

Terms of reference of the Nominations Committee of the Board

*of British International Investment plc (the **Company**)*

Last updated: February 2024

(1) **Name**

Nominations Committee (**Committee**)

(2) **Membership**

(a) All the non-executive directors are members (**Members**) of the committee.

(b) The chair of the Committee (**Chair**) shall be the Chair of the Board.

(c) The meeting shall be chaired by the Senior Independent Director (**SID**) when the Board is dealing with succession to the role of Chair of the Board.

(d) In the absence of the Chair (or, in the case of (c) above, the SID), the remaining Members present shall elect one of themselves to chair the meeting.

(3) **Quorum**

Two Members, who must be independent non-executive directors, will constitute a quorum for the transaction of business.

(4) **Secretary**

The secretary of the Committee shall be the Company's Company Secretary or their nominee (**Secretary**).

(5) **Voting**

Resolutions and other decisions are approved by the Committee if a majority of the Members voting (in person or by proxy) vote in favour. In the event of there being no clear majority, the Chair of the Committee (or, in their absence, the chair of the meeting) has a casting vote. Only Members are entitled to vote.

(6) **Resolutions in writing**

A resolution in writing signed by all the Members entitled to receive notice of and vote at a meeting shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened.

(7) Frequency and notice of meetings

- (a) Meetings of the Committee shall be held as required, but not less than two times each year.
- (b) The Secretary shall give notice of meetings to the Members, the Chief Executive Officer and any attendees.
- (c) An agenda and relevant supporting papers shall be sent to Members before each meeting.

(8) Attendance at meetings and access to the Committee

- (a) Only Members and the Secretary shall be entitled to attend meetings of the Committee.
- (b) Any other person may attend with agreement of the Chair.
- (c) The Committee shall maintain an open-door policy allowing all employees of the Company to bring any matters relevant to the Committee's work to the attention of the Committee and its Chair.

(9) Authority

The Committee is authorised by the Board:

- (a) to investigate any matters relevant to the fulfilment of its duties;
- (b) to seek any information it requires from any subsidiary of the Company and/or any employee of the Company or any of its subsidiaries and all such employees are directed to co-operate with any such request made by the Committee; and
- (c) to obtain external legal or other independent professional advice and to secure the attendance of external advisors at its meetings (if it considers this necessary).

(10) Guiding Principles

The Committee shall be guided in all its decisions by:

- (a) the purpose of ensuring that the Company has, at Board and Chief Executive Officer level, the skills required that will allow the Company to achieve its mission to help solve the biggest global development challenges by investing patient, flexible capital to support private sector growth and innovation.

- (b) the goal of achieving the highest standards of Board governance and competency.

(11) Duties

The duties of the Committee shall be to:

- (a) Review regularly the Board structure, size and composition (including the skills, knowledge, experience and diversity) and the balance and membership of the Committees of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary.
- (b) Subject to the duties of the People Development and Remuneration Committee in this area, give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future.
- (c) Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- (d) Keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates.
- (e) Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, subject to the appointment process set out in the Company's articles of association for shareholder-nominated directors.
- (f) Prepare a job specification for the appointment of any new director, including the time commitment expected.
- (g) Before any appointment is made by the Board, evaluate the balance of skills, knowledge and experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying a suitable candidate, the committee shall:
 - (i) use open advertising or the services of external advisers to facilitate the search;
 - (ii) consider candidates from a wide range of backgrounds; and
 - (iii) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.

- (h) Engage with a proposed director to ensure their significant commitments are disclosed to the Board before appointment; any changes to the director's commitments should be reported to the Board as they arise. Prior to the appointment of a director, the proposed appointee is also required to disclose any other business interests that may result in a conflict of interests and directors are required to report, as they arise, any business interests that could result in a conflict of interests.
- (i) Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings.
- (j) Review the results of the Board performance evaluation process that relate to the composition of the Board.
- (k) Review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.
- (l) Work and liaise as necessary with all other Board Committees.
- (m) The Committee shall arrange for periodic reviews of its own performance and, at least annually, review its constitution to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

The Committee shall also make recommendations to the Board concerning:

- (n) Formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Board chair and chief executive officer.
- (o) Suitable candidates for the role of senior independent director.
- (p) Membership of the Audit and Compliance, Risk, Development Impact, and People Development and Remuneration Committees and any other Board committees as appropriate, in consultation with the chairs of those committees and the appointment of the Designated Non-Executive Director for employees.
- (q) The extension of the appointment of any non-executive director at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skill and experience required (particularly in relation to directors having their appointment extended for a term beyond six years).
- (r) The re-election by shareholders of directors under the company's articles of association and the UK Corporate Governance Code, having due regard to their

performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board.

- (s) Any matters relating to the continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the company, subject to the provisions of the law and their service contract.
- (t) The appointment of any director to executive or other office.

(12) **Reporting**

- (a) The Secretary shall circulate copies of the minutes of meetings of the Committee to the Members, following the preliminary approval of such minutes by the Chair; formal approval of such minutes shall be sought at the next meeting of the Committee.
- (b) The Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, provided that, if the Chair determines that a report to the full Board is not appropriate due to the confidentiality to the Committee of the matters discussed at the time of the relevant meeting, such report may be waived until such time as those matters are no longer confidential to the Committee.
- (c) The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- (d) The Committee shall produce a report to be included in the Company's annual report about its activities and the process used to make appointments, and shall explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company or any of the directors.
- (e) The report referred to in (d) above should include a statement on the Board's policy on diversity (including gender), any measurable objectives that it has set for implementing the policy and progress on achieving those objectives.
- (f) The Chair may report on decisions of, or matters coming before, the Committee to any other person or body the Committee considers appropriate.

(13) **Other matters**

- (a) The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Secretary for advice and assistance as required.

(b) These terms of reference are to be reviewed annually.

Adopted by the Nominations Committee and approved by the Board on 23 February 2024.