

**3i Infrastructure plc (the “Company”)**

**MANAGEMENT ENGAGEMENT COMMITTEE (the “Committee”)**

**TERMS OF REFERENCE**

**Adopted and approved by the Board on 26 January 2021**

**1. MEMBERS, COMMITTEE CHAIR AND QUORUM**

- 1.1 The Committee shall comprise any two or more Directors appointed from time to time by resolution of the Board from amongst the Chair and the non-executive Directors. The Committee members shall be independent non-executive Directors who are not connected with or nominated by 3i Group plc or the Investment Manager.
- 1.2 The Board shall appoint a Committee Chair (the “**Committee Chair**”). In the absence of the Committee Chair, the remaining members present shall elect one of their number to chair the meeting.
- 1.3 The quorum of the Committee shall be two Committee members consisting of either:  
(a) the Chair and an independent non-executive Director; or  
(b) two independent non-executive Directors.

**2. SECRETARY**

The Company Secretary, or their nominee, shall attend each meeting and act as secretary to the meeting.

**3. CONDUCT OF BUSINESS**

- 3.1 Meetings: All Committee meetings shall be convened by the Company Secretary on the instructions of the Committee Chair or, in their absence, another Committee member. Committee members may attend via teleconference or video conference.
- 3.2 Attendance at meetings: No one, other than the Committee Chair and Committee members, is entitled to be present at a Committee meeting. Others may attend meetings at the invitation of the Committee.
- 3.3 Voting: Each Committee member shall have one vote. In the event of an equality of votes the proposed resolution shall not be passed.
- 3.4 Support: The Company Secretary shall provide the Committee such support and advice as it may require and shall be entitled to independent access to the Committee Chair at all times.
- 3.5 Written resolution: A resolution in writing agreed by all Committee members for the time being entitled to receive notice of a Committee meeting shall be valid and effective as if the same had been passed at a Committee meeting duly convened and held. Such written resolution is adopted when all Committee members have signed one or more copies of it or otherwise indicated their agreement to it in writing (which may include by electronic mail).
- 3.6 Minutes: The Company Secretary, or their nominee, will prepare the minutes of each meeting for approval by the Committee.

#### **4. DUTIES OF THE COMMITTEE**

The Committee shall review the performance of the Investment Manager and manage the relationship with the Investment Manager. In particular the Committee shall:

- (a) recommend to the Board whether the continuing appointment of the Investment Manager is in the best interests of the Company and its shareholders, and the reasons for this recommendation;
- (b) monitor and review the Investment Manager's performance including, but not limited to:
  - (i) investment performance;
  - (ii) cash flow analysis;
  - (iii) marketing performance;
  - (iv) communication and support;
  - (v) compliance with the terms of the IMA and related agreements;
  - (vi) providing feedback to the Investment Manager on its performance;
  - (vii) reviewing the terms of the IMA and related agreements to ensure they confirm with market practice and remain in the best interests of shareholders as a whole, and making recommendations to the Board on any variations to the terms of the IMA and related agreements which are considered necessary and desirable or which may be proposed by the Investment Manager;
  - (viii) investigating any breaches of agreed investment limits or deviation from the agreed investment policy and strategy of the Company;
  - (ix) considering the merits of obtaining an independent appraisal of the Investment Manager's services;
  - (x) reviewing the level of fees charged by the Investment Manager, the method of remuneration, the basis of the performance fee, the notice period and a comparison of such fees against those of peer group companies and partnerships;
  - (xi) reviewing the standard of the administrative services provided by the Investment Manager and the company secretarial services provided by 3i plc; and
  - (xii) reviewing the standard of Jersey administration services provided by Apex Financial Services (Alternative Funds) Limited.

#### **5. GENERAL**

The Company shall:

- (a) approve a report on the Committee's work to be included in the Company's annual report and accounts; and
- (b) at least once every three years and in conjunction with the Board, participate in its own performance review and recommend any changes it considers necessary to the Board for approval.

#### **6. REPORTING TO THE BOARD**

- (a) The Committee shall recommend to the Board at its next Board meeting any matter that it considers requires the Board's immediate attention.
- (b) The Committee Chair shall be responsible for reporting to the Board on the Committee's activities.

#### **7. ADDITIONAL DUTIES OF THE COMMITTEE CHAIR**

The Committee Chair is authorised and requested to attend each Annual General Meeting of the Company to deal with shareholders' questions.

**8. INTERPRETATION**

In these Terms of Reference:

“**Board**” means the board of directors of the Company;

“**Chair**” means the chair of the Board;

“**Directors**” means the directors of the Company and “**Director**” means any one of them;

“**Investment Manager**” means 3i Investments plc;

“**IMA**” means the Investment Management Agreement dated 15 October 2018 between the Company and the Investment Manager; and

“**an independent non-executive Director**” means a non-executive Director who is determined by the Board to be independent for the purposes of the AIC Code of Corporate Governance.

These Terms of Reference replace the Terms of Reference dated 29 January 2019.