

**Invensys plc
Contracts Committee
Terms of Reference**

As adopted on 24 September 2008

The General Contracts Committee (“the Committee”)
The Board of Directors of Invensys plc (“the Board”)
Invensys plc (“the Company”)

1. Constitution

- 1.1 The Committee is a sub-committee of the Board appointed in accordance with Article 105 of the Company’s Articles of Association.
- 1.2 The Terms of Reference for the Committee are defined by the Board and may be amended by the Board at any time.

2. Membership

- 2.1 Members of the Committee comprise the Chairman of the Company or in his place the designated Senior Independent Director (designated as the Chairman of the Committee), at least one (but preferably both) executive directors and any one non-executive director.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as other directors and business representatives may be invited to attend all or part of any meeting and the Committee may also seek advice from the Company’s external legal advisers, as necessary.
- 2.3 Each member of the Committee will disclose to the Committee any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee, or any potential conflict of interest arising from a cross-directorship. Any such member will abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so requested by the Board) will resign from the Committee.

3. Secretary

- 3.1 The company secretary or their nominee shall act as the secretary of the Committee.
- 3.2 The Company Secretary will ensure that these Terms of Reference are publicly available.

4. Quorum

- 4.1 The quorum necessary for the transaction of business shall be 3 members in accordance with 2.1. A duly convened meeting of the Committee at which a quorum is present (in person or by telephone) shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5. Frequency of Meetings

- 5.1 The Committee shall meet as required.

6. Notice of Meetings

- 6.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of the Chairman of the Committee or either of the executive directors.
- 6.2 Unless otherwise agreed by the Committee Chairman 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, 5 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. Papers will be also be circulated to all other directors.

7. Minutes of Meetings

- 7.1 The secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2 The existence of any conflicts of interest shall be disclosed and minuted accordingly.
- 7.3 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.

8. Duties

- 8.1 The role of the Contracts Committee is to review and, if appropriate, approve the terms of tenders and contracts and any amendments to bids which because of the nature of the bid timings can not be considered by a scheduled meeting of the Board.
- 8.2 Minutes of the decisions of the Committee shall be included in the Board papers of scheduled Board meetings in the normal manner.