

Network Rail Limited (the “Company”)

Terms of Reference

for

the Treasury Committee of the Board

Membership

- 1 The Treasury Committee (the “Committee”) shall be appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chair of the Committee.
- 2 The Committee shall comprise at least two non-executive directors. The Board may decide to appoint other independent and suitably skilled and experienced individuals (other appointees) to the Committee where it is deemed to be in the best interests of the Company and in accordance with the Articles of Association of the Company.
- 3 The Committee shall at all times ensure that it remains effective with the requisite skills and expertise being in place. Where the Board and Committee feel such expertise should be further supplemented, such other appointees may be termed as Independent External Advisory Members.
- 4 Independent External Advisory Members will provide the relevant independence of thought, treasury and corporate financial expertise, and which independence should be reviewed in regular intervals upon Committee and Board effectiveness reviews.
- 5 At any given point of time, the number of ‘other appointees’ on the Committee should not exceed the number of NEDs on the Committee.
- 6 The Committee as a whole shall have competence relevant to treasury transactions and the railway sector.
- 7 The Board shall appoint one of the non-executive directors of the Committee as the Committee Chair. Appointments shall be for a period not exceeding three years which may be extended for a further two periods of three years, subject to the members continuing to satisfy other requirements as laid down in the Company’s articles.
- 8 The members of the Committee shall be named in the Company’s Annual Report and Accounts.
- 9 The Company Secretary of the Company, or their nominee, shall act as secretary of the Treasury Committee (the “Secretary”).

Proceedings of the Committee

- 10 The Committee shall meet formally at least **twice** a year and otherwise on such occasions as the Board may request. In addition, a meeting of the Committee may be convened by any of its members or the Secretary if they consider it necessary.
- 11 The quorum for transaction of business by the Committee shall be any **two** non-executive directors.
- 12 The Chief Financial Officer, senior representatives responsible for the Treasury function within the Company, the Corporate Finance and Business Development Director, and the Secretary will normally attend meetings of the Committee by invitation of the Committee. Other members of the Board of the Company shall also attend if invited by the Committee.
- 13 The Committee shall operate by majority decision of the voting members. In case of an equality of votes, the Chair of the Committee shall be entitled to an additional or casting vote in addition to any other vote they may have.

- 14 Notice of each meeting of the Committee (confirming the venue, date and time, and an agenda of business to be discussed) shall, unless agreed by all concerned, be sent to each member, and any other invitees not less than three working days before the meeting.
- 15 The Secretary shall maintain a written record of the proceedings and decisions of the Committee that shall be circulated to all members of the Committee.
- 16 The Chair of the Committee shall report the results of the Committee meeting to the next appropriate meeting of the Board (to the extent deemed appropriate by the Chair of the Committee).
- 17 The Committee shall conduct an annual review of the work of and the members of the Committee and these terms of reference and make recommendations to the Board.
- 18 The Committee's duties and activities during the preceding financial year shall be disclosed in the Company's Annual Report and Accounts.

Authority of the Committee

- 19 The Committee is authorised by the Board of the Company to:
 - a) at the Company's expense directly employ the services of such external legal or other professional advisors, or otherwise commission such reports and surveys as it deems necessary to fulfil its responsibilities;
 - b) investigate any activity within its terms of reference;
 - c) invite such persons to its meetings as the Committee considers appropriate;
 - d) seek such information from the Company and its directors and employees (all employees being directed to co-operate with any such request by the Committee), as it deems necessary in order to fulfil its role.
 - e) such other appointees, an Independent External Advisory Member external legal or professional advisers will not be entitled to vote on matters placed before the Committee or partake in strategic decision-making.

The role of the Committee

- 20 The Committee shall exercise the powers and discretions as described below.

General

- 20.1 The Committee is required to review and satisfy itself as to having regard to the general business needs of the Company, the appropriateness of proposed treasury transactions including:
 - Banking (including bank relationships);
 - Cash Management and Cash Forecasting;
 - Funding and Financing Activities;
 - Debt and Derivatives Management (including rating agency and investor interface);
 - Investment Management; and
 - Treasury Risk Management
- 20.2 The Committee shall consider and (as applicable) approve or recommend strategies and policies in relation to areas of treasury management including (but not limited to):
 - financing activities;
 - liquidity management and forecasting;
 - regulatory requirements;
 - investor relations;
 - bank relationships;

- treasury internal control and governance policies including changes to the Treasury Policies Manual;
- insurance activities; and
- corporate finance activities.

20.3 The Committee may investigate or advise on these or any related matters that are referred to it or as may appear to it to be necessary.

Internal control

20.4 The Committee shall:

- (a) review the Treasury function's financial reporting and internal control procedures (including financial, operational and compliance controls and risk management relating to the work of the Treasury function) prior to endorsement of such procedures by the Board;
- (b) consider the current areas of greatest corporate funding and liquidity risk and whether management is managing these effectively;
- (c) consider the major findings of internal investigations into the Treasury function and management's response and, where necessary, the making of recommendations to the Board in respect of the same;
- (d) review management's, the internal auditor's and external auditors' reports on the effectiveness of systems from internal financial control, financial reporting and risk management.

Transaction Authorisation

20.5 The Committee shall approve specific transactions in all areas of Treasury responsibility as detailed in 20.1 above.

20.6 The Committee shall have the power to sub-delegate the approval of specific transactions to any of the Chief Financial Officer, Group Controller or the Head of Treasury.

Other

20.7 Consider any other matter specifically referred to the Committee by the full Board or the Audit and Risk Committee.

Adopted by the Board of Network Rail Limited on 2 May 2024