Adopted by the Board on 8 March 2018
Information Technology Committee – Terms of Reference

INTRODUCTION

This document details the terms of reference for the Information Technology Committee (the “Committee”) of Smart Metering Systems PLC (the “Company”).

1. The Company and its Committees

1.1 The Company is led by a Board of Directors (the “Board”) which is responsible for the long-term success of the Company. Both the Board and its associated committees must be comprised of individuals who possess the requisite skills, experience, independence and knowledge to enable them to successfully discharge their respective duties and responsibilities to the Company and its shareholders.

1.2 The Board has created the Committee for the purpose of ensuring that the Company’s information technology capabilities are sufficiently monitored and reviewed to ensure the infrastructure of the Company is capable of meeting its demands.

2. Membership of the Committee

2.1 The Committee shall be comprised of:-

2.1.1 Kelly Olsen (Chair);
2.1.2 Graeme Bissett (Non-Executive Director);
2.1.3 Willie MacDiarmid (Non-Executive Director); and
2.1.4 Miriam Greenwood (Non-Executive Director).

2.2 The size of the Committee is considered to be sufficient in comparison to the size of the Company.

2.3 The majority of the members of the Committee shall be independent and whilst the Chair of the Board may be a member of the Committee as they are considered independent, they are not the Chair of the Committee.

2.4 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as CEO, CFO, the head of information technology and external advisers may be invited by the Chair to attend for all or part of any meeting of the Committee, as and when appropriate and necessary.

2.5 Members of the Committee are appointed by the Board, on the recommendation of the Nomination Committee and in consultation with the Chair of the Remuneration Committee.

2.6 Appointments to the Committee are for a period of up to three years, which may be extended for further periods of up to three years, provided the Director still meets the criteria for membership of the Committee.

3. The Chair

3.1 The Board shall appoint the Committee Chair who should be an independent Non-Executive Director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present
shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.

3.2 The Chair shall attend the annual general meeting to answer any shareholder questions on the Committee’s activities.

4 The Secretary

4.1 In accordance with good practice, the Company Secretary is also Secretary of the Committee.

4.2 The Committee has access to the services of the Secretary on all Committee matters, including:-

4.2.1 assisting the Chair in planning the Committee’s work;

4.2.2 drawing up meeting agendas;

4.2.3 maintenance of minutes;

4.2.4 collection and distribution of information;

4.2.5 provision of any necessary practical support; and

4.2.6 ensuring that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

4.3 The Secretary, or a nominee of the Secretary (with the approval of the Committee), shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

4.4 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chair it would be inappropriate to do so.

5 Quorum

The quorum necessary for the transaction of business shall be two, both of whom must be independent Non-Executive Directors and must include the Chair.

6 Frequency of Meetings

Whilst the frequency with which the Committee needs to meet varies from time to time, at least two meetings are convened per year to review those items that form part of the regular cycle, such as reviewing the directors’ remuneration report for inclusion within the annual report.

7 Notice of Meetings

7.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair.

7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

8 The Role of the Committee

8.1 The Committee should carry out the duties below for the Company and all of its subsidiaries.

8.2 The Committee shall:-
8.2.1 review and monitor the on-going appropriateness and relevance of the Company’s policy for the allocation of resources required to deliver both the short-term and long-term information technology strategies;

8.2.2 approve any major changes in any information technology strategies, priorities and/or structures implemented throughout the Company and its wider group;

8.2.3 seek to ensure and oversee any major information technology projects with a cost of more than £250,000 or which the Committee consider are of significant importance to the Company and seek to ensure their timely and efficient implementation;

8.2.4 approve all information technology standards and procedures;

8.2.5 review and monitor on-going appropriateness and relevance of the Company’s information management and data governance framework and systems including those relating to compliance with the General Data Protection Regulations (and any analogous legislation);

8.2.6 agree all key performance indicators and operating levels for the provision of information technology services within the company and monitor their delivery;

8.2.7 seek to ensure value for money in the provision of information technology services;

8.2.8 seek to ensure appropriate business continuity arrangements are in place relating to information technology;

8.2.9 seek to ensure, in conjunction with the Audit Committee, that information and technology risks are identified, assessed and managed in line with relevant frameworks and recommend actions; and

8.2.10 work and liaise with all other committees and the Board, as applicable.

9 Reporting Responsibilities

9.1 The Chair of the Committee has overall responsibility to report to the Board on the Committee’s proceedings after each meeting.

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10 Other Matters

10.1 The Committee shall:-

10.1.1 have access to sufficient resources in order to carry out its duties, including access to the Secretary for assistance as required;

10.1.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

10.1.3 give due consideration to laws and regulations, the provisions of the Code and the requirements of the UK Listing Authority’s Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate; and

10.1.4 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
11 Authorisation

11.1 The Committee is authorised by the Board to obtain, at the Company’s expense, outside legal or other professional advice on any matters within its terms of reference.