



**GCP INFRASTRUCTURE INVESTMENTS LIMITED
INVESTMENT COMMITTEE TERMS OF REFERENCE**

ADOPTED BY THE BOARD ON 30 SEPTEMBER 2022



INVESTMENT COMMITTEE TERMS OF REFERENCE

1. Background

- 1.1 GCP Infrastructure Investments Limited (the "**Company**") is a self-managed fund.
- 1.2 The board (the "**Board**") of directors of the Company (the "**Directors**") is responsible for setting the investment strategy and policy of the Company, including the mix of investment types, the markets and sector to be invested in and the parameters within which investments should be made (the "**Investment Policy**").
- 1.3 The Board has established an investment committee (the "**Committee**") on these Terms of Reference for the purpose of the members of the Committee implementing the Investment Policy, having limited discretion to act within the overall parameters set by the Board, and taking appropriate advice when doing so from the investment advisor appointed by the Board (the "**Investment Adviser**").
- 1.4 The Committee is to report upon request and otherwise on a quarterly basis to the Board, such that the Board can adequately monitor the implementation of the Investment Policy. Opportunities that the Committee believes would be beneficial to the Company but are outside the Investment Policy shall be referred to the Board for consideration and, if thought fit, prior approval.
- 1.5 The Committee may also refer any matters it deems appropriate to the Board.

2. Members

- 2.1 Members of the Committee shall be appointed by the Board on the recommendation of its Nomination Committee, all of whom shall be non-executive Directors (each a "**NED**"), and a majority of whom shall be independent. The Committee shall comprise at least three members.
- 2.2 Subject to the consent of the Board, only members of the Board, the Committee and representatives of the Investment Adviser may attend a Committee meeting (a "**Meeting**") and participate in the wider business of the Committee.
- 2.3 The Board shall appoint a chair, who shall be a NED, determined by the Board to be independent (the "**Chair**"). In the absence of the Chair, the remaining members of the Committee present at the Meeting shall appoint one of the members of the Committee to chair the Meeting.

3. Secretary

- 3.1 The Company Secretary shall act as the secretary of the Committee (the "**Secretary**"). The Secretary shall keep a record of the membership of the Committee and prepare and keep minutes of all Meetings.

4. Quorum

4.1 The quorum necessary for the transaction of business at any Meeting shall be two Members, both of whom must be NEDs.

4.2 A duly convened Meeting 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. Frequency of Meetings

5.1 The Committee shall meet as and when required, necessary for the purposes of fulfilling its duties as set out in section 9 of these Terms of Reference.

6. Notice of Meetings

6.1 Meetings shall be called by the Secretary at the request of any of its Members or the Investment Adviser.

6.2 Unless otherwise agreed by all Members, notice of each Meeting confirming the venue, time and date, shall be forwarded to each Member, the Investment Adviser, and any other person required to attend, no later than two business days in Jersey (each a "**Business Day**") prior to the date of the Meeting. An agenda and supporting papers shall be sent to Members and to other attendees as appropriate, at the same time.

7. Minutes of Meetings and Quarterly Reports

7.1 The Secretary shall minute the proceedings and resolutions of all Meetings, including recording the names of those present and in attendance.

7.2 Draft minutes of Meetings shall be circulated promptly to the Chair within ten Business Days of the Meeting. Once comments are received from the Chair, the minutes should then be circulated to all other Members for their review and comment. Following receipt of comments (or confirmation of no comments) from all Members, the minutes should be tabled for approval at the next appropriate Meeting and subsequently noted at the next quarterly meeting of the Board.

7.3 The Committee actions/transactions considered and approved during each quarter shall be summarised by the Secretary in a report format comprising of the information required by the Investment Policy including (as applicable) the investment names, sector descriptions, the amount of investment/divestments and risk assessments (each a "**Quarterly Report**"). Each Quarterly Report should be tabled at the next quarterly Board meeting for incorporation in the Board's decision making, monitoring and control.

8. Annual General Meeting

8.1 The Chair shall attend the Annual General Meeting of the Company and be prepared to respond to any shareholder questions on the Committee's activities and matters within the scope of the Committee's responsibilities.

9. Duties

- 9.1 The primary role of the Committee is, in accordance with and within the overarching strategy and parameters set by the Investment Policy:
- (a) to consider and approve (or disapprove) potential investment and divestment transactions recommended by the Investment Adviser and (where approved) to oversee and effect the making of such investments and divestments by the Company;
 - (b) to consider recommendations from the Investment Adviser with respect to treasury policies including, but not limited to, foreign currency and interest rate exposure, market risk, counterparty risk and credit ratings of some;
 - (c) to manage surplus uninvested funds and debt facilities; and
 - (d) to ensure that the assets are invested appropriately.
- 9.2 The Board shall be responsible for reviewing overall macro issues, investment policy and sectorial issues and, the Committee where it is so directed by the Board will deploy any strategies, rules or limits prescribed from time to time.
- 9.3 The Investment Adviser shall present investment proposals to the Committee and the Committee shall discuss the relative merits of the investment having regard to the parameters set by the Investment Policy including yield dynamics, sectorial or operational issues requiring expert advisory reports and any sector and construction risk limits.
- 9.4 In addition, the Committee shall ensure that each investment/divestment proposal includes;
- (a) an ESG assessment in respect of the investment/divestment to be considered;
 - (b) a confirmation from the Investment Adviser that it has conducted extensive due diligence on the prospective investee companies and that the Investment Adviser has applied the principles of the UN Principles for Responsible Investment in respect of the investment proposal being presented; and
 - (c) an assessment of the potential impact of the proposed transaction on the Company's stakeholders.
- 9.5 The Investment Adviser shall provide suitable Industrial Adviser Reports to the Committee in order to assist it in making investment decisions.
- 9.6 The Committee generally shall approve transactions in principle subject to receipt of advisory reports when available, given how work-flows are normally structured, such reports to be circulated to the Members no later than two Business Days to ensure there are no issues arising, to prevent the investment prior to authorising any capital movements.

- 9.7 Following approval from the Committee, the administrator requires that the Investment Adviser provide its completed and signed investment checklist once available.
- 9.8 Subject to the Board determining otherwise, any two Members (or any two Directors subject to email confirmation from any two Members that such Members are satisfied with the documentation presented for signing) shall be required to sign the security documentation and payment instructions, prepared by the Investment Adviser, to evidence final approval of the proposal and drawdown.

10. Other Matters

- 10.1 The Committee shall:
- (a) have access to sufficient resources in order to carry out its duties, including access to the Secretary and external advisers for assistance as required;
 - (b) be provided with appropriate and timely training by the Investment Adviser through presentations from industry experts, at annual review sessions with the Investment Adviser covering Industrial Advisors and SPV reviews;
 - (c) give due consideration to laws and regulations and any other applicable rules, as appropriate; and
 - (d) 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 for approval.

11. Authority

- 11.1 Subject to the parameters set by the Investment Policy and these Terms of Reference, the Committee shall be generally authorised by the Board:
- (a) to seek any information it requires from any Director or the Investment Adviser in order to perform its duties;
 - (b) to instruct the Investment Adviser to obtain, at the Company's expense, external legal or other professional advice on any matter falling within these Terms of Reference;
 - (c) obtain, at the Company's expense, outside legal or other professional advice on any matter within these Terms of Reference;
 - (d) request any Director or adviser to attend a Meeting as and when required; and
 - (e) have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.