

The Private Infrastructure Development Group Ltd ('PIDG Ltd')

Terms of Reference of the Nomination Committee

Approved on 4 October 2019

1 DEFINITIONS

"Board" the board of directors of PIDG Ltd.

"CEO" means the chief executive officer of PIDG Ltd or in their absence a person nominated by PIDG Ltd. to act in his/her place.

"Chair" means any person appointed by the Board as the chair of the Committee from time to time.

"Committee" means the Nomination Committee.

"PIDG Ltd committees" means the Audit Committee, Credit Committee, HSES Committee, Investment and Divestment Asia Committee, Investment Africa Committee and Nomination Committee and Risk Committee.

"Executive Team" means the executive team of PIDG Ltd.

"Member" means a member of the Committee.

"PIDG companies" means the Emerging Africa Infrastructure Fund Limited (EAIF), GuarantCo Limited ("GuarantCo"), InfraCo Africa Limited ("InfraCo Africa"), InfraCo Africa Investment Limited ("IAfi"). InfraCo Asia Development Pte Ltd. ("IASD"), InfraCo Asia Investments Pte Ltd ("IASI").

"PIDG Group" means PIDG Ltd and the PIDG Companies – and excludes the PIDG Trust.

"PIDG Ltd" means the Private Infrastructure Development Group Limited.

"Secretary" means any person appointed as secretary of the Committee in accordance with these Terms of Reference.

2 ROLE

2.1 The role of the Committee is to:

- 2.1.1 make plans and recommendations for the orderly succession for appointments to PIDG Group company boards and PIDG Ltd committees to maintain an appropriate balance of skills, experience, independence and knowledge. When selecting candidates, the Committee should consider the benefits of diversity, including gender and social, and ethnic backgrounds;
- 2.1.2 recommend the extension of any directors' or committee members' term to PIDG Group company boards and PIDG Ltd committees;
- 2.1.3 manage the recruitment and evaluation of directors and committee members in line with the Appointment and Evaluation of Directors Policy and Procedures; and
- 2.1.4 assist the PIDG Chair to keep the Group's governance arrangements under review and make appropriate recommendation to the PIDG boards and committees to ensure that each governance bodies' arrangements are consistent with best practice corporate governance standards.

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3 SCOPE

3.1 The Committee shall have oversight of the PIDG Group as a whole.

4 COMPOSITION AND APPOINTMENT OF MEMBERSHIP

4.1 Appointment and Term

4.1.1 Members shall be appointed by the Board in consultation with the Chair.

4.1.2 Members shall serve for a term of 3 years each or, in the case of vacancies, such other time period determined by the Board. The Chair and Members shall serve at the discretion of the Board.

4.1.3 The Committee shall comprise at least three members. The majority of members must be independent nonexecutive directors of the Board.

4.1.4 The Head of Human Resources shall attend meetings of the Committee as and when appropriate.

4.2 Independence of the Committee

4.2.1 Each Member shall act independently, impartially and shall not be representative of, and shall act without undue regard to, the particular interests of any particular body, person or class of persons.

4.3 Chair

4.3.1 The Board shall appoint the Chair of the Committee who shall be either the Chair of the Board or an independent non-executive director. In the absence of the Chair of the Committee the remaining members present shall elect one of themselves to chair the meeting.

4.3.2 The Chair (or in Chair's absence, their designee) shall preside at all meetings of the Committee and perform any duties as may be assigned by the Board. The Chair shall also be responsible for ensuring that key actions taken, and significant matters discussed by the Committee are reported to the Board on a regular basis.

4.4 Committee Resources

4.4.1 The Board shall ensure that the Committee has adequate resources and authority to discharge its responsibilities.

4.4.2 The Committee has access to the services of the Company Secretary as required in connection with:

- (i) assisting the Chair of the Committee in planning the Committee's work;
- (ii) drawing-up meeting agendas;
- (iii) collecting and distributing information; and

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(iv) the provision of any other necessary support.

4.5 Expenses

4.5.1 The PIDG companies shall provide appropriate funding to obtain advice and assistance from internal or external legal, accounting, or other advisors at the PIDG companies expense, without the prior approval of the Board up to a maximum cost of £10,000.

4.6 Skills, experience and training

4.6.1 A tailored induction programme will be provided for all new members.

4.6.2 Training will be provided to members on an ongoing basis.

4.7 Performance

4.7.1 The Board shall be responsible for the evaluation of the Chair and of the Committee as a whole. The Chair shall be responsible for the evaluation of the Members.

4.7.2 The Committee shall, 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.

5 DUTIES AND TERMS OF REFERENCE

5.1 The Committee shall carry out the duties below for the PIDG Group as a whole – i.e. for the individual PIDG Group companies (excluding the PIDG Trust) in line with the Appointment and Evaluation of Directors Policy and Procedures document (the 'Appointments policy').

5.2 Composition of the Board and its Committees

5.2.1 The Committee will regularly review the structure, size and composition of the PIDG Group company boards and PIDG Ltd committees in consultation with the board and committee chairs, taking account of the results of the board performance evaluation process.

5.2.2 In making recommendations on the composition of board committees, the committee shall consider the benefits of cross membership on board committees and the benefits of progressive refreshing of the board committees to promote fresh perspectives.

5.3 New appointments

5.3.1 The Committee shall be responsible to the PIDG Board for leading the process for PIDG Group company board and PIDG Ltd committee appointments. The recruitment process must be open, formal, rigorous and transparent and include the use of open advertising and/or engagement of an external search consultancy if appropriate and be undertaken in line with the 'Recruitment Procedure' set out in the Appointments Policy.

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- 5.3.2 The Committee shall be responsible for identifying and nominating candidates for approval by the PIDG Board for PIDG Group company boards and PIDG Ltd committees.
- 5.3.3 At the request of the PIDG Chair or Board, the Committee will evaluate the balance of skills, experience, independence, knowledge and diversity, on the Group company boards and PIDG Ltd committees and, in the light of this evaluation, prepare a description of the role and capabilities required for an appointment.
- 5.3.4 The Committee will ensure that prospective non-executive directors and committee members undertake that they will have enough time to fulfil their duties and that any significant new appointments outside the PIDG Group are subsequently disclosed for approval prior to their acceptance.
- 5.3.5 Having done so, the Committee will, if it deems necessary, identify, review and recommend candidates for potential appointment as directors of PIDG Group companies and members of PIDG Ltd committees.
- 5.3.6 The Committee shall be responsible for the appointment of directors or committee members to (or their removal from) the boards of the PIDG Group companies and PIDG Ltd committees for agreeing appropriate policies and processes to apply to the governance of those companies, save that:
 - (i) the appointment or removal of directors shall also require the approval of the PIDG Owners funding that entity;
 - (ii) in respect of the appointment of the Chair of any PIDG company, which is undertaken in line with the Appointment policy; and
 - (iii) the appointment or removal of the PIDG Ltd Chair shall require the approval of the Owners.

5.4 Succession Planning

- 5.4.1 The Committee will assist the PIDG Chair with the review of and formation of recommendations to the Board, for Board succession over the longer term in order to maintain an appropriate balance of skills, experience, independence, knowledge and diversity and taking into consideration the length of service of the boards and committees to ensure its progressive refreshing. Particular attention shall be paid to succession in respect of the Chair of the Board.
- 5.4.2 The Committee will assist the PIDG Chair with keeping the leadership needs of PIDG under review and the adequacy of proposals for succession, over the longer term, to key leadership positions, taking into account the challenges and opportunities facing the PIDG Group, and the skills, experience, independence, knowledge and diversity needed in the Executive Team in the future. Particular attention shall be paid to succession in respect of the Chief Executive Officer.

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5.5 Board Effectiveness

5.5.1 The Committee shall:

- (i) consider and set the criteria for the objective performance review of the Chair of PIDG Ltd (in line with the Owners guidance), each non-executive director, each PIDG Group company board director and PIDG Ltd committee members;
- (ii) ensure that an annual performance evaluation is conducted of the composition, diversity and effectiveness of the board and its committees and the contribution of each director, such evaluation to be externally facilitated at least once every three years;
- (iii) ensure that the conclusions and recommendations arising from these reviews and evaluations of the Chair of PIDG Ltd and Chief Executive Officer are reported to the Board;
- (iv) agree an action plan addressing the results of the Board effectiveness review, particularly in relation to any changes required to succession planning, and periodically review progress against the plan; and
- (v) consider the effectiveness of each Board evaluation carried out.

6 REMUNERATION

6.1 The remuneration of the Members shall be determined by the PIDG Limited Board.

7 DELEGATION

7.1 The Committee may sub-delegate its authority as it sees fit, including to a subcommittee.

8 MEETINGS

8.1 Quorum

8.1.1 The quorum necessary for the transaction of business shall be three Members.

8.1.2 Any Committee meeting at which a quorum is not in attendance after a period of 1 hour of its commencement shall be adjourned and re-scheduled. The Secretary shall give notice of such adjourned hearing and re-schedule as requested by the Chair.

8.2 Frequency

8.2.1 The Committee shall meet at least twice a year and otherwise as required.

8.3 Telephone Conference and/ or Correspondence Meetings

8.3.1 Where the Chair considers it appropriate, the meeting of the Committee may be validly held by telephone conference (or such other similar means) or by correspondence.

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8.4 Notice of meetings

8.4.1 Meetings of the Committee shall be convened by the Secretary or at the request of the Committee Chair.

8.4.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, together with the meeting papers shall be provided, no later than five working days before the date of the meeting.

8.5 Minutes of meetings

8.5.1 The Secretary (or any designee of the Chair) shall maintain minutes and other relevant records of the meetings and activities of the Committee. At any time where the Secretary is not present, the Chair shall designate an acting Secretary for the purpose of recording the minutes of actions taken at the meeting.

8.5.2 Draft minutes of Committee meetings shall be agreed with Chairman and circulated promptly to all Members of the Committee. Once approved, the minutes should be circulated to all other Members of the Board unless it would be inappropriate to do so in the opinion of the Chair.

9 REPORTING RESPONSIBILITIES

9.1 The Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

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.

9.3 The Committee shall compile a report on its activities to be included in the PIDG Group's Annual Report that describes how it has discharged its duties and responsibilities.

10 AUTHORITY

10.1 The Committee is authorised to:

10.1.1 seek any information it requires from any employee of PIDG Ltd or a PIDG Company in order to perform its duties;

10.1.2 call any employee of a PIDG Ltd or a PIDG Company to be questioned at a meeting of the Committee as and when required; and

10.1.3 have the right to publish in the PIDG Ltd.'s Annual Report details of any issues that cannot be resolved between the Committee and the Board.

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Version No.	Date	Author	Details
1	4 October 2019	Michelle Hill	First draft to form the Committee