

**MOUCHEL PARKMAN PLC**  
**GROUP MANAGEMENT BOARD**  
**TERMS OF REFERENCE\***

**1. Purpose**

- 1.1. The purpose of the Group Management Board (“the GMB”) is to support the Chief Executive and other Executive Directors in the performance of their duties, including:
  - 1.1.1 the development and implementation of strategy, the Group Corporate Plan and operational plans, policies, procedures and budgets;
  - 1.1.2 the monitoring of operating and financial performance on a day to day basis;
  - 1.1.3 the assessment and control of risk;
  - 1.1.4 the prioritisation and allocation of resources;
  - 1.1.5 ensuring active cooperation and communication between all parts of the business;
  - 1.1.6 monitoring of competitors; and
  - 1.1.7 lead and facilitate change and learning in the organisation.
- 1.2 The shared goals of the GMB are:
  - 1.2.1 to provide challenge, change and innovation;
  - 1.2.2 to be ambassadors and role models, and to live the MP values;
  - 1.2.3 to ensure effective communication and knowledge sharing; and
  - 1.2.4 to take responsibility for personal and team development.

**2. Membership**

- 2.1 The GMB shall be made up of the Chief Executive, the Finance Director, the Company Secretary, the Managing Directors of the principal businesses, together with the heads of the Group Functions and other senior staff as decided by the Chief Executive from time to time.
- 2.2 Other staff may be invited by the Chief Executive to attend all or part of any meeting.

**3. Chair**

- 3.1 The Chief Executive shall act as Chair of the GMB.

**4. Secretary**

- 4.1 The Company Secretary or their nominee shall act as the secretary of the GMB.

**5. Quorum**

- 5.1 The quorum necessary for the transaction of business shall be the Chief Executive plus a minimum of four members.

**6. Frequency of Meetings**

- 6.1 The GMB shall normally meet monthly, with a minimum of ten meetings per year.

**7. Minutes of Meetings**

- 7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the GMB, including recording the names of those present and in attendance.
- 7.2 Minutes of GMB meetings shall be circulated promptly to all members of the GMB.

## 8. Duties

- 8.1 The GMB will support the Chief Executive and other Executive Directors, recommending objectives and strategy for the Group in the development of its business, having regard to the interests of its shareholders, customers, employees and other stakeholders.

In particular, the GMB will assist Executive Directors in:

- 8.1.1 developing policy guidelines for business streams based on approved Group strategy;
- 8.1.2 the successful execution of strategy;
- 8.1.3 the successful achievement of Group financial objectives;
- 8.1.4 the development and implementation of the Group's corporate plan, the Group's budget, and setting and monitoring of Group KPIs and, following their adoption, the achievement of thereof;
- 8.1.5 developing and reviewing individual business stream objectives, KPIs and budgets to ensure that they fall within the agreed Group targets;
- 8.1.6 ensuring appropriate levels of authority are delegated to senior management throughout the Group;
- 8.1.7 reviewing the organisational structure of the Group and making recommendations for change;
- 8.1.8 ensuring the control, co-ordination and monitoring within the Group of risk and internal controls;
- 8.1.9 ensuring compliance with relevant legislation and regulations;
- 8.1.10 safeguarding the integrity of management information and financial reporting systems;
- 8.1.11 identifying and executing new business opportunities outside the current core activities, including geographic diversification;
- 8.1.12 optimising the allocation and adequacy of the Group's resources;
- 8.1.13 reviewing and recommending senior business appointments, and ensuring the provision of adequate management development and succession;
- 8.1.14 recommending and implementing appropriate remuneration structures within business divisions;
- 8.1.15 developing and implementing Group policies, including:
  - Code of Business Policy
  - Risk management policies
  - Health and safety policies
  - Corporate Social Responsibility
  - Environmental Policy
  - Human Resource policies
- 8.1.16 ensuring the active liaison, co-ordination and co-operation throughout the Group and between business units.

## 9. Reporting Responsibilities

- 9.1 The Chief Executive shall report to the Board on the proceedings of the GMB since the previous Board meeting. Minutes will be available, on request, to Board.

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\* Approved by the plc Board on 2 March 2007 – minute number 07/32  
Reviewed by the plc Board on 23 July 2007 – minute number 07/98