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# Executive Committee

Terms of Reference

## Status

1.1 The Executive Committee (EXCOM) is a sub-committee of the Board to which the Board has delegated the powers set out in 2 below.

## Purpose

2.1 The Chief Executive is charged with the management of the Exchange's business, in line with the authority delegated by the Board of the Exchange from time to time. The Chief Executive has specific responsibility for the following matters:

- Implementation of board approved strategies and policies.
- Achievement of planned financial and operating results and explanation of variances.
- Approval of expenditure within budget.
- Approval of items of unbudgeted expenditure of less than £100,000.
- Recruitment of staff within budget.
- Control over marketing strategy, procurement policy, external relations, staffing matters and internal organisation and communication, within any budget or strategic considerations set by the board.

2.2 The Chief Executive will review and consider all such matters, but seek Board approval where appropriate. Whilst the Board has clear responsibility for strategic matters, the Chief Executive should propose, where it is felt appropriate, strategic issues for the Board's consideration.

2.3 The Chief Executive will work as he deems appropriate with EXCOM in relation to the authority delegated to him. Under this delegation EXCOM members will have collective responsibility for implementing operational, financial and personnel policies and for implementing development projects which meet the objectives of the company.

2.4 EXCOM members will be responsible individually for the management of their line activity together with any general management responsibility otherwise assigned.

2.5 EXCOM will report to the Board of the Exchange on a regular basis at board meetings through the Chief Executive or, in his absence, the Deputy Chief Executive and Executive Director: Regulation and Compliance.

2.6 The following sub-committees of the Board report to EXCOM:

- Aluminium Committee
- Cobalt Committee
- Copper Committee
- Index Committee
- Lead and Zinc Committee
- Molybdenum Committee
- Nickel Committee
- Steel Committee
- Tin Committee
- Trading Committee
- Traded Options Committee
- Warehousing Committee

2.7 A programme of reporting routinely to the Board on major projects, appropriate to the size, duration and visibility of particular projects will take place.

## Composition

3.1 EXCOM shall comprise of:

- Chief Executive
- Deputy Chief Executive
- Director of Finance & Company Secretary
- General Counsel & Head of Enforcement
- Managing Director, LME Asia

- Managing Director, Post Trade Services
- Chief Technology Officer
- Director, Systems Operations

3.2 The meetings will be chaired by the Chief Executive or in his absence by the Deputy Chief Executive.

3.3 The Chief Executive reserves the right to invite appropriate non-voting individuals to attend where appropriate or desirable.

3.4 The Company Secretary shall be the secretary of EXCOM.

3.5 Any Board member may attend meetings providing prior notification is given to the Chief Executive.

## Frequency of Meetings

4.1 EXCOM will aim to meet at least twice monthly, generally on the second and fourth Wednesdays of each month between 10.00 am and 12.00 pm, with ad hoc meetings as required.

4.2 Meetings shall, where possible, take place at 56 Leadenhall Street, London EC3.

## Quorum

5.1 Three EXCOM members, one of whom must be the Chief Executive or the Deputy Chief Executive shall constitute a quorum.

## Confidentiality and Conflicts of Interest

6.1 EXCOM members must ensure that unless outside consultation is agreed, they maintain confidentiality with regard to all matters discussed and all materials and data made available to them in respect of their EXCOM-related activities. Further, EXCOM members must not abuse their committee status and must set aside any potential conflict of interest in their decision-making processes. The Board and/or the Chief Executive are empowered to ask any committee member to resign from the committee if they feel their continued involvement is no longer appropriate. No reason need be given.