



Marshalls

Creating Better Spaces

Terms of Reference for the Chief Executive

(Approved: 13 December 2017)

1. The Chief Executive is accountable, and reports, to the Board. He or she is responsible for all executive management matters affecting the Group.
2. The Chief Executive is responsible for the following, within the authority limits delegated to him or her by the Board:
 - 2.1 Business strategy and management
 - Developing Group objectives and strategy having regard to the Group's responsibilities to its shareholders, customers, employees and other stakeholders.
 - The successful achievement of objectives and execution of strategy following presentation to, and approval by, the Board.
 - Recommending to the Board an annual budget and five year financial plan and ensuring their achievement following Board approval.
 - Optimising as far as is reasonably possible the use and adequacy of the Group's resources.
 - 2.2 Investment and financing
 - Examining all trade investment and major capital expenditure proposed by subsidiary companies and the recommendation to the Group Board of those which, in a Group context, are material either by nature or cost.
 - Identifying and executing acquisitions and disposals, approving major proposals or bids,
 - Leading geographic diversification initiatives.
 - Identifying and executing new business opportunities outside the current core activities.
 - 2.3 Risk management and controls
 - Managing the Group's risk profile, performance of the business, in line with the extent and categories of risk identified as acceptable by the Board,
 - Ensuring appropriate internal controls are in place.
 - 2.4 Board Committees
 - Making recommendations on remuneration policy, executive remuneration and terms of employment of the senior executive team (including the Company Secretary) to the Remuneration Committee.
 - Making recommendations to the Nomination Committee on the role and capabilities required in respect of the appointment of Executive Directors.
 - 2.5 Communication
 - Providing a means for timely and accurate disclosure of information, including an escalation route for issues.
 - Ensuring effective communication with shareholders.

2.6 Other

- Setting Group HR policies, including management development and succession planning for the senior executive team and approving the appointment and termination of employment of members of that team.
- Maintaining the Company's relationship with the Trustee of the Company's pension and life assurance schemes and ensuring that the rights and obligations of the Company as Sponsor/Principal Employer are appropriately managed and performed.

3. The Chief Executive must at all times act in a way which he or she considers in good faith to be most likely to promote the success of the Company for the benefit of its members as a whole. The duties of the Chief Executive include:

- Leading the executive Directors and the senior executive team in the day to day running of the Group's business, including chairing the Executive Committee and communicating its decisions / recommendations to the Board.
- Ensuring effective implementation of Board decisions
- Regularly reviewing the operational performance and strategic direction of the Group's business.
- Regularly reviewing the Group's organisational structure and recommending changes as appropriate.
- Formalising the roles and responsibilities of the senior executive team, including clear delegation of authorities.
- Supervising the activities of the senior executive team.
- Developing senior teams within the Group and ensuring succession planning.
- Developing policies for Board approval and implementing them, including regular reviews and updates to meet the highest standards of governance and best practice: such policies to include:
 - Codes of ethics and business practice;
 - Share dealing code;
 - Health and safety policy, risks and procedures;
 - Investor relations policy;
 - Corporate Responsibility policy (including environmental, employee communications and employee disability); and
 - Charitable donations policy
 - Anti-Bribery Code and guidance.
- Ensuring that all Group policies and procedures are followed.
- Together with the Chairman, providing coherent leadership of the Company, including, representing the Group to customers, suppliers, government, shareholders, financial institutions, employees, the media, the community and the public.
- Keeping the Chairman informed on all important matters, and establishing a relationship based on trust and openness with the Chairman and other members of the Board;
- Together with the Chairman, ensuring that the Board is provided with timely, complete and accurate information in order to enable it to perform its duties.
- Ensuring that all matters that are reserved for the Board and/or any Board Committee are brought to the Board/Committee at the appropriate time and with sufficient supporting detail to facilitate effective decision-making.