

## TESCO PLC BOARD CORPORATE RESPONSIBILITY COMMITTEE

### TERMS OF REFERENCE

*The Corporate Responsibility Committee (the “**Committee**”) is a committee of the Board of Directors of Tesco PLC (the “**Board**”), from which it derives its authority and to which it regularly reports.*

#### 1. CONSTITUTION AND PROCESS

##### 1.1 MEMBERSHIP

Membership will comprise the Chairman of the Board and other Non-executive Directors, to be nominated by the Board from time to time.

All other directors will be entitled to attend meetings of the Committee, subject to the agreement of the chairman of the Committee (the **Chairman**).

##### 1.2 QUORUM

The quorum of the Committee shall be two, to include either the Chairman of the Board or the Senior Independent Director.

In the event of difficulty in achieving a quorum, non-executive directors who are not members of the Committee may be co-opted as members for individual meetings.

##### 1.3 CHAIRMAN

An independent Non-executive Director appointed by the Board will chair the Committee.

In the absence of the Chairman, or an appointed deputy, the remaining members present will elect one of themselves to chair the meeting.

##### 1.4 SECRETARY

The Company Secretary and/or a Senior Assistant Secretary will attend all meetings of the Committee and will provide all necessary support to the Committee.

##### 1.5 ATTENDEES

At the invitation of the Chairman, any person may attend the Committee as necessary.

## **1.6 MEETINGS AND REPORTING**

The Committee will meet at least three times a year, and on such other occasions the Chairman sees fit.

The Chairman may convene a meeting of the Committee at any time on reasonable notice to consider any matter falling within these Terms of Reference.

## **1.7 MINUTES AND REPORTING**

The minutes of each meeting will be circulated to all directors and attendees as appropriate.

Reports will be made to the Board following each meeting of the Committee by the Chairman of that meeting.

## **1.8 DISCLOSURE**

An annual report on the activities of the Committee during the year will be disclosed in the Annual Report of the Company. The Chairman of the Committee, or a deputy chosen from its membership, will be available at the Annual General Meeting of the Company to answer questions which relate to the work of the Committee.

## **1.9 TRAINING**

The Committee, via the Company Secretary, will make available to new Members of the Committee a suitable induction process and, for existing Members, ongoing training where appropriate and as discussed with the Committee.

## **1.10 COMMITTEE SELF-ASSESSMENT**

The Committee will conduct an annual self-assessment of its performance and effectiveness, including its Terms of Reference, and report conclusions and recommendations for change to the Board.

## **2. SCOPE OF AUTHORITY**

The Committee is a committee of the Board to which it will report on a regular basis. The Committee is concerned with the business of the entire Group and its authority extends to all relevant matters relating to Tesco PLC and its business units and subsidiaries.

The Committee has authority to investigate any matters within its responsibilities and to obtain such information as it may require from any director, officer or employee of the Group.

### **3. RESPONSIBILITIES OF THE COMMITTEE**

In carrying out their responsibilities, Committee members must act in accordance with the statement of Directors' Duties set out in Sections 171-177 of the Companies Act 2006.

The responsibilities of the Committee will be to:

- 3.1** oversee the Group's conduct with regard to its corporate and societal obligations as a responsible corporate citizen;
- 3.2** approve a strategy for discharging the Group's corporate and social responsibilities in such a way as to build trust, command respect and confidence;
- 3.3** review progress of the corporate responsibility strategy against agreed performance measures;
- 3.4** oversee the creation of appropriate policies and supporting measures;
- 3.5** identify and monitor those external developments which are likely to have a significant influence on the Group's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability;
- 3.6** oversee the Group's engagement with external stakeholders and other interested parties;
- 3.7** review expenditure and other commitments by the Group on corporate donations, community programmes and charitable support;
- 3.8** ensure that appropriate communications policies are in place and working effectively to build and protect the Group's reputation both internally and externally; and
- 3.9** review and sign off an annual report (to form part of the Annual Report).

### **4. OTHER MATTERS**

The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice, on any matters within its terms of reference. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.

The Committee will give due consideration to all applicable laws and regulations.

21 July 2017