

## **3i Infrastructure plc (the "Company")**

### **Terms of Reference – Remuneration Committee (the "Committee")**

**Last updated and approved by the Board on 29 January 2019**

#### **1 Constitution**

The Committee was established by the Board at a meeting held on 28 September 2010 to assist the Board in discharging its responsibilities

#### **2 Purpose**

The purpose of the Committee is to assist the Board in discharging its responsibilities with regard to determining the remuneration of non-executive Directors.

#### **3 Membership**

- 3.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee and in consultation with the Chair of the Committee. The Committee shall comprise at least three members, all of whom shall be independent non-executive directors. The Chair of the Board may also serve on the Committee if he/she was considered independent on appointment as Chair.
- 3.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 3.3 The Board shall appoint the Committee Chair who shall be an independent non-executive director. Before appointment as Committee Chair, the appointee shall have served on a remuneration committee for at least 12 months. In the absence of the Committee Chair, the members present shall elect one of their number to chair the meeting. The Chair of the Board shall not be the Chair of the Committee.

#### **4 Secretary**

3i plc (the "Secretary") or its nominee shall act as the Secretary of the Committee.

#### **5 Quorum**

- 5.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 5.2 Members may attend via teleconference or video conference if required. Decisions of the Committee may also be taken by way of a unanimous written resolution of the Committee members. Such written resolution is adopted when all members of the Committee have signed one or more copies of it or otherwise indicated their agreement to it in writing (which may include by electronic mail).

## **6 Frequency of Meetings**

The Committee shall meet at least once a year and otherwise as frequently as is required in the performance of its duties. The timing and agenda of meetings are the responsibility of the Committee Chair, subject to the expressed wishes of the Committee members.

## **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 or any of the Committee's members.
- 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 and any other person required to attend 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 wherever possible.

## **8 Minutes of Meetings**

- 8.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 8.2 Minutes of Committee meetings shall be circulated promptly to the Committee Chair and then circulated to all members of the Committee, unless it would be inappropriate to do so in the opinion of the Committee Chair.

## **9 Annual General Meeting**

The Committee Chair shall attend the annual general meeting of the Company prepared to respond to any shareholder questions on the Committee's activities.

## **10 Duties**

- 10.1 The Committee shall:
  - 10.1.1 determine and agree with the Board the framework or broad policy for the remuneration ("Remuneration Policy") and other terms of appointment of the Chair of the Board and non-executive directors. No director shall be involved in any decisions as to their own remuneration.
  - 10.1.2 in determining the Remuneration Policy, take into account all factors which it deems necessary, including any third party comparative information that may be available. The objective of such policy shall be to ensure the Directors are provided with appropriate incentives to encourage enhanced performance, are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company and to attract, retain and motivate Directors of the quality required to run the Company successfully having regard to views of shareholders and other stakeholders. The Remuneration Policy should have regard to the risk appetite of the Company, support the Company's strategy and promote its long-term sustainable success.
  - 10.1.3 review the ongoing appropriateness and relevance of the Remuneration Policy and any proposed changes.
  - 10.1.4 within the terms of the Remuneration Policy and in consultation with the Chair of the Board, determine the total individual remuneration package of each Director.
  - 10.1.5 ensure that contractual terms on termination, and any payments made, are fair to

the individual, and the Company, and that the duty to mitigate loss is fully recognised.

- 10.1.6 agree the policy for authorising claims for expenses.
- 10.1.7 ensure that all provisions regarding disclosure of remuneration are fulfilled.
- 10.1.8 be exclusively responsible for establishing selection criteria, selecting and appointing any remuneration consultants who advise the Committee and setting the terms of reference for their work.
- 10.1.9 ensure that all payments to the Chair of the Board, and the Directors are made within the Remuneration Policy, but exercise independent judgement and discretion, taking into account Company and individual performance and wider circumstances and when considering any exceptions (provided such deviation is in line with the relevant regulatory guidance) or recovering and/or withholding any sums or share awards, specifying why it is considered appropriate to do so.

## **11 Reporting Requirement**

- 11.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 11.3 The Committee shall prepare a statement in the annual report about its remuneration policy and practices and ensure that it is put to shareholders for approval at the AGM annually. The Committee should also report the frequency and attendance record of Committee meetings.

## **12 Other**

- 12.1 The Committee shall, at least once a year and in conjunction with the Board, review its own performance, constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.
- 12.2 The Committee shall have regard to the laws, regulations, any published guidance or recommendations regarding remuneration of directors and established and evolving best practice corporate governance standards including, where relevant, standards set by voluntary codes. This includes, but is not limited to, provisions of the UK Corporate Governance Code, the Association of Investment Companies Code and the Disclosure and Transparency Rules and any other applicable rules as appropriate.
- 12.3 The Committee shall, in conjunction with the Board, receive appropriate and timely training on an ongoing basis.

## **13 Authority**

- 13.1 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.
- 13.2 The Committee is authorised, at the Company's expense, to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.