



Charity Committee

Terms of Reference

THE LONDON METAL EXCHANGE AND LME CLEAR LIMITED

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The London Metal Exchange is registered in England no 2128666.

LME Clear Limited is a private limited company and is registered in England no 07611628.

THE LONDON METAL EXCHANGE AND LME CLEAR LIMITED
(together referred to as the “LME Group”)

CHARITY COMMITTEE

TERMS OF REFERENCE

1. Status

The Charity Committee (the “Committee”) is constituted by the boards of directors (together referred to as the “Boards” and each a “Board”) of The London Metal Exchange (“LME”) and LME Clear Limited (“LME Clear”) to which the Boards have delegated consideration of the matters set out in 2 below.

2. Purpose

In any calendar year, the Committee may make charitable donations of up to the maximum amount afforded to it under the budget as approved by the Boards. In this regard, the Committee is responsible for:

- a) making donations for charitable purposes to one or more beneficiaries in accordance with the Donations Policy as approved by the Boards from time to time;
- b) considering whether proposed donations are compliant with the Hong Kong Exchanges and Clearing (“HKEX”) Group Anti-Bribery and Anti-Corruption Policy, and are otherwise appropriate donations from a compliance and ethics perspective; and
- c) consider the process for the selection of a charity partner and receive updates on the activities of the charity partner, for example volunteering opportunities.

3. Administrative structure and composition

The Committee shall be composed of at least four (4) members (excluding the secretary of the Committee). The members of the Committee shall be appointed by the Boards. Each Board shall be entitled to appoint at least two members.

The chair of the Committee (the “Chair”) will be appointed by the Boards jointly.

In the absence of the Chair at any meeting, any member of the Committee can be appointed as Chair for the duration of the meeting.

The Company Secretary, or their nominee, shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to the given issues.

4. Quorum

The quorum necessary for transaction of business is three (3).

5. Frequency of meetings

- a) The Committee shall meet with such frequency and at such times as it may determine. It is expected that the Committee shall meet no less than two times per year.
- b) Meetings of the Committee will be convened by the Company Secretary or his/her nominee, in either case at the request of the Chair or Committee members.
- c) Decisions shall be determined by simple majority and, in the event of a tie, the Chair shall have a casting vote.

- d) Only members of the Committee have a right to attend meetings; however, members of the Boards or LME and / or LME Clear staff may be invited to attend as appropriate.
- e) The Committee may meet for dispatch of business, adjourn and otherwise regulate its proceedings as its members deem fit. Without limiting the generality of the foregoing, any member may participate in a meeting of the Committee by way of telephone, computer or any electronic means of communication, provided that each person participating in the meeting is able to hear and speak. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chair of the meeting is located.

6. Reporting

The Chair of the Committee shall report annually to the Boards on the activities of the Committee. The activities of the Charity Committee are reported in the Annual Report and Financial Statements of LME and LME Clear.

7. Minutes of meetings

The Secretary shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance and retaining copies of papers presented or considered at Committee meetings. Draft and final versions of minutes of the meeting shall be sent to all Committee members for their comment within a reasonable time after the meeting. Minutes of the preceding meetings shall be approved by the Committee at each meeting. Once approved, the minutes will be authenticated by the Chair or the chair of the meeting as a conclusive record of Committee proceedings. When the Chair deems it appropriate, minutes shall be tabled at meetings of the Boards.

8. Authority and specific responsibilities

- a) The Committee operates under delegated authority from the Boards.
- b) The Committee has authority to investigate any matter relating to the LME Group that falls within the scope of its remit under these terms of reference.

9. Other matters

The Committee shall:

- a) Have access to sufficient resources and training in order to carry out its duties:
- b) Have access to member of management or legal counsel at any meeting if necessary; and
- c) At least annually, review its own performance, constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Boards for approval.

10. Confidentiality, conflicts of interest and corruption

- a) Committee members shall consider whether any proposed donation is compliant with the Group Anti-Bribery and Anti-Corruption Policy and is otherwise appropriate from a compliance and ethics perspective. In doing so, Committee members shall have regard to the following principles:
 - i. Committee members shall undertake such due diligence as is considered appropriate to satisfy themselves that any proposed recipient of a donation is a legitimate organisation with *bona fide* charitable aims and that any donation will not constitute or give rise to the appearance of bribery or a conflict of interest;
 - ii. The Committee shall, in particular, scrutinise closely any proposed donation which is made at the request of, or which could indirectly benefit, a public official, or any individual who is in a position to

make any decision which may be to the advantage of the Company, and any proposed donations to charitable organisations which are not well known, reputable organisations; and

- iii. If relevant, the Committee shall consider whether any additional steps (such as disclosure of the donation) would be appropriate to mitigate any potential conflict of interest.

- b) Committee 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 Committee-related activities. Furthermore, a Committee member must declare to the Chair of the Committee the nature and extent of any conflict of interest ("conflict") they may have as soon as reasonably practicable. The Committee member shall provide the Chair with such details of the matter as is necessary for the Chair to decide how to address the conflict, together with such additional information as the Chair may request. Where the Chair considers that any member has an actual or potential conflict of interest on a particular matter, that Committee member shall not be permitted to vote in relation to that matter. Any conflicts shall be dealt with in accordance with the Conflicts of Interest policy. The Chair is empowered to ask any Committee member to leave all or part of a meeting, or resign from the Committee if it considers their continued involvement is no longer appropriate. No reason need be given.

Document Distribution

Name	Title	Role	Date of Review / Approval
Hayley Nunn	Charity Committee – Terms of Reference – Jan 2022 review	Review and update	10/01/2022
Emily Doornenbal	Charity Committee – Terms of Reference – Jan 2022 review	Review	10/01/2022
Tom Hine	Charity Committee – Terms of Reference – Jan 2022 review	Review	14/01/2022
Committee	Charity Committee – Terms of Reference – Jan 2022 review	Review and recommend	3 February 2022
Board	Charity Committee – Terms of Reference – Jan 2022 review	Review and approve	18 February 2022
Company Secretariat	Charity Committee Terms of Reference – June 2023 – draft redline	Review and update	30 June 2023
Boards	Charity Committee – Terms of Reference – June 2023 review	Review and approve	20 July 2023

Document Change History

Date	Version	Author	Summary of Changes
14/01/2022	1.1	Company Secretariat	Annual review – amend Chairman to Chair and other changes around formatting and minor administrative amendments.
07/03/2023	n/a	Company Secretariat	Annual review + changes to make the Committee a joint Committee of both Boards. Also aligned to the model Terms of Reference template.
30 June 2023		Company Secretariat	General administrative updates as well as changing the ToR to be a joint Committee of both Boards.