

LONDON

& PARTNERS

Commercial Committee Terms of Reference

1. Membership

- 1.1 Members of the Committee shall be appointed by the Board and shall be made up of at least two independent non-executive directors with relevant commercial experience.
- 1.2 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods provided that the majority of Committee members remain independent.
- 1.3 The Board shall appoint the Committee Chairman who should be an independent non-executive director.

2. Secretary

- 2.1. The Managing Director, Strategy & Operations or their nominee shall act as the Secretary of the Committee.

3. Quorum

- 3.1. The quorum necessary for the transaction of business shall be two, both of whom must be independent non-executive directors.

4. Frequency of Meetings

- 4.1. The Committee shall meet four times a year and at such other times as the Chairman of the Committee shall require.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chairman of the Committee.
- 5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate.

6. Minutes of Meetings

- 6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2. The Secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3. Minutes of Committee meetings shall be circulated promptly to all members of the Committee.

7. Annual General Meeting

- 7.1. The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any questions from members on the Committee's activities.

8. Duties

- 8.1 Commercial Strategy – The Commercial Committee will monitor the implementation of the Commercial Strategy approved by the Board. It will review and challenge where necessary proposed changes to the Commercial Strategy and make recommendations to the Board on such changes.
- 8.2 Business Cases – The Commercial Committee will review business cases for significant new income-generating activity, including financial targets, timelines and monitoring arrangements. It will make recommendations to the Board on the approval of business cases.
- 8.3 New product development- The Commercial Committee will review and challenge where necessary new commercial opportunities that the executive proposes to scope.
- 8.4. Monitoring income-generating activity – The Commercial Committee will receive the quarterly financial reports when they are sent to the Audit & Finance Committee. The Commercial Committee will monitor income against agreed targets and make recommendations to the Board where action is required.
- 8.5 Structure, skills, tools and processes for commercial growth – The Commercial Committee will review and challenge where necessary the structure, skills, tools and processes for commercial growth. The Commercial Committee will make recommendations to the Board where action is required.

9. Reporting Responsibilities

- 9.1. The Committee Chairman will report to the Board on its proceedings on all matters within its duties and responsibilities.
- 9.2. Any resolution passed or decision taken by the Committee shall be reported to the Board.
- 9.3. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10. Authority

- 10.1. The Committee is authorised to:
- 10.1.1. seek any information it requires from any employee of the company in order to perform its duties.
 - 10.1.2. to obtain, at the company's expense, outside legal or professional advice on any matters within its terms of reference.