least annually on such compliance to the BEISL Board, including on remedial actions, if applicable. The Compliance Department should make copy of such report available to the BEISL Oversight Function.
11 Conflicts of Interest

11.1 Definition of Conflicts of Interest

11.1.1 BEISL adopts the following definition of conflicts of interest:

(1) An actual conflict of interest refers to a situation where the impartiality and objectivity of a decision, opinion, action or recommendation of a person or a body is compromised or improperly influenced by the private interest of that person or body, whether a commercial or personal business relationship or an interest between such a person or its affiliates, its personnel, its clients, any market participants or any persons connected with them.

(2) A perceived conflict of interest refers to a situation where the impartiality and objectivity of a decision, opinion, action, or recommendation of a person or a body might be perceived as being compromised or improperly influenced by the private interest of that person or body, whether a commercial or personal business relationship or an interest between such person or its affiliates, its personnel, its clients, any market participants or any persons connected with them.

(3) A potential conflict of interest refers to a situation where the impartiality and objectivity of a decision, opinion, action, or recommendation of a person or a body might potentially be compromised or improperly influenced by the private interest of that person or body, whether a commercial or personal business relationship or an interest between such person or its affiliates, its personnel, its clients, any market participants or any person connected with them.

(4) In the context of the above definitions, “private interest” is not limited to financial or pecuniary interest, or those interests which generate a direct personal benefit to the individual. A conflict of interest may involve otherwise legitimate private-capacity activity, personal affiliations and associations and family interests, if those interests could compromise or improperly influence the individual’s performance of his or her duty in the benchmark determination process or benchmark administration process for BEISL.

11.2 Scope

11.2.1 Section 11 of this Guide shall apply to the entities involved in the determination, calculation and dissemination of the benchmarks, namely the Benchmark Administrator and the Calculating Agent.

11.2.2 The Calculating Agent shall adopt their own internal policy on conflicts of interest.

11.3 Identification of Conflicts of Interest

11.3.1 For the purposes of identifying the types of conflicts of interest that arise, or may arise, the following should be taken into account:

(1) BEISL is part of the wider SGX group and actual, perceived or potential conflicts may therefore arise through its ownership. However, BEISL shall disclose to any relevant stakeholder as soon as it becomes aware of a conflict of interest arising from the ownership of BEISL by SGX or otherwise by virtue of its membership of the wider SGX group;

(2) BEISL may be party to confidential information in its activities relating to the benchmark administration process and as such a potential conflict of interest may arise in the use of that confidential information; and
(3) BEISL outsources certain functions linked with the determination of Container Box Benchmarks to the Calculating Agent, responsibilities of which include – among others – collection of Input Data, from Relevant Data supplied to the Calculating Agent.

11.3.2 To the extent that any of the circumstances above represent an actual, perceived or potential conflict of interest for BEISL or for any individuals connected with BEISL, such conflict shall be managed adequately through the application of measures and internal controls and corporate governance structures implemented by BEISL.

11.4 Baltic Employees Directly Involved in the Benchmark Determination and Administration Process

11.4.1 The Baltic’s Staff Handbook deals with conflicts of interest and applies to all Baltic Employees. The Baltic shall organise regular training for employees in respect of BEISL’s procedures for identifying, managing and escalating conflicts. All employees are made fully aware of BEISL’s conflicts of interest policy relevant to BEISL as a benchmark administrator.

11.4.2 Conflicts of interest may arise as a result of employment with BEISL or they may be influenced by external factors such as personal relations of an employee. The employees or any other natural person whose services are placed at BEISL’s disposal and who are directly involved in the provision of benchmark are subject to certain governance requirements as set out in Sections 3.2.4 and 8.3 above.

11.5 Conflicts of Interest Concerning the administration of BEISL benchmarks

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculating Agent</td>
<td>Conflicts of interest to which the Calculating Agent is a party should be identified by internal controls and procedures implemented by the Calculating Agent. These controls and procedures are subject to review during the annual review conducted by BEISL.</td>
</tr>
<tr>
<td>Senior Manager/ Compliance Department</td>
<td><strong>General</strong></td>
</tr>
<tr>
<td></td>
<td>1 Review operational and policy decisions made especially as they relate to the provision of benchmarks with a view towards assessing the potential for conflicts of interest.</td>
</tr>
<tr>
<td></td>
<td>2 Review disclosures, associated conflicts of interest register and management controls of Baltic Employees, Calculating Agent, the BEISL Board and BEISL Oversight Function with a view to identifying and considering any potential for conflicts of interest.</td>
</tr>
<tr>
<td></td>
<td>3 Considering communications, Complaints or other representations made by Whistleblowers through the Baltic Complaints handling and Whistleblowing policies.</td>
</tr>
<tr>
<td>Role</td>
<td>Responsibilities</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| **In respect of the Calculating Agent** | Identification of conflicts of interest to which the Calculating Agent is party shall be carried out on an on-going basis with respect to the following areas of focus and against the management, control and resolution of the conflicts of interest pursuant to Section 11.6 *(Management and disclosure of conflicts of interest)*:  
1. The roles and responsibilities of the Calculating Agent, especially as they relate to the provision of benchmarks and to the business relationship with BEISL. Checks shall be performed whenever roles and responsibilities are updated or amended.  
2. Annual review of the Calculating Agent and declaration of adherence to the Guide. |
| **In respect of the BEISL Board** | Identification of conflicts of interest to which a member of the BEISL Board is party shall be carried out on an on-going basis with respect to the following areas of focus and against the management, control and resolution of the conflicts of interest pursuant to Section 11.6 *(Management and disclosure of conflicts of interest)*:  
1. Providing advice on the identification and monitoring of situations that may generate an actual, perceived or potential conflict of interest.  
2. Reviewing the declarations of interest provided by members of the BEISL Board to identify actual, or potential conflict of interest. |
| **The BEISL Board**              | 1. Implementation of all policies and procedures relating to management of conflict of interest relating to the determination and administration of BEISL benchmarks. This includes:  
2. Providing advice to BEISL employees and third parties involved in benchmark-setting processes on the identification of situations that may generate actual, perceived or potential conflicts of interest.  
3. Reviewing declarations of interests provided by the Calculating Agent to identify actual, perceived or potential conflicts of interest.  
4. Discussing specific issues upon request from the BEISL Oversight Function. |

11.6 **Management and disclosure of conflicts of interest**

*Obligations in respect of management of conflicts of interest*
11.6.1 BEISL shall take all reasonable steps to identify conflicts of interest issues and in doing so shall consider:

(1) The level of risk that such a conflict may constitute or give rise to a material risk of damage to BEISL and its benchmarks;

(2) The nature, scale and complexity of the business; and

(3) The nature and range of BEISL’s benchmarks.

11.6.2 In the event an actual, perceived or potential conflict of interest is identified, BEISL shall execute the following procedure at Section 11.6.5 below (Internal management, control and resolution of conflicts of interest) to ensure that the identified conflict is managed and monitored. BEISL shall ensure the confidentiality of information relating to the identification, management and mitigation of any such actual, perceived or potential conflict of interests (including the confidentiality of information contributed to or produced by the Benchmark Administrator), subject to disclosure and transparency obligations dictated by BMR and/or any applicable law or regulation.

11.6.3 Types of preventative measures undertaken by BEISL to preserve the integrity of benchmark calculations:

<table>
<thead>
<tr>
<th>Measure</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control of information</td>
<td>Measures taken to prevent or control the exchange of information between parties that are conflicted. Such measures shall include establishing a Chinese wall. BEISL ensures that staff members involved in the benchmark determination process are physically separated from the operations of the Baltic Exchange and other business functions within the Baltic. Access to BEISL’s offices is restricted to authorised personnel through use of a swipe card entry system.</td>
</tr>
<tr>
<td>Contractual Arrangements</td>
<td>Terms incorporated into contractual arrangements shall be a measure undertaken by BEISL in avoiding conflicts of interest. There may be certain types of conflicts of interest that are anticipated in contractual provisions by BEISL.</td>
</tr>
<tr>
<td>Remuneration Links</td>
<td>BEISL ensures that there are no direct links in remuneration of individuals that may create actual, perceived or potential conflicts of interest or influence an individual’s conduct in relation to any aspect of the provision of benchmarks. Baltic Employees’ remuneration is not linked to BEISL’s benchmark determination process and/or publication.</td>
</tr>
<tr>
<td>Segregation of duties</td>
<td>BEISL organises tasks and duties of individuals involved in benchmark determination process in a manner that prevents occurrence of a conflict of interest.</td>
</tr>
<tr>
<td>Ownership structure</td>
<td>BEISL ensures that conflicts of interests that may arise due to its ownership by SGX are appropriately managed. This includes the effective separation of business functions between BEISL and SGX. The BEISL benchmark business is subject to governance arrangements that are separate from any parts of the business of SGX and any of its affiliates. Members of governance bodies of BEISL benchmark</td>
</tr>
<tr>
<td>Measure</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td></td>
<td>administration business must disclose any actual, perceived or potential conflict of interest in accordance with the procedure set out in Section 11.6.5 (<em>Internal management, control and resolution of conflicts of interest</em>) below, including any such conflict stemming from the BEISL ownership structure.</td>
</tr>
</tbody>
</table>

**Disclosure of conflict of interest**

**11.6.4** BEISL shall disclose all existing or potential conflicts of interest, including conflicts stemming from BEISL’s ownership by SGX, to users of its benchmarks. This information shall be provided in a form of a statement published on the Baltic website. Finally, BEISL shall disclose such conflicts of interest to the Financial Conduct Authority without undue delay and by means of email communication with the relevant supervision team members.

**Internal management, control and resolution of conflicts of interest**

**11.6.5** In the event an actual, perceived or potential conflict of interest is identified or disclosed to BEISL, the following procedure shall apply:

<table>
<thead>
<tr>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In respect of Baltic Employee</strong></td>
</tr>
<tr>
<td>Baltic Employee shall immediately inform the Compliance Department or a Senior Manager of any conflicts of interest in respect of a Container Box Benchmark administered by BEISL.</td>
</tr>
<tr>
<td>Upon identification of an actual, perceived or potential conflict of interest or upon disclosure of conflicts of interest or issues relating to the potential conflicts of interest, BEISL shall:</td>
</tr>
<tr>
<td>1 Record a summary of the actual, perceived or potential conflict of interest and any supporting evidence.</td>
</tr>
<tr>
<td>2 A request for the employee concerned to refrain from further activity in relation to the provision of benchmark for BEISL, until the issue concerning the actual, perceived or potential conflict of interest has reached an appropriate resolution by the Compliance Department.</td>
</tr>
<tr>
<td>3 BEISL shall provide to the BEISL Oversight Function an ad-hoc report detailing the status of any conflicts of interest issues, any resolutions to include management control that have been implemented, and any associated actions to be undertaken.</td>
</tr>
</tbody>
</table>

**Escalation for further advice**

If the Compliance Department or a Senior Manager is unable to determine an appropriate resolution or appropriate implementation of management controls in response to the conflict of interest disclosed by an employee, the issue shall be escalated to the BEISL Board and recorded in the conflicts of interest register.

<table>
<thead>
<tr>
<th>In respect of the Calculating Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upon identification of an actual, perceived or potential conflict of interest or upon disclosure of conflicts of interest or issues relating to the potential conflicts of interest by an individual of the Calculating Agent, BEISL shall:</td>
</tr>
</tbody>
</table>
Responsibilities

1. Record a summary of the actual, perceived or potential conflict of interest concerning the individual of the Calculating Agent along with any supporting evidence;

2. A request for the individual of the Calculating Agent which is the subject of a conflict to recuse itself from the provision of benchmark for BEISL, until the issue raised concerning the actual, perceived or potential conflict of interest has reached an appropriate resolution by the Compliance Department.

3. Where appropriate, ensure remedial actions and management controls are implemented by the Calculating Agent in response to the conflict of interest together with procedures for monitoring the conflict.

BEISL shall provide to the BEISL Oversight Function an ad-hoc report detailing the status of any conflicts of interest issues, any remedial actions that have been approved, management controls in place and any associated actions to be undertaken.

The actual, perceived or potential conflict of interest, identified or disclosed shall be recorded in the conflict of interest register.

Escalation for further advice

In circumstances where a resolution cannot be reached by the Compliance Department or Senior Manager, the matter shall be escalated to the BEISL Board to review and/or advise on the issues surrounding the nature and management of the actual, perceived or potential conflict of interest identified or disclosed in relation to the Calculating Agent.

Where considered appropriate, the BEISL Board may appoint others or refer the resolution of the conflict of interest to external bodies (including legal representatives of BEISL, and the Financial Conduct Authority).

The BEISL Board

Rules and procedures for managing directors’ conflicts of interests, including disclosure thereof, are set out in BEISL’s Articles of Association.

General responsibilities

Upon identification of an actual, perceived or potential conflict of interest or upon disclosure of conflicts of interest or issues relating to the potential conflicts of interest related to the administration of benchmarks, the Compliance Department shall:

1. Inform the individual involved in the conflict or issue;

2. Record a summary of the actual, perceived or potential conflict of interest and any supporting evidence;

3. Request the individual concerned to recuse itself from any aspect related to the actual, perceived or potential conflict until the Compliance Department has reached an appropriate resolution.

The actual, perceived or potential conflict of interest, identified or disclosed, shall be recorded in the conflict of interest register.

The Compliance Department shall provide to the BEISL Oversight Function an ad-hoc report detailing the status of any conflict of interest issues, any remedial actions that have been approved, management controls in place and any associated actions to be undertaken.
Responsibilities

**Escalation for further advice**

If the Compliance Department is unable to agree on a resolution in response to the actual, perceived or potential conflict of interest, the issue shall be escalated to the BEISL Board.

Where considered appropriate, the BEISL Board may appoint others or refer to external bodies (including legal advisors and/or the Financial Conduct Authority) to advise on the conflict of interest issue.

**General**

The BEISL Oversight Function shall be informed of the existence of any new conflicts of interest managed by BEISL.

In the event of an escalation by the Compliance Department of any identified cases of actual, perceived or potential conflict of interests, the BEISL Board shall be ultimately responsible for adopting suitable remedial actions.

11.6.6 The Calculating Agent shall take all reasonable steps to identify conflicts of interest issues and in doing so shall consider:

1. The level of risk that such a conflict may constitute or give rise to a material risk of damage to BEISL and its benchmarks;
2. The nature, scale and complexity of the business; and
3. The nature and range of BEISL’s benchmarks.

11.6.7 In the event an actual, perceived or potential conflict of interest is identified, the Calculating Agent shall notify BEISL’s Compliance Department immediately.

11.7 **Declaration of Conflicts of Interest**

11.7.1 As a preventative measure and in order to facilitate the assessment of conflicts of interest, the BEISL Board, Calculating Agent, and Baltic Employees are required to provide BEISL with a declaration of interest at the time of their appointment and on an annual basis or where appropriate, at the commencement of each council/board meetings. Declarations of interests should be appropriately updated in the conflicts of interest register, in the event any change in the interests may affect BEISL’s Container Box Benchmarks.

11.8 **Method of Disclosure**

11.8.1 Any actual, perceived or potential conflict of interest shall be disclosed through the following channels:
<table>
<thead>
<tr>
<th>Role</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculating Agent; and Baltic Employees</td>
<td>Disclosures of any actual, perceived or potential conflict of interest or issues relating to potential conflicts of interest shall be addressed to the Compliance Department. Where relevant, disclosures can be made pursuant to BEISL’s Complaints handling policy or whistleblowing policy as set out under Sections 12 (Complaints) and 13 (Whistleblowing) below.</td>
</tr>
<tr>
<td>The BEISL Board</td>
<td>Rules and procedures for management of the conflict of interests, including disclosure thereof, by the BEISL directors is set out in the BEISL’s Articles of Association.</td>
</tr>
</tbody>
</table>

11.9 **Review**

11.9.1 BEISL’s conflicts of interest policy and framework shall be reviewed annually by the Senior Management and Compliance Department and any recommended changes shall be brought to the attention of Senior Management of BEISL, the BEISL Board, and BEISL Oversight Function.
12 Complaints

12.1 The container box industry is comprised of market participants operating under a variety of different arrangements. At times, it is envisaged that BEISL may be in receipt of concerns, comments or occasionally, formal complaints as to its Container Box Benchmark administration activities. Complaints may be submitted in relation (but not limited to) matters such as whether a specific benchmark calculation is representative of market value, proposed benchmark calculation changes, applications of methodology in relation to a specific benchmark calculation and other editorial decisions in relation to the benchmark calculation process.

12.2 Informal Comments

12.2.1 Informal comments or queries will be handled most efficiently by liaising with the Senior Assessor and team via telephone or by emailing: balticbroker@balticexchange.com

12.2.2 Upon receiving an informal comment, the Senior Assessor will consider the nature of the comment and assess the merit fairly. The Senior Assessor will provide a response to the individual raising the comment and shall endeavor to do so in a timely manner. The Senior Assessor will also consider if an escalation of the informal comment is required.

12.2.3 If the informal comment is not addressed to the satisfaction of the Complainant, then the Complainant will be provided with information setting out how to initiate a formal complaint in accordance procedure set out under Section 12.3 (Formal complaint) below.

12.3 Formal Complaint

12.3.1 A formal complaint can be made:

By email to complaint@balticexchange.com; or

By post to: The Baltic Exchange Limited, Complaints, 107 Leadenhall Street, EC3A 4AF.

If a Complainant uses another method other than the ones listed above, in order to ensure the communication is treated as a formal complaint in accordance with this Guide, the Complainant should clearly mark “complaint” on the communication.

12.3.2 Content of a formal complaint

12.3.3 A formal complaint shall include:

(1) The contact details of the Complainant (including full name, address, telephone number and a valid email address);

(2) The company name of the Complainant;

(3) The nature of the formal complaint;

(4) A detailed description of the issue or concern;

(5) Whether the formal complaint refers to BEISL’s role as a Benchmark Administrator, including activities of the Calculating Agent;

(6) The details of the relevant index/benchmark;

(7) The date of the incident if applicable; and

(8) The date of the formal complaint.
12.3.4 If any of the information required above is missing, BEISL may not be able to fully assess a formal complaint. In such circumstances, BEISL may contact the Complainant to request further information. If BEISL does not deem a submitted query or dispute to rise to the level of a formal complaint, BEISL may contact the Complainant to discuss the matter.

12.4 **Obligations of BEISL to the Complainant Submitting a Formal Complaint**

12.4.1 A formal complaint may relate to any aspect of BEISL’s benchmark determination and administrations process and BEISL shall ensure:

1. All investigations of a formal complaint made by a Complainant to BEISL shall be handled in a fair and timely manner;
2. The investigation of a formal complaint shall be conducted by parties independent of those involved in the subject of the complaint; and
3. Resolution of the formal complaint shall be communicated to the Complainant, once BEISL’s decision has been finalised.

12.5 **Procedure for Receiving and Investigating a Formal Complaint**

12.5.1 Upon receiving a formal complaint, BEISL will escalate the issue to the relevant department best placed to address the formal complaint and shall investigate, assess fairly, consistently, and promptly:

1. The subject matter of a formal complaint;
2. Whether the formal complaint should be upheld; and
3. The final resolution determined.

12.5.2 When making the above assessments, BEISL shall take into account all relevant factors including but not limited to:

1. All evidence available and the particular circumstances of the formal complaint;
2. Similarities with any other formal complaint received by BEISL; and
3. Relevant guidance published by the Financial Conduct Authority or that of any other relevant regulatory authority.

12.5.3 The resolution time for a formal complaint will vary according to the nature of the issue and the level of investigation it may require. Where BEISL receives and investigates a formal complaint, BEISL shall:

1. Investigate the complaint competently, diligently and impartially, obtaining all additional information as deemed necessary;
2. Send the Complainant a prompt written acknowledgment of receipt of a formal complaint;
3. Provide regular updates as to the status of the issue and anticipated timescale to resolution; and
4. Provide the Complainant a final or other response within the anticipated timescale.

12.5.4 Following an investigation of a formal complaint, BEISL shall explain to the Complainant promptly and, in a way that is fair, clear and not misleading, BEISL’s assessment of the formal complaint and its decision on the formal complaint, unless such communication would be
contrary to the objectives of public policy or to provisions of Regulation (EU) No 596/2014 on market abuse (MAR), or other relevant conduct or market law or regulation.

Escalation of a formal complaint

12.5.5 A written response to a formal complaint will be provided to the Complainant by BEISL. In the event that the Complainant disagrees with the decision, the issue will be escalated to the BEISL Board for investigation.

12.5.6 The decision of the BEISL Board shall be delivered within six months from the date of the formal complaint and shall be final. The Complainant shall be notified of the outcome without undue delay following the meeting of the BEISL Board at which such decision was taken.

12.6 Formal Complaint in Relation to BEISL as Administrator

12.6.1 When the nature of the Complainant's formal complaint relates to BEISL as an Administrator, then the following shall apply:

(1) A formal complaint in relation to BEISL as a Benchmark Administrator shall be reviewed by the Compliance Department;

(2) BEISL's Compliance Department shall seek to resolve a formal complaint in relation to BEISL as a Benchmark Administrator, as soon as reasonably practicable;

(3) The Complainant shall be advised of the outcome of its investigations within a reasonable time period unless such communication shall be contrary to the BMR; and

(4) The Compliance Department shall report to the BEISL Board and the BEISL OversightFunction on the investigation, management and outcome of the formal complaint.

12.6.2 At all times, BEISL shall ensure that the investigation of a formal complaint in relation to BEISL as a benchmark Administrator shall be conducted by parties independent of those involved in the subject of the formal complaint.

12.7 Record Keeping Requirements

12.7.1 BEISL shall maintain records of all informal comments or formal complaints received for a period of five years.
13 Whistleblowing

13.1 Whistleblowing Claims

13.1.1 Whistleblowing claims may be related (but not limited) to the following circumstances:

1. Infringement of the BMR;
2. Infringement of any other legislative provision applicable to BEISL and/or the Calculating Agent;
3. Collusion or suspected collusion aimed at manipulating or attempting to manipulate BEISL benchmarks;
4. Any other instances of suspicious and manipulative conduct which affects or may affect the determination and publication of BEISL’s benchmarks;
5. Claims concerning BEISL as an Administrator;
6. With regard to the functioning of BEISL and malpractice within BEISL and/or the Calculating Agent;
7. Any fraud or corruption;
8. Any irregularities involving BEISL’s benchmark determination process or other benchmark related misconduct;
9. The commission of any criminal offence;
10. Any dishonesty or other irregularities in the benchmark determination process or publication of a benchmark;
11. Conduct which endangers the health and safety of Baltic Employees and others working for BEISL;
12. A miscarriage of justice has occurred, is occurring or is likely to occur;
13. Any failure to comply with legal obligations to which Baltic Employees or others working for BEISL are subject (including but not limited to failure to comply with the rules and requirements of the Financial Conduct Authority);
14. Misuse or abuse of BEISL’s assets;
15. Any violation of any other policy of BEISL; and
16. Any attempt to conceal information relating to any of the whistleblowing claims or sorts of malpractice mentioned above.

13.2 Key Principles

13.2.1 The following principles shall apply to whistleblowing claims raised with BEISL:

1. All whistleblowing claims raised with BEISL shall be independently assessed by a RPP (as defined under Section 13.3 below) in order to ensure that all claims are properly considered and handled fairly;
2. BEISL shall treat all disclosures consistently and fairly;
(3) BEISL shall take all reasonable steps to maintain the confidentiality of the Whistleblower (unless it is required by law to break that confidentiality);

(4) BEISL shall not tolerate the harassment or victimisation of anyone reporting a genuine concern. Any instances of victimisation shall be taken seriously and managed appropriately; and

(5) No individual making a whistleblowing claim shall suffer reprisal (even if the individual making a whistleblowing claim is mistaken) as a result of reporting a genuine concern in the public interest, and that the individual reasonably believes that making the disclosure tends to show past, present or likely future wrongdoing. This assurance, however, does not apply to anyone making a whistleblowing claim with the intention to provide information they know or reasonably believe to be untrue. Personal grievances and Complaints shall not be covered by this Policy. Baltic Employees may be subject to disciplinary action for making such claims.

13.3 Relevant Prescribed Person (RPP)

13.3.1 Whistleblowing claims received by BEISL shall be investigated and resolved on a consistent and fair basis by personnel who are independent of any personnel who may be or may have been involved in the subject of the whistleblowing claim.

13.3.2 The whistleblowing claim shall be collected and processed by a person in BEISL specifically appointed to hear whistleblowing claims. Accordingly, a RPP is appointed and shall hold primary responsibility for monitoring the communication channels by which individuals may submit whistleblowing claims and for ensuring the investigation and resolution of the whistleblowing claim as described below in Section 12.6 (Investigation and management of a whistleblowing claim).

13.3.3 The RPP is bound by professional confidentiality when processing the whistleblowing claim. The RPP shall work with sufficient autonomy with respect to BEISL, and where appropriate, may be questioned in his or her capacity as an RPP.

13.3.4 If the RPP is a party to a whistleblowing claim made by a Whistleblower, he/she shall recuse himself or herself and BEISL shall appoint an alternative RPP independent of the whistleblowing claim.

13.4 Whistleblowing Framework

13.4.1 When to make a disclosure: if you are aware or suspect that there may be any sort of malpractice occurring pursuant to Section 13.1 (Whistleblowing claims) above.

13.4.2 Why you should make a disclosure: prompt disclosure is important because it helps to ensure that BEISL takes the necessary measures, with a view to avoiding or minimising damage, loss, liability and/or criticism.

13.4.3 It is important that an individual submits a whistleblowing claim to BEISL pursuant to this Section 13.4, in order to give BEISL the opportunity to investigate and manage the whistleblowing claim consistently and fairly.

13.4.4 Procedure to make a disclosure: BEISL will investigate all whistleblowing claims that are raised, even if they are raised anonymously. Whistleblowing claims may be submitted through the following communication channels:

(1) Typed report in a letter to the RPP;

(2) Telephone to the RPP; or
(3) Email to the RPP at: whistleblowing@balticexchange.com

13.4.5 If a whistleblowing claim is to be made in confidence and anonymously, the individual shall make their submission in a typed report addressed to the RPP in a sealed envelope. That sealed envelope shall be submitted via post in order to ensure that it is not traceable. The contact address that shall be used is:

13.4.6 Relevant Prescribed Person, Benchmark Whistleblowing, The Baltic Exchange Ltd, 107 Leadenhall Street, EC3A 4AF.

13.4.7 BEISL would, however, encourage an individual making a whistleblowing claim to give as much detailed information about their concern including their name and details of the malpractice, including comments as to how the individual has been able to find out about the malpractice.

13.4.8 The more information that can be provided to BEISL, the easier it is for BEISL to progress the investigations into the whistleblowing claim. BEISL will ensure that if an individual does provide their name, the person conducting the investigation will consider the procedures that they will put in place to protect the identity of the individual, although in some circumstances this may not be possible. If an individual does raise a concern on an anonymous basis, that individual should be aware that this may make it impossible for BEISL to fully investigate their concerns and that they would not ordinarily be able to receive feedback and any action taken by BEISL to look into the disclosure may be limited.

13.5 Receipt of Whistleblowing Claim

13.5.1 The RPP shall regularly monitor the communication channels by which individuals and Baltic Employees may submit whistleblowing claims.

13.5.2 In the event a whistleblowing claim is filed with BEISL, the RPP shall notify the Whistleblower via any of the communication channels provided by the Whistleblower, that the claim has been received and that a resolution shall aim to be provided within 90 days of receipt, given that BEISL is able to acquire the necessary documents, evidence, and statements in a timely manner. BEISL shall also inform the Whistleblower that follow-up enquiries may be necessary to clarify the whistleblowing claim and documentations may need to be provided to substantiate the claim. BEISL, however, notes that providing documentation to substantiate the whistleblowing claim shall not be a requirement in order for BEISL to look into the concerns raised.

13.5.3 The RPP shall record relevant details of the claim and on the Whistleblower in a secure whistleblowing register pursuant to BEISL’s record keeping requirements.

13.6 Investigation and Management of a Whistleblowing Claim

13.6.1 BEISL shall investigate all whistleblowing claims made concerning BEISL as a benchmark Administrator in accordance with the following framework:

<table>
<thead>
<tr>
<th>Role</th>
<th>Action to be carried out</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPP</td>
<td>The RPP upon receipt of the whistleblowing claim, shall notify the CEO and the Compliance Department and the Chief Financial Officer, as appropriate.</td>
</tr>
<tr>
<td></td>
<td>The RPP shall escalate the whistleblowing claim to the BEISL Board, with the BEISL Board acting in its capacity as the Administrator’s management body.</td>
</tr>
<tr>
<td>Role</td>
<td>Action to be carried out</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------</td>
</tr>
<tr>
<td></td>
<td>Depending on the severity of the claim or breach by the Administrator, ad hoc BEISL Board meetings can be convened. If the whistleblowing claim involves any of the BEISL directors, those directors shall be asked to excuse themselves from all sessions and meetings at which the whistleblowing claim is to be discussed or actioned. For the avoidance of doubt, where a whistleblowing claim has been made against the Administrator, such claim shall be escalated by RPP to the BEISL Oversight Function for review and resolution. In such case, procedures set out in the subsequent paragraphs shall apply mutatis mutandis.</td>
</tr>
<tr>
<td>The BEISL Board</td>
<td>Investigation into a whistleblowing claim</td>
</tr>
<tr>
<td></td>
<td>The BEISL Board is to ensure that an investigation and detailed analysis into the whistleblowing claim is carried out. This includes but is not limited to:</td>
</tr>
<tr>
<td></td>
<td>1 Follow-up with the Whistleblower to clarify the alleged activity and answer any questions which the BEISL Board may have in relation to the whistleblowing claim; and</td>
</tr>
<tr>
<td></td>
<td>2 Collect and review relevant documentation and evidence.</td>
</tr>
<tr>
<td></td>
<td>The BEISL Board shall be supported by the RPP in the collection of the relevant documentation and evidence and in managing the relations with the Whistleblower.</td>
</tr>
<tr>
<td></td>
<td>All documentation and evidence that is reviewed and communications that are conducted as part of the investigation into the whistleblowing claim shall be recorded in the whistleblowing register.</td>
</tr>
<tr>
<td></td>
<td>Hearing with the accused party</td>
</tr>
<tr>
<td></td>
<td>Following the review of the evidence and claim provided by the Whistleblower and of any additional documentation and evidence identified throughout the investigation stage, the BEISL Board shall invite any of the person’s involved to a hearing in front of the BEISL Board.</td>
</tr>
<tr>
<td></td>
<td>The invitation to appear in front of the BEISL Board shall be sent at least 14 days before the scheduled hearing. In the event that such person is unable to attend the hearing, the hearing shall be rescheduled with minimum delay in order for the whistleblowing claim to be dealt with in a timely manner. In the event that such a person is unable or unwilling to attend the hearing, he or she may submit a written response to the alleged activity.</td>
</tr>
<tr>
<td>Role</td>
<td>Action to be carried out</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------</td>
</tr>
<tr>
<td></td>
<td>The BEISL Board shall adhere to the strictest standards of confidentiality and respect the Whistleblower’s preference for anonymity where it has been indicated by the Whistleblower.</td>
</tr>
</tbody>
</table>

**Issue a whistleblowing report**

Following the investigation by the BEISL Board and RPP, and taking into consideration the response of the relevant person(s) involved, the BEISL Board shall produce a whistleblowing report in response to the whistleblowing claim. The whistleblowing report shall include but is not limited to:

1. A summary of the whistleblowing claim;
2. The BEISL Board’s response to the whistleblowing claim based on the investigations carried out; and
3. Any remedial actions that may be taken to address the alleged claim.

The whistleblowing report, upon finalisation by the BEISL Board, shall aim to be delivered to the Whistleblower within 90 days of receipt of the whistleblowing claim given that the BEISL Board is able to acquire the necessary documents, evidence and statements in a timely manner.

**Escalation for further advice**

Where deemed appropriate and necessary, the BEISL Board may refer the whistleblowing claim to external bodies (including legal advisors, the police or the Financial Conduct Authority) to investigate and/or advise on the whistleblowing claim or part of it including the investigation itself, acquisition of documentation, evidence and statements together with the processing of the whistleblowing claim. All decisions of the BEISL Board in this respect shall be documented in the form of resolutions.

If the BEISL Board is unable to agree on a final resolution for the whistleblowing report, the claim can be escalated to the BEL Board for review if considered appropriate. The escalation of the whistleblowing claim to the BEL Board shall be recorded in the whistleblowing register.

The BEL Board shall review the documentation, evidence and statements collected by the BEISL Board. The BEL Board shall draft and approve a decision to be provided to BEISL.
<table>
<thead>
<tr>
<th>Role</th>
<th>Action to be carried out</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEISL Oversight Function</td>
<td>Review the BEISL Board investigation</td>
</tr>
<tr>
<td></td>
<td>All whistleblowing claims, investigations, escalations and resolutions shall be reported to BEISL Oversight Function.</td>
</tr>
<tr>
<td></td>
<td>BEISL Oversight Function shall oversee the adherence of the whistleblowing framework and, where appropriate, take effective measures in the reporting of any findings and monitor the implementation of any remedial actions where identified.</td>
</tr>
<tr>
<td></td>
<td>If the BEISL Oversight Function is not scheduled to meet within the 90-day period allowed for a response to a whistleblowing claim, then an ad hoc meeting can be scheduled.</td>
</tr>
</tbody>
</table>

13.7 Escalation to the Regulators

13.7.1 In the event a whistleblowing claim is made with the Administrator or against BEISL pursuant to Section 13.6 (Investigation and management of a whistleblowing claim) and a finding of malpractice is determined, the Financial Conduct Authority shall be notified by the Compliance Department or the BEISL Oversight Function.

13.7.2 The Financial Conduct Authority, as the national competent authority for BEISL, shall be notified of the whistleblowing claim, the findings of any subsequent investigation and the whistleblowing report. Records, documentation, evidence and statements relating to all whistleblowing claims made may be shared with the Financial Conduct Authority upon request.

13.8 Confidentiality of Whistleblowing Claims

13.8.1 All whistleblowing claims that are received by BEISL shall be addressed and resolved in accordance with applicable UK legislation. The identity of the Whistleblower, as well as any element allowing for their identification, will be kept confidential at all stages of the process to the extent possible.

13.8.2 In particular, the identity of the Whistleblower shall not be disclosed to third parties, the accused party, or other Baltic Employees unless BEISL is obliged to disclose their identity in the event of any subsequent judicial proceedings, court order or investigations undertaken by the Financial Conduct Authority. The confidentiality of the accused party of any whistleblowing claim shall be respected, as appropriate.

13.8.3 All information relating to the whistleblowing claim including all documentation, evidence statements, whistleblowing report and any minutes of meetings convened shall be kept secured in relation to IT infrastructure.

13.9 Review

13.9.1 BEISL’s framework for whistleblowing, as set out in this Guide, shall be reviewed annually by the Financial Controller or the Compliance Department and any recommended changes shall be brought to the attention of the BEISL’s senior management, BEISL Board and BEISL Oversight Function. The whistleblowing framework shall also be reviewed following any whistleblowing claim made.
14 Prevention of market abuse and reporting of infringements

Systems and procedures for prevention of benchmark manipulation

14.1 Overview

14.1.1 BEISL has put in place effective arrangements, oversight, systems and procedures to ensure the quality of the Input Data to its benchmarks and to prevent the manipulation of its benchmarks. This includes systems and monitoring procedures that are designed to detect suspected manipulation or attempted manipulation of a benchmark in compliance with the provisions of Regulation (EU) No 596/2014 on market abuse (MAR). There are four pillars of these arrangements:

1. Surveillance: automated and manual surveillance by the Calculating Agent involved in provision of benchmarks, which may result in internal reports by the Calculating Agent provided to BEISL of suspected benchmark manipulation requiring further investigation by BEISL. The surveillance arrangements are described in detail in Section 14.1.2 below.

2. Assessment: internal BEISL investigation and assessment of reports of suspected benchmark manipulation, with advice from external counsel and/or experts as needed. The assessment procedure is described in more detail in Section 14.3 below.

3. Oversight and approval: internal BEISL oversight of the provision of benchmark and approval process to the determined benchmark prior to benchmark publication or dissemination.

4. Reporting: where following internal investigation of suspected market manipulation the Compliance Department forms a reasonable suspicion of market abuse, it will report the suspicion to the Financial Conduct Authority. The reporting procedure is described in more detail in Section 14.4 below.

14.1.2 The Senior Assessor team are responsible for the systems and controls in place for prevention of benchmark manipulation. Please contact balticbroker@balticexchange.com for further information.

14.2 Surveillance Arrangements

14.2.1 BEISL has established three surveillance channels, which may generate reports of suspected manipulation of a benchmark:

Automated surveillance system

14.2.2 The Calculating Agent maintains arrangements that analyses the Relevant Data and Input Data for all port pairs contributing to an index. This includes algorithms alongside some manual controls in order to detect anomalies. Additional analysis is also undertaken by drawing comparisons between the Input Data and historical data. Statistical methods of testing are used to show trends, correlations and deviations to help identify any suspicious activity.

14.2.3 BEISL maintains bespoke IT systems and arrangements that analyses the determined benchmark. This includes algorithms that analyse data against a given set of parameters, including the benchmark methodology, previous day submissions and calculated averages. The automated system alerts the Assessors to anomalies in Input Data received.

Manual surveillance procedure

14.2.4 The Data Team and BEISL Assessors monitor all relevant developments in the market via various channels, including market reports. This allows the Assessors to formulate views on an acceptable price range Assessors conduct review and analysis of the Container Box.
Benchmarks in order to detect any anomalies. Assessors report all suspicious submissions to the Compliance Department without delay for further evaluation.

Calculating Agent, Director and employee reporting

14.2.5 In addition, the Calculating Agent, all BEISL directors and employees are obliged to report to the Compliance Department without delay any cases of suspected manipulation of BEISL benchmark(s) and/or any conduct that may give rise to such manipulation. This is to be done in accordance with general procedure for reporting BMR infringements as set out in Section 14.8 (Internal reporting of BMR infringements) below.

14.3 Assessment Procedure

14.3.1 All relevant information generated as a result of the surveillance arrangements described above is assessed in order to determine whether there is a reasonable suspicion of benchmark manipulation.

14.3.2 If an anomaly cannot be verified or otherwise explained following further monitoring, the matter shall be referred to the BEISL Compliance Department.

14.3.3 Upon receipt of information from the Calculating Agent or Assessors on anomalies, the Compliance Department conducts further verification thereof. The Compliance Department may collect further information in order to determine whether information included in the Calculating Agent’s or Assessor’s report gives rise to a reasonable suspicion of benchmark manipulation. The Compliance Department may use all available and relevant information in the assessment and may seek information from the Calculating Agent or Assessors. In the case when the Compliance Department finds a reasonable suspicion of benchmark manipulation, it is obliged to report such a case to the Financial Conduct Authority.

14.4 Reporting of Suspected Benchmark Manipulation

14.4.1 In the event that it forms reasonable suspicion of benchmark manipulation, the Compliance Department reports this finding to the Financial Conduct Authority. Without prejudice to the responsibilities of the BEISL Oversight Function, the Compliance Department is the only department within BEISL authorised to submit such reports. It will make all reasonable efforts to ensure that any such report contains sufficient information for the Financial Conduct Authority to properly investigate.

14.4.2 As a general rule, all reports and any other communication with the Financial Conduct Authority must be submitted by the Compliance Department. Copies of such reports and other communication shall be shared with the BEISL Oversight Function.

14.4.3 The Compliance Department will submit to the Financial Conduct Authority any information received after its original report has been submitted that may be relevant or useful for the regulator in investigating suspected benchmark manipulation.

14.4.4 BEISL and the Calculating Agent will make all reasonable efforts to comply with any request for information from the Financial Conduct Authority concerning any report it submits.

14.5 Record Keeping

14.5.1 The Calculating Agent and BEISL records all alerts generated by the automated surveillance system, together with any Assessors’ reports generated as a result of any manual surveillance procedures and director and employee reports of suspected benchmark manipulation. Written records are produced as reports of suspected benchmark manipulation are investigated and escalated internally. BEISL maintains copies of all such written records in accordance with record keeping procedure set out in Section 10.5 of the Guide.
14.6 **Risk Assessment**

14.6.1 The benchmark Administrator shall on at least an annual basis assess the risk of manipulation of the Container Box Benchmarks taking into account:

1. The operations required to provide the Container Box Benchmarks;
2. The potential origin, nature, peculiarity and severity of the manipulation; and
3. The measures envisaged to address the risk of manipulation, including safeguards, security measure and internal procedures.

14.6.2 Taking into account the assessment undertaken, the systems and procedures for the prevention of benchmark manipulation deployed by the Benchmark Administrator are reviewed at least annually and updated where necessary to ensure that they continue to be appropriate to the risk of manipulation which BEISL is subject.

14.7 **Training**

14.7.1 All BEISL directors and employees, Calculating Agent and any other natural persons whose services are placed at their disposal or under control of BEISL for the purposes of Container Box Benchmark production and administration, undergo annual training in order to understand how to detect and identify any suspicious input data that could be the result of benchmark manipulation or attempted manipulation, as well as how to promptly report such findings internally.

14.8 **Internal Reporting of BMR Infringements**

14.8.1 All BEISL directors and employees, Calculating Agent and any other natural persons whose services are placed at their disposal or under control of BEISL, are obliged to report cases of suspected or actual infringement of BMR to the Compliance Department without delay. These reports are to be submitted at the department’s dedicated email address: compliance@balticexchange.com.

14.8.2 The report to the Compliance Department must include a brief description of the suspected BMR infringement, the unit and/or function responsible for the infringement, the name of primary contact person within the function and information on any immediate remediation that has been taken.

14.8.3 The Compliance Department is responsible for investigating any alleged infringement and adoption of remedial action. The Compliance Department shall notify the Financial Conduct Authority any such infringement identified.

14.8.4 The Compliance Department shall keep the BEISL Oversight Function informed of all such identified cases of BMR infringement.
15 Confidentiality and Transparency

15.1 High Confidentiality and Transparency Standards

15.1.1 Confidentiality is vital to BEISL’s administration process and in ensuring that its activities with regards to the provision of benchmarks are carried out without any threat of interference or influence from any individual who may have a private interest. This includes activities of the Calculating Agent and any other third party to which BEISL may outsource certain activities linked with the provision of its benchmarks, or any other third party providing services to BEISL.

15.1.2 To the extent BEISL engages a third party to provide services to BEISL, cooperate with BEISL or support BEISL’s administration activities, BEISL requires that such third party has in place appropriate processes and controls to preserve the principle of confidentiality.

15.1.3 BEISL shall treat confidential information involved in the provision of benchmarks as commercially sensitive information.

15.1.4 BEISL is committed to protecting confidential information and shall not disclose commercially sensitive information or communication thereof except if required by order of a court or a Regulator exercising a statutory power. BEISL may make available general information regarding the transmission of Relevant Data and may offer information about the Input Data that is used in the provision of benchmarks.

15.1.5 To the extent that BEISL engages a third party to provide services to BEISL, cooperate with BEISL or support BEISL’s administration activities, BEISL requires that such third party shall not disclose commercially sensitive information to any unauthorised party except if required by order of a court or a Regulator exercising a statutory power. This includes services provided by the Calculating Agent.

15.1.6 BEISL’s ensures it provides disclosure of elements sufficient to ensure the benchmark’s reliability and accuracy. BEISL acknowledges that transparency regarding its benchmarks is necessary to allow stakeholders and users of the benchmark to understand how the benchmark is derived and to assess its representativeness, relevance and appropriateness for its intended use.
16 Operational Risks

16.1 Risks and Control Systems

16.1.1 BEISL adopts the following definition of operational risk:

"Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events."

16.1.2 The processes involved in the provision of benchmarks is heavily dependent on a computer system which integrates the commercially sensitive information uploaded by the Calculating Agent, the processes to the extent the Benchmark Administrator engages the Calculating Agent, the approval mechanism by BEISL and the publication mechanism via the public website. Within the public website there are a number of levels of access, also controlled by password.

16.1.3 In the normal course of business, BEISL's benchmark determination process is fully automated to ensure continuous delivery with automated processes from data ingestion to index production removing much of the risk and difficulty in index management.

16.1.4 Input Data is used in the benchmark determination process and any use of expert judgment or discretion is limited to the application of the waterfall methodology set out at Section 4 of the Guide.

16.1.5 To the extent that BEISL engages a Calculating Agent and/or third party to provide services to BEISL, BEISL ensures it undertakes reasonable steps – including the establishment of appropriate contingency plans - to avoid undue operational risk related to the participation of the service provider in the benchmark determination process.

16.2 Administrator Level

16.2.1 The software which supports BEISL is a proprietary system specifically developed for the Baltic Exchange Ltd and its affiliates. First line support in response to technical problems is provided by Baltic Exchange staff, second line by BEISL's software provider and third line is provided by the software providers development staff.

16.2.2 The Baltic Exchange Ltd and its affiliates maintain a disaster recovery plan which is set out in APPENDIX 6. This sets out how the company will react and recover from terrorist incidents, problems which render its premises inaccessible and major failures of infrastructure.

16.2.3 There is a certain level of risk to all computer systems from malicious attack. Such attacks can be divided into three types. They may be specific attempts to invade a certain computer system to disrupt or manipulate services, or they may be more general “hacking” attacks where attempts are made to penetrate randomly selected computer systems. The third type is the very common “denial of service” attacks which seek to disable systems by overwhelming them with requests rather than by penetrating them. BEISL employs third party specialists to test its systems annually to analyse the first two risks. The third type of attack is defended against using sophisticated infrastructure provided by third party Systems.

16.2.4 BEISL ensures that on any working day staff levels among the Assessors and technical staff members are sufficient to minimise risks brought about by unexpected absences. To reduce risks from global epidemics, staff are discouraged from attending the office when they are ill with contagious diseases such as (for example) Coronavirus or to implement a split team rota to attend the office in order to mitigate the risk of all Senior Assessor/ Assessors being unwell at the same time. In order to mitigate the risk of the loss of the Senior Assessor or any Assessor, the Senior Assessor is responsible for ensuring an even spread of work between Assessors. BEISL also implements succession planning in relation to the Assessor team and performs
stress tests to identify the minimum number of staff required to continue full operation of the benchmark administration activities.

16.2.5 It would be a cause of major disruption if BEISL found itself unable to administer some or all of the Container Box Benchmarks. Continuous efforts are made to reduce the likelihood of this situation arising. If the criteria set out in Section 4 are no longer met in relation to a particular benchmark, BEISL might find itself unable to publish some or all of the benchmarks. Many of the indices are determined using a minimum data set sourced from Relevant Data. BEISL ensures through the engagement of the Calculating Agent, that there is a continuous upload of information from which data is sourced.

16.2.6 Indices can be implicated due to incorrect upload of data. This could lead to a lack of trust in the indices. This risk is mitigated by integrating built-in controls to avoid incorrect upload of information. BEISL ensures that there is monitoring of the data upload and to avoid such situations and to avoid incorrect data being sourced and published.

16.2.7 To the extent that BEISL engages a third party to provide services to BEISL, BEISL ensures it undertakes reasonable oversight and approval process to the benchmark determination process.

16.3 Responsibility for Managing Operational Risks

16.3.1 Day-to-day responsibility for managing operational risk is shared between BEISL Employees directly involved in the provision of benchmarks (Senior Assessor and Assessors), the Compliance Department and the IT services department, led by the Chief Information Officer and the Calculating Agent.
17 Compliance

17.1 Policies Approval, Monitoring and Maintenance

17.1.1 The BEISL Board is responsible for the Guide, and for ensuring the compliance of the Guide with any applicable legislation (including, without limitation, the BMR). The BEISL Board may delegate this responsibility to the Compliance Department.

17.1.2 The Compliance Department is responsible for monitoring day-to-day BEISL’s compliance with the benchmark methodologies and with BMR. It should report on such compliance to the BEISL Board once a year. Copies of such reports can be made available to the Financial Conduct Authority upon request.

17.1.3 The Compliance Department shall be responsible for testing BEISL’s policy and procedures related to its benchmark activities as contained within the Guide. BEISL shall adopt a Compliance Monitoring Programme (CMP) to support effective compliance and mitigate its compliance risk.

17.1.4 The Compliance Department shall carry out all necessary investigations upon identification of a breach of BEISL’s policy and procedures as contained within the Guide. All BEISL employees shall co-operate to their fullest with the Compliance Department.

Review of the Guide

17.1.5 The Guide shall be reviewed every three years, or as more regularly required in order to maintain compliance with any change in applicable laws and regulation (including, without limitation, the BMR).

17.1.6 The procedure for such review every three years (or as otherwise required in accordance with Section 17.1.5 above) is as follows:

(1) The Compliance Department will conduct a review of the Guide and prepare a proposal of amendments, if any (the Proposal).

(2) The Proposal is then submitted to the BEISL Board for review and approval.

(3) To the extent the Proposal affects services provided by the Calculating Agent, the Proposal shall be communicated to the Calculating Agent.

(4) The Proposal shall also be communicated to the BEISL Oversight Function.

(5) Following approval by the BEISL Board, any amendments approved shall be included in an updated version of the Guide.

17.2 Enforcement

17.2.1 In the event that the BEISL Board becomes aware that BEISL, the Baltic, any BEISL employees or any third party involved in the provision of Container Box Benchmarks has breached any provision of the Guide, the relevant entity or individual may be suspended from their responsibilities in relation to the determination, assessment or other role in relation to the Container Box Benchmarks or such other action may be taken as may be reasonable in the circumstances, on a case-by-case basis.

17.2.2 The Senior Managers will then conduct a review in relation to the alleged breach and present an analysis for review and consideration to the BEISL Board. Copy of such analysis shall also be transferred without delay to the BEISL Oversight Function. Following review and consideration by the BEISL Board, the BEISL Board will then decide whether to reinstate any
suspended entity or individual, uphold or implement a suspension, or take any other reasonable actions as may be available in the circumstances, on a case-by-case basis. The BEISL Oversight Function may formulate recommendations to the BEISL Board to this end.

17.2.3 In the event of any alleged breach in relation to BEISL, the BEISL Oversight Function may also report to the Financial Conduct Authority, unless such report has been submitted by the Compliance Department. The BEISL Oversight Function and/or Compliance Department will comply with any requests for additional information and, if applicable, subsequent investigation conducted by the Financial Conduct Authority.
APPENDIX 1
Outlier Detection Methodology

The outlier detection algorithm used in the Container Box Benchmark calculation processes is based on Median Absolute Deviation (MAD). MAD is a robust measure of variability and is often used to detect outliers. For a given set of data \( D = \{d_1, \ldots, d_n\} \), the deviations are the difference between each \( d_i \) and median(D). The MAD is then the median of the absolute values of all the deviations.

MAD is calculated in both directions from the median -

1. Left MAD - MAD from the median of all points less than or equal to the median.
2. Right MAD - MAD from the median of all points greater than or equal to the median.

The minimum price threshold, or the left cutoff is defined as Left Coefficient x Left MAD and the right cutoff is defined as Right Coefficient x Right MAD. Where both coefficients are defined separately per index and vary between 2 and 5. The algorithm flags as suspicious all prices that are smaller than the left cutoff or larger than the right cutoff.

In a rare and unlikely case where more than 50% of data have identical values, the MAD is zero. All points in the dataset except those that equal the median will then be flagged as outliers, and only the median value used.
APPENDIX 2
Waterfall Methodology

1 Circumstances where the Input Data consists of less than ten valid rates

1.1 In the event a tradelane has less than ten valid rates on publication day, steps one and two will be taken consecutively until a total of ten valid rates are obtained:

(1) **Step One - Rate refresh**: The Calculating Agent will alert the Freightos Customer Data Team that certain rates are expiring without a replacement and request that it contacts the relevant IFFs and NVOCCs to refresh the rates.

(2) **Step Two - Validity extension**: The time to expiry of the Relevant Data will be extended by seven days, or until ten valid rates are obtained, whichever is earlier.

In the occasion where 10 valid rates cannot be obtained,

(3) **Step Three – Manual Pricing**: The most active IFF, NVOCC, or Carrier on the tradelane will be contacted by the Assessor or their delegate and requested to quote a rate. If the market participant cannot provide a quote, the next most active market participant will be contacted until a rate is provided.

(4) **Step Four - Market pricing**: The Assessor will use feedback from market participants along with other data sources to manually assess the market.

1.2 The Assessor will calculate the Container Box Benchmark value. They will then use their expert judgement and discretion whether to validate the value calculated by the Calculating Agent pursuant to Section 4 of the Guide, or to replace the calculated value with the value calculated under the waterfall methodology set out above. A record is kept of the priority of use of different data sources and any discretion that is applied.

2 Circumstances where the Input Data is contributed by less than 5 Carriers

2.1 In the event a tradelane has less than five Carriers contributing Input Data on publication day, the following steps will be taken consecutively until data is obtained.

(1) **Step One**

(i) **Manual Pricing**: The most active IFF, NVOCC, or Carrier on the tradelane will be contacted by the Assessor or their delegate and requested to quote a rate. If the market participant cannot provide a quote, the next most active market participant will be contacted until a rate is provided.

(ii) **Market pricing**: The Assessor will use feedback from market participants along with other data sources to manually assess the market.

2.2 Once a manual or market price is obtained the Assessor use their expert judgement and discretion as to whether to validate the value calculated by the Calculating Agent pursuant to Section 4 of the Guide, or to replace the calculated value with the value calculated under the waterfall methodology set out above.

2.3 A manual or market price is valid for 3 days.
**APPENDIX 3**
**Container Box Benchmarks**

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Short Name</th>
<th>Long Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBX</td>
<td>FBX Global</td>
<td>Freightos Baltic Global weighted average</td>
</tr>
<tr>
<td>FBX01</td>
<td>China/East Asia - USA West Coast 40' (CEA-NAW)</td>
<td>Freightos Baltic China/East Asia to North America West Coast 40' container index</td>
</tr>
<tr>
<td>FBX02</td>
<td>USA West Coast - China/East Asia 40' (NAW-CEA)</td>
<td>Freightos Baltic North America West Coast to China/East Asia 40' container index</td>
</tr>
<tr>
<td>FBX03</td>
<td>China/East Asia - USA East Coast 40' (CEA-NAE)</td>
<td>Freightos Baltic China/East Asia to North America East Coast 40' container index</td>
</tr>
<tr>
<td>FBX04</td>
<td>USA East Coast - China/East Asia 40' (NAE-CEA)</td>
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</tr>
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<td>FBX11</td>
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<td>Freightos Baltic China/East Asia to North Europe 40' container index</td>
</tr>
<tr>
<td>FBX12</td>
<td>North Europe - China/East Asia 40' (EUR-CEA)</td>
<td>Freightos Baltic North Europe to China/East Asia 40' container index</td>
</tr>
<tr>
<td>FBX13</td>
<td>China/East Asia - Mediterranean 40' (CEA-MED)</td>
<td>Freightos Baltic China/East Asia to Mediterranean 40' container index</td>
</tr>
<tr>
<td>FBX14</td>
<td>Mediterranean - China/East Asia 40' (MED-CEA)</td>
<td>Freightos Baltic Mediterranean to China/East Asia 40' container index</td>
</tr>
<tr>
<td>FBX21</td>
<td>USA East Coast – North Europe 40' (NAE-NEU)</td>
<td>Freightos Baltic North America East Coast to North Europe 40' container index</td>
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<tr>
<td>FBX22</td>
<td>North Europe - USA East Coast 40' (NEU-NAE)</td>
<td>Freightos Baltic North Europe to North America East Coast 40' container index</td>
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<tr>
<td>FBX24</td>
<td>Europe - South American East Coast 40' (EUR-SAE)</td>
<td>Freightos Baltic Europe to South America East Coast 40' container index</td>
</tr>
<tr>
<td>FBX26</td>
<td>Europe – South West American Coast 40' (EUR-SAW)</td>
<td>Freightos Baltic Europe to South America West Coast 40' container index</td>
</tr>
</tbody>
</table>
APPENDIX 4
Publishing Times and Data Ingestion Window

<table>
<thead>
<tr>
<th>Data Group</th>
<th>Data Ingestion Window</th>
<th>Publishing Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBX indices</td>
<td>No later than 1200 GMT</td>
<td>1400 GMT</td>
</tr>
</tbody>
</table>
# APPENDIX 5

## Regions

<table>
<thead>
<tr>
<th>Code</th>
<th>Region</th>
<th>Ports</th>
</tr>
</thead>
</table>
| CEA  | China / East Asia               | CNSHA (Shanghai)  
                  | CNNGB (Ningbo)  
                  | CNYTN (Yantian)  
                  | HKHKG (Hong Kong)  
                  | TWKHH (Kaohsiung)  
                  | KRPU (Pusan)  
                  | JPUKB (Kobe)  
                  | VNVUT (Vung Tau)  
                  | SGSIN (Singapore) |
| NAW  | North America West Coast        | USLGB - Port of Long Beach  
                  | USLAX - Port of Los Angeles  
                  | USTIW - Port of Tacoma  
                  | USSEA - Port of Seattle  
                  | USOAK - Port of Oakland  
                  | CAVAN - Vancouver |
| NAE  | North America East Coast        | USEWR (Newark)  
                  | USNYC (New York)  
                  | USSAV (Savannah)  
                  | USCHS (Charleston)  
                  | USORF (Norfolk / Virginia)  
                  | USBAL (Baltimore)  
                  | USHOU (Houston) |
| EUR  | Europe                          | DEHAM (Hamburg)  
                  | DEBRV (Bremerhaven)  
                  | NLRTM (Rotterdam)  
                  | FRLEH (Le Havre)  
                  | GBLG (London Gateway)  
                  | BEANR (Antwerp)  
                  | ESALG (Algeciras) |
| NEU  | North Europe                    | BEANR - Antwerp  
                  | DEBRV - Bremerhaven  
                  | DEHAM - Hamburg  
                  | FRLEH - Le Havre  
                  | GBFX - Felixstowe  
                  | GBOSU - Southampton  
                  | NLRTM - Rotterdam |
| SAE  | South America East Coast        | BRSSZ (Santos)  
                  | BRP (Paranagua)  
                  | ARBU (Buenos Aires)  
                  | UYV (Montevideo)  
                  | COCTG (Cartagena)  
                  | PAMIT (Manzanillo) |
| SAW  | South America West Coast        | ECGYE (Guayaquil)  
                  | CLSAI (San Antonio)  
                  | PECLL (Callao)  
<pre><code>              | COBUN (Buenaventura) |
</code></pre>
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<thead>
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<th>Code</th>
<th>Region</th>
<th>Ports</th>
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<tr>
<td>MED</td>
<td>Mediterranean</td>
<td>ESVLC (Valencia) ESALG (Algeciras) ESBCN (Barcelona) EGPSD (Port Said)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>GRPIR (Piraeus) TRAMR (Ambarli) TRIZT (Izmit) MTMAR (Malta Freeport)</td>
</tr>
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<td></td>
<td></td>
<td>ITGIT (Gioia Tauro) ITGOA (Genova) ITSPE (La Spezia) ILASH (Ashdod)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FRFOS (Fos Sur Mer / Marseilles)</td>
</tr>
</tbody>
</table>
APPENDIX 6
Benchmark Business Continuity and Disaster Recovery Plan

1 Scope of the Benchmark Business Continuity and Disaster Recovery Plan (BCDRP)

1.1 The aim of the BCDRP is to set out a framework for the review, management and control to any disruption of BEISL’s benchmark determination and administration process.

1.2 This BCDRP is designed to set out the BEISL’s compliance pursuant to Article 6 of the BMR with regards to the submission made to the Benchmark Administrator and the Benchmark Administrator’s benchmark determination process.

2 Business impact assessment

2.1 Any disruption to the benchmark determination process for BEISL should be considered as potentially critical to BEISL’s business. Although one off disruptions of relatively short duration would not in themselves be fatal, prolonged or frequent interruptions to the proper functioning of the benchmark determination process will quickly lead to a loss of confidence in BEISL as an Administrator and could critically damage BEISL’s business and reputation.

2.2 BEISL’s physical and IT infrastructure is therefore designed to ensure that disruptions to the operation of BEISL are extremely rare and that if a disruption does occur, arrangements are in place to enable BEISL to resume with a minimum of delay.

2.3 Disruption to BEISL’s benchmark determination process could be caused by one of four types of problems relating to:

1. IT software;
2. IT hardware;
3. The physical operation of BEISL business due to an incident such as flooding, fire, burglary, acts of terrorism, civil unrest, epidemic disease, cyber-attack, a loss of power, loss of communications or unscheduled absence of employees; and
4. Disruption to the Calculating Agent’s operations.

2.4 IT software and IT hardware problems are likely to affect the ability of all BEISL staff to access the BDP and would therefore be likely to cause a disruption to BEISL’s benchmark administration process. On the other hand, a problem affecting the physical operation of BEISL’s business would not necessarily prevent BEISL from its activities as long as Baltic Employees are trained and equipped with the resources to carry out the business function via alternative methods.

2.5 BEISL’s Recovery Point Objective (RPO) in the event of a disruption to its business is for all data to be recoverable while BEISL’s Recovery Time Objective (RTO) is the shortest amount of time required for BEISL’s business to be able to be resumed but is dependent on the type and severity of the relevant problem causing the disruption as set out below.

3 IT Software defects

3.1 The BDP system software that underpins the overall benchmark process, is developed by a third-party Provider.

3.2 If a serious disruption to BEISL business were to arise because of a suspected software defect, BEISL shall immediately inform the Provider of the problem. The Provider will then immediately start problem identification and will use reasonable endeavours to deliver a system recovery workaround in a timely fashion.
3.3 Less critical software related problems and any local failure which does not cause an immediate disruption to BEISL shall not affect the benchmark administration process. Baltic Employees shall be able to access the BDP from home or new premises without interruption.

3.4 In the event of a short-term need to vacate the BEISL premises, BEISL staff have been equipped with a “grab bag” and laptop computer.

3.5 In the event of an unrecoverable failure of the system software, BEISL shall maintain Excel spreadsheets which shall be available in-house and remotely, as part of the company’s office systems provision and shall be used to record Input Data provided by Calculating Agent over the telephone. The Senior Assessor shall maintain the master spreadsheets and ensure that these are up to date with regards to the Input Data provided by Calculating Agent, reporting routes, multipliers, calculations and any relevant changes to the benchmark methodology. The excel spreadsheets shall be backed up and recoverable as part of the BEISL’s security and backup.

4 IT Hardware defects

4.1 The hardware infrastructure for the hosting of BDP is provided by AWS in ISO 27001 compliant data centres.

   (1) Web server security and failover procedures

      (i) All web systems are also protected by Intrusion Prevention which scan inbound requests for known malicious signatures. Any such requests matched will result in the sender being added to the real time blacklist blocking tables.

      (ii) Daily BEISL system backups shall be transferred to separate storage and the “live” site is regularly ‘synced’ to backup the failover server.

      (iii) Electronic data storage:

          − All data related to BEISL’s benchmark determination process is stored in the MongoDB database in compliance with its record keeping obligations. In the event of a failover, there should be, at most, minimal loss of data.

          − Should there be any reported loss of data at the moment of failover, this shall be discovered through reconciliation by BEISL staff.

5 Internet connectivity defects

5.1 BEISL’s access to office systems use servers hosted by the Baltic Exchange on its Microsoft Azure cloud-based platform.

6 Actions to be taken in response to an incident

6.1 Disruption to BEISL’s benchmark administration process caused by an IT software or hardware problem:

   (1) The following actions are to be taken in the event of a disruption to BEISL’s Container Box Benchmark determination process caused by an IT software or hardware problem:

      (i) An Assessor or the Senior Assessor must immediately alert the Head of Systems and Data, System Support Manager and or its delegates along with a Senior Manager. At least one senior manager shall be contactable at all times.

      (ii) The Head of Systems and Data, System Support Manager or its delegates must immediately liaise with the Provider about the incident, provide adequate information about the issue in question, obtain any further information from the Provider.
regarding the cause of the disruption, an estimated timeframe for its resolution and agree the necessary response.

(iii) The Baltic shall determine whether if it is a serious incident and necessary to contact and inform the FCA and, if appropriate, coordinate a suitable response.

(iv) The Head of Systems and Data, System Support Manager, a Senior Manager or the compliance administrator must complete and record details of the incident and any actions that have been taken in respect of the incident (including details of who has been contacted and at what time) in the BEISL incident report form as provided in Schedule 2 of this BCDRP.

(v) The Assessors shall inform the Calculation Agent about the incident and provide an initial estimate of the likely duration of any disruption to the benchmark administration process.

(vi) The Head of Systems and Data, System Support Manager or a Senior Manager shall issue a notice to inform customers of the Baltic about the incident and provide an initial estimate of the likely duration of any disruption to the benchmark determination process. Such notice shall be communicated to customers of the Baltic by email and the Baltic website or any other available means.

(vii) The Head of Systems and Data, System Support Manager or its delegates will work with the Provider, as appropriate depending on the cause of the outage, to restore any disruption as quickly as possible and to provide updates to the Senior Managers and Baltic Employees of the likely duration of the outage.

(viii) The Baltic shall provide updates to its customers and, if appropriate to other third parties (such as the FCA).

6.2 BEISL offices inoperable:

Emergency evacuation

(1) In the event of an emergency that requires BEISL’s offices to be evacuated immediately, all Baltic Employees should leave the building in accordance with the Baltic’s standard evacuation procedures. Subject to any instructions to the contrary from security personnel, in the event of an emergency evacuation during the benchmark determination process, the Assessors and Senior Assessor shall take with them the “grab bag” and laptop computer and go to the nearest available designated alternative location to access the BDP as quickly as possible to resume the benchmark determination process.

(2) The objective is to allow BEISL to remain operational during an emergency evacuation.

(3) Where, following an emergency evacuation, it is impossible for the benchmark administration process to be resumed, then a Senior Manager must arrange for the benchmark administration process to be halted.

(4) If BEISL’s offices become inoperable, whether due to an incident necessitating an emergency evacuation or otherwise, Baltic Employees must immediately ensure that a Senior Manager, Head of Systems and Data or System Support Manager and the compliance administrator have been alerted.

(5) A Senior Manager or the compliance administrator shall be responsible for contacting the FCA to inform them of the incident and, if appropriate, coordinating a suitable response.

(6) The Head of Systems and Data, System Support Manager, a Senior Manager or the compliance administrator must complete and record details of the incident and any actions
that have been taken in respect of the incident (including details of who has been contacted and at what time) in the BEISL incident report form.

(7) The Assessors shall inform the Calculating Agent about the incident and provide an initial estimate of the likely duration of any disruption to the benchmark administration process. Such communication shall be made by telephone or other available means.

(8) A Senior Manager shall be responsible for issuing a notice to inform customers of the Baltic about the incident. Where relevant, the notice should provide an estimate of the likely duration of any disruption to the benchmark administration process. The notice shall be communicated to customers of the Baltic via email and the Baltic website or by any other available means. Further updates to customers of the Baltic should be provided as needed.

7 Testing

7.1 The following testing will be carried out as detailed below:

<table>
<thead>
<tr>
<th>Test</th>
<th>Involved Parties</th>
<th>Dependency</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure that the offline backups at the primary data centre are readable/restorable</td>
<td>Head of Systems and Data, System Support Manager &amp; IT Personnel</td>
<td>Out of working hours</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Ensure that the offline backups at the secondary data centre are readable/restorable</td>
<td>Head of Systems and Data, System Support Manager &amp; IT Personnel</td>
<td>Out of working hours</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Failover from the primary data centre to the secondary data centre</td>
<td>Head of Systems and Data, System Support Manager &amp; IT Personnel</td>
<td>Out of working hours</td>
<td>6 monthly</td>
</tr>
<tr>
<td>Test failover to the remote server hosting BEISL office systems</td>
<td>Head of Systems and Data, System Support Manager &amp; IT Personnel</td>
<td>Out of working hours</td>
<td>6 monthly</td>
</tr>
<tr>
<td>Test alternate internet connectivity</td>
<td>Head of Systems and Data, System Support Manager &amp; IT Personnel</td>
<td>Out of working hours</td>
<td>6 monthly</td>
</tr>
<tr>
<td>Penetration testing</td>
<td>Head of Systems and Data, System Support Manager &amp; 3rd party tester</td>
<td>Out of working hours</td>
<td>Annually</td>
</tr>
</tbody>
</table>

7.2 The Head of Systems and Data and the System Support Manager are jointly responsible for reviewing the results of testing of BDP and other BEISL IT systems, for identifying deficiencies in BEISL’s procedures and for ensuring that remedial measures are implemented.
7.3 BEISL may introduce new systems functionality in respect of the BDP from time to time. As part of the development phase of any new systems functionality, BEISL will perform full regression testing using script-based scenarios.

8 Disruption to the Calculating Agent’s Operations

8.1 In the event that any short term disruption to BEISL’s benchmark administration process caused by a disruption to the Calculating Agent’s operations arises, the Waterfall Methodology set out in Appendix 2 shall be invoked. Where such disruptions persist, BEISL will consider other possibilities, including but not limited to those set out below, in order to find a permanent solution:

(1) Accepting assessments directly from IFFs into BEISL’s BDP; and

(2) Engaging an alternative Calculating Agent.

9 Review of BEISL’s BCDRP

9.1 The BCDRP is reviewed at least annually by the Information Technology Department and Compliance Department and any recommended changes are brought to the attention of both the Senior Managers of BEISL and the BEISL Board. The BCDRP will also be reviewed following any incident which required the BCDRP to be invoked.

9.2 Baltic Employees, in particular the Assessors, undergo training and testing at least annually on the BCDRP.
Schedule 1 - BEISL Incident Report Form

This form should be completed for all incidents that directly/indirectly affect the benchmark determination process in accordance with the BCDRP.

<table>
<thead>
<tr>
<th>Date:</th>
<th>Time of Incident:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detail description of incident</td>
<td></td>
</tr>
</tbody>
</table>

**Action Taken:**

Incident reported to whom within the Baltic?

(provide details below)

Incident reported to Neural Alpha or any other third-party provider?

(provide details below)

Incident reported to customers of the Baltic and the Regulator?

(provide details below)

Any other comments

(provide details below)

Time incident resolved:  

Name:  

(state name of person completing this form)
APPENDIX 7
Glossary

Administrator means BEISL as the legal person that has control over the provision of a benchmark.

Assessor means an assessor employed by BEISL whose services are placed at BEISL’s disposal or under the control of BEISL, and who is responsible for applying a methodology or judgement to Input Data and other information to reach a conclusive assessment about the price of a certain commodity.

the Baltic means Baltic Exchange Limited and all its subsidiaries.

Baltic Employees means employees of BEISL and the Baltic.

Baltic Exchange means the Baltic Exchange Limited.

BCDRP means the Business Continuity and Disaster Recovery Plan set out in Appendix 6.

BDP means the Baltic data platform, the bespoke web application used by BEISL to receive benchmark submissions from the Calculating Agent.

BEISL means Baltic Exchange Information Services Limited.


Calculating Agent has the meaning given to it in Section 9.

Carrier A party that transports goods for another person or company and is responsible for the loss of and or damage to the goods during transport. A ‘Common Carrier’ provides transportation to the public in return for compensation. A ‘Contract Carrier’ provides a service under contract, often for government clients.

CEO means the Chief Executive Officer of the Baltic.

Complainant means a Baltic Exchange member, benchmark user, market participant or other party raising Complaints.

Complaints means an informal comment or formal complaint made by a Complainant.

Container Box Benchmark means any FBX produced by the Calculating Agent and administered by BEISL as the Benchmark Administrator which are set out in Appendix 3.

Data Analyst means a person with a degree in Computer Science, IT, or an equivalent combination of education, training and experience, business intelligence, numerical and analytical skills, experienced with data management in database, SQL, Python.
Data Team means the meaning given to it in Section 9.5.

FCA means the Financial Conduct Authority.

Freightos Applications means any software application, API or service developed by Freightos, including the AcceleRate rate management software and all its derivatives and versions including the freight rate benchmarking solutions.

Freightos Customer Data Team means the Freightos data team engaging with Freightos Application users.

Input Data means data that has been validated and filtered from Relevant Data, in accordance with the methodology set out in Section 4 of this Guide and used by BEISL to determine a benchmark.

IFF International Freight Forwarders.

IOSCO The International Organisation of Securities Commission.

IOSCO PFBs means the International Organisation of Securities Commissions Principles for Financial Benchmarks.

NVOCC Non Vessel Owning Common Carrier. NVOCC operation comprises of sales, stuffing and transport of the containers to gateway ports. The bill of lading issue and overseas distribution is taken care by the agents of NVOCC.

Provider means Neural Alpha Ltd or any successor vendor.

Record(s) refers to BEISL work, papers, files, documents, communication and data in any form, whether in electronic, printed, in the form of video, audio or other media or any other mode of capturing BEISL benchmark information.

Regulator means the FCA or any successor regulator.

Relevant Data means has the meaning attributed to it in Section 4.2 which is used to create Input Data.

RPP has the meaning given to it in Section 13.3.

Senior Assessor means an assessor of BEISL whose services are placed at BEISL’s disposal or under the control of BEISL, and who has the seniority and authority to undertake certain functions including the sign off of the Container Box Benchmark prior to publication.

Senior Manager means a senior manager as such term is defined in the FCA Handbook.

SGX means Singapore Exchange Limited.

Whistleblower means Baltic Employees or any other individual making a whistleblowing claim.