



# Cboe Europe Index Advisory Committee

## Terms of Reference

Version: January 2021

### 1. CONSTITUTION & PURPOSE

1.1 The body of this document details the Terms of Reference for the Cboe Europe Index Advisory Committee. The Cboe Europe Index Advisory Committee (the “**Committee**”) has been established to provide Cboe Europe Indices B.V. (“**Cboe**”) with strategic advice in relation to the Cboe Europe Indices.

1.2 The Committee provides oversight and direction with respect to:

1.2.1 proposed material changes to Cboe Europe Index Rules and Methodologies (“**Rules**”);

1.2.2 the course of action that should be taken in respect of extraordinary corporate actions that are not already contemplated in the Rules; and

1.2.3 The strategic development of Cboe’s business.

1.3 The Cboe Europe Index Administration Oversight Body (“**IAOB**”) has responsibility for monitoring Cboe’s compliance with its regulatory obligations as a benchmark administrator. The Committee will have no formal governance or compliance responsibilities.

### 2. MEMBERSHIP

2.1 The Committee shall be appointed by Cboe and shall comprise individual market practitioners with the relevant experience and expertise. Members of the Committee

will be appointed for periods from one to six years. Cboe may terminate the membership of any Committee members upon one month's written notice.

2.2 The Chair of the Committee (the "**Chair**") shall be appointed by Cboe. In the absence of the Chair, the Committee will select an alternate. The Chair shall cease to be a Committee member upon termination of his/her engagement or resignation.

2.3 Only members, a nominated Cboe senior executive and the Secretary have the right to attend Committee Meetings. Other staff members may be invited to attend as necessary. The Chair may allow non-members to attend or participate in all or part of any Committee Meeting.

### **3. COMMITTEE MEETINGS**

3.1 To support the index review timetable for Cboe Europe Indices, the Committee will meet quarterly in April, July, October and January following the rebalance. The dates for these regular review meetings will be set in advance to support the timetable detailed in the Rules and outlined below.

3.2 Changes to index constituents will be advised to the Committee at the quarterly index review. The Committee will meet after the rebalance to review these changes and provide its recommendations to IAOB.

3.3 At or between scheduled meetings, the Committee may be asked to advise on other specific index related matters and events, e.g. proposed changes to the Rules or extraordinary corporate actions that are not covered by the Rules. The Committee's recommendations in such regard will be reviewed by IAOB and then made public by Cboe ahead of any changes taking effect.

3.4 The quorum for a Committee Meeting is at least three members except in emergency situations, for example where immediate action is required, in which cases the quorum for a Committee Meeting is at least two Members. Members can be present in person or by telephone/videoconference. A nominated Cboe senior executive is also entitled to be present.

### **4. VOTING AT COMMITTEE MEETINGS**

4.1 Each member shall have one vote which may be cast on matters considered at Committee meetings and votes can only be cast by members present (including by

telephone or video conference) at the Committee meetings. Non-members do not have voting rights.

4.2 Any matter requiring a vote will be determined by a simple majority of those members present and voting. The Chairman shall have a casting vote.

4.3 Members shall not be able to vote in relation to any matter in which they have a direct or indirect personal interest unless agreed to by the Committee.

## 5. GENERAL MATTERS AND REPORTING

5.1 The Secretary of the Committee (the “**Secretary**”) shall be appointed by Cboe.

5.2 The Secretary (or their alternate) shall be responsible for preparing the agenda for Committee meetings in consultation with the Chairman and circulating the agenda and any papers to the members.

5.3 The Secretary (or their alternate) shall be responsible for the minutes and ensuring that any items requiring action are recorded.

5.4 The Committee’s minutes will be shared with the IAOB. The recommendations of the Committee will be taken into account but will not be binding upon Cboe.

5.5 In performing their duties, the members shall act with integrity and exercise due care, skill and diligence.