WILSHIRE OpCo UK Limited (Wilshire Indexes)

Executive Committee Terms of Reference
(July 2023)

This document sets out the Terms of Reference for the Executive Committee (the “ExCo”) of Wilshire Indexes.

I. **Purpose:** The Board of Directors of Wilshire Indexes (the “Board”) has entrusted the Senior Executive Team, comprising the UK Chief Executive Officer and the UK Chief of Staff with day-to-day management of the benchmark business. ExCo will also focus on developing the strategy of the business; operational plans; policies, procedures, and budgets; driving and monitoring operating and financial performance; managing relationships with third parties including service providers; and ensuring the most effective prioritization of resources including managing its organizational structure, assigning responsibilities, and forming Committees as required to fulfill Wilshire Indexes’ obligations to stakeholders, employees, clients, and relevant legal and regulatory authorities.

*For the avoidance of doubt, the ExCo will remain accountable to the Board and may at its own discretion or at the request of the Board, promptly give or make available to the Board such information, reports and other documents to enable the board to carry out its duties.*

II. **Composition.** The members of ExCo (each, a “Member” and collectively, the “Members”) shall be determined as follows:

A. **Chair.** The Chair (the “Chair”) shall be the Chief Executive Officer of Wilshire Indexes. The Chief of Staff shall be the standing Deputy Chair.

B. **Membership.** The membership is comprised of the Senior Executive Team and selected other members of the Senior Management Team as nominated from time to time.

C. **Termination/Resignation of Member.** An individual will automatically cease to be a Member upon termination of their employment with Wilshire. A Member may otherwise resign by providing notice to the Chair.

D. The current Members are listed on Schedule I. All members, and only members, may vote.

E. **Attendees.** Wilshire Indexes’ Risk and Compliance officers will attend the meetings. The Exco may request reports from these officers, and the officers will report to the Risk and Compliance Committees and the Wilshire Indexes Board. Representatives of Wilshire Indexes Sales and Marketing teams will also attend the meetings.

III. **Meetings**
A. **Quorum.** A quorum is required to conduct any meeting. The presence of at least **three (3)** Voting Members shall constitute a quorum.

B. **Frequency of Meetings.** ExCo shall meet, every five weeks. Meetings may be held telephonically, by videoconference or by other electronic means or Members may join and participate in meetings by any means agreed to by the Members.

C. **Ad hoc meetings.** Ad hoc meetings may be called by any Member of ExCo if there is business to conduct.

D. **Action by the Committee.** Any action required or permitted to be taken at any meeting of the ExCo shall require the vote of a majority of Members present. This vote may be held in person, telephonically or by other electronic means. Failure to object or abstain by a member, either in person, telephonically or by other electronic means within one (1) business day, shall be deemed consent. Should a tie vote occur, the (acting) Chair shall exercise 1 additional vote.

E. **Amendments and Revisions.** Amendments and Revisions to these Principles require a majority plus one vote of the Members of ExCo. These Principles should be reviewed for revision at least bi-annually (every two years).

IV. **Mandate:** The mandate of the ExCo is to oversee, advise, promote, and review the activities of Wilshire Indexes business through:

A. Maintaining responsibility for decisions and policy regarding the Wilshire Indexes benchmarks. These decisions include index policy decisions such as methodology changes, proposed consultations and the procedure for correcting significant index errors such as a reconstitution error;

B. Receiving and considering reports from the Wilshire Indexes Index Management Committee on the operation, administration, governance and surveillance of Wilshire benchmarks;

C. Articulating and communicating Wilshire Indexes’ strategy;

D. Reviewing operational plans, policies, procedures, and budgets;

E. Monitoring operating and financial performance;

F. Reviewing, assessing, and controlling risk;

G. Reviewing the prioritization and allocation of resources;

H. Establishing company-wide governance, including formation of, and accepting the report of committees as required;

I. Articulating, modelling, and promoting Wilshire Indexes’ ethics and values, and its commitment to diversity and integrity; by:
   i. establishing, promoting, communicating, and enforcing a culture of ethics, compliance, fairness, and integrity throughout Wilshire Indexes;
   ii. ensuring Wilshire Indexes’ values are understood and consistently adhered to;
   iii. ensuring Wilshire Indexes and its employees act with high integrity, which is aligned to and promotes Wilshire Indexes’ vision;
   iv. driving a culture of inclusion and diversity and ensuring the composition of Wilshire Indexes’ workforce is representative of wider society;

J. Ensuring the active liaison, co-ordination, and co-operation between various lines-of-business to support the execution of the strategy and business plan;
K. Reviewing the risk management framework and identified risk controls and accepted risks including as a consequence of reports received from the group Risk and Compliance Committee and the group Conflicts Management Committee;

L. Accepting the escalation of any otherwise unenumerated herein, exogenous activity, event, happenstance, that may arise and for which escalation, supervision, and responsibility need be assumed as pertains to Wilshire Indexes and its activities;

M. Undertaking due diligence and service (SLA) oversight and management of service providers contracted with Wilshire Indexes (e.g. Operational providers: Alveo, Acuity, Stefanini, ISS, FactSet); and

N. All members of ExCo are bound by Wilshire group Compliance Manual and Code of Ethics, and will be required to list actual or potential conflicts of interest on the Wilshire Indexes’ Conflicts of Interest register.
Schedule I – Members of the Wilshire Indexes ExCo

Reza Ghassemieh – CEO
Paul Grimes – Chief of Staff
Christopher Woods – Benchmark Administration Manager
Andrew Dougan – Head of Index Research
Philip Lawlor – Head of Market Research, Benchmarks and Indexes
Sekhar Reddy – Head of Data/Index Analysts
Michael Hodge – Senior Data/Index Analyst

Attendees:

Andy Babister – Wilshire Indexes Risk Officer
John Ewan – Wilshire Indexes Compliance Officer