

TESCO PLC EXECUTIVE COMMITTEE

TERMS OF REFERENCE

*The Executive Committee (the **Committee**) is a committee established by the Group Chief Executive.*

1. CONSTITUTION AND PROCESS

1.1. Membership

Membership will be determined by the Group Chief Executive from time to time and currently comprises the: Group Chief Executive; Chief Financial Officer; CEO, ROI CEO; CEO, Asia ; CEO, Central Europe; CEO, Booker; Chief Executive, Tesco Bank; Chief Operations Officer; Chief Customer Officer; Chief People Officer; Chief Product Officer; Group Communications Director; and Group General Counsel.

1.2. Quorum

The quorum of the Committee will be three members one of whom must be either the Group Chief Executive, his or her appointed deputy, or the Chief Financial Officer. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable by, the Committee.

1.3. Chair

The Group Chief Executive will chair the Committee. In their absence, his/her deputy, or in their absence the Chief Financial Officer shall act as chair.

1.4. Secretary

The Company Secretary and/or his/her deputy will attend all meetings of the Committee and will provide all necessary support to the Committee. The Company Secretary and/or their deputy should ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration of issues.

1.5. Attendees

Meetings of the Committee may be attended by the chair of the Board and other Directors, employees and third parties at the invitation of the Committee.

1.6. Meetings

The Committee will normally meet one a month, except August. Ad hoc meetings may also be held as necessary.

The chair or any member of the Committee or the Company Secretary 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

The minutes of each meeting will be distributed to all members as appropriate, taking into account any conflicts of interest which may exist.

1.8. Training

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

2. SCOPE OF AUTHORITY

The Committee's role is to support the Group Chief Executive, make and implement operational decisions while running the Groups day-to-day business, and make recommendations to the PLC Board.

The Committee may sub-delegate any of its powers and authority as it sees fit, including, without limitation, through the establishment of sub-committees to consider particular issues and report back to the Committee.

3. RESPONSIBILITIES OF THE COMMITTEE

The key responsibilities of the Committee will include:

Planning, objectives and strategy

- making recommendations for the objectives and strategy of the Group to the PLC Board for its approval;
- optimising the allocation and adequacy of the Group's resources; and
- the development of the Group's budgets and long term plan to be presented to the PLC Board for its approval.

Operations and performance

- oversight of the implementation of the objectives and strategy approved by the PLC Board;
- the day-to-day management of the Group in accordance with the approved objectives and strategy;
- monitoring performance against KPIs, budgets and achievement of the long term plan approved by the PLC Board; and
- facilitating active liaison, co-ordination and co-operation between business functions.

Risk and Internal control

- ensuring the identification, management and monitoring of risks and the implementation of effective internal controls;
- identifying matters required or appropriate for escalation to the PLC Board and to review, debate and form recommendations on relevant items before escalation to the PLC Board;
- approving actions and agreements in line with these Terms of Reference;
- approving and, where necessary, reviewing (before their presentation to the PLC Board) material contracts and significant transactions in accordance with the Group Delegation of Authority; and
- taking any other actions as required by the Group Chief Executive under the Group Delegation of Authority.

People

- reviewing performance, development and succession planning of senior management;
- monitoring the People agenda across the Group; and
- developing and implementing Group People policies and structures, and, where appropriate, recommending them to the Board.

4. REPORTING RESPONSIBILITIES

The Group Chief Executive shall formally report to the PLC Board via his CEO Report at each PLC Board meeting.

5. OTHER MATTERS

The Committee will give due consideration to and apply with all applicable laws and regulations, including the Companies Act 2006 and the requirements of the FCA's Listing and Prospectus Rules and Disclosure Guidance and Transparency Rules.

The Committee shall periodically review these Terms of Reference to ensure they remain effective and current.

Adopted on 22 February 2019