

**3i Group plc (the “Company”)**

**NOMINATION COMMITTEE (the “Committee”)  
TERMS OF REFERENCE**

**Adopted and approved by the Board by Minute 6264 passed on 27 March 2019**

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

1.1 The Committee shall comprise any three or more Directors appointed from time to time by resolution of the Board from amongst the Chair and the non-executive Directors. A majority of the Committee members shall be independent non-executive Directors.

1.2 The committee chair (the “**Committee Chair**”) shall be appointed by the Board and shall be either:  
(a) the Chair; or  
(b) an independent non-executive Director;  
PROVIDED ALWAYS that the Chair shall not chair the Committee when it is dealing with the appointment of their successor. In the absence of the Committee Chair, and subject to paragraph 1.2(b) above, 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. The Committee will normally invite the Chief Executive to attend all Committee meetings except when the Committee is considering the appointment of a successor to the Chief Executive.

3.3 Consultation: The Committee shall consult with and take account of the views of the Chair (if not a member of the Committee) and the Chief Executive (save when considering the appointment of their successors). It may also consult with any Director and any other Group employee they see fit. The Committee shall also have power to employ the services of any external consultant or other professional adviser as it thinks fit.

3.4 Voting: Each Committee member shall have one vote. In the event of an equality of votes the proposed resolution shall not be passed.

3.5 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.

3.6 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).

- 3.7 Minutes: The Company Secretary, or their nominee, will prepare the minutes of each meeting for approval by the Committee.

#### **4. AUTHORITY OF THE COMMITTEE**

##### **4.1 Size, balance and composition of the Board**

The Committee shall, at the Board's request, consider and make recommendations to the Board on the size, balance and composition of the Board, having regard to the skills, experience and leadership needs of the Company, with the objective of ensuring that the Board:

- (a) includes a balance of executive and non-executive Directors (and in particular independent non-executive Directors) such that no individual or small group of individuals can dominate the Board's decision taking;
- (b) includes a strong presence of both executive and non-executive Directors so that power and information are not concentrated in one or two individuals; and
- (c) is not so large as to be unwieldy but that it is of sufficient size that the balance of skills and experience is appropriate for the requirements of the business and that changes to the Board's composition can be managed without undue disruption.

##### **4.2 Performance assessment**

The Committee shall:

- (a) in relation to the re-election by shareholders of the Directors, make recommendations to the Board regarding the independence of non-executive Directors of the Company and the suitability and availability of any Director to continue in office; and
- (b) taking into account assessments of the Board's performance as a whole, the performance of its Committees and the performance of individual Directors, satisfy itself that plans are in place for orderly succession for appointments to the Board and Board committees and to senior management.

##### **4.3 Appointments to the Board**

The Committee shall, at the Board's request:

- (a) lead the Board appointment process for new executive or non-executive Directors;
- (b) identify candidates for appointment, considering the balance of skills, knowledge, experience and diversity needed on the Board;
- (c) consider, and make recommendations to the Board on all proposed appointments of executive or non-executive Directors.

In discharging its role in relation to the selection of potential candidates for appointments to the Board, the Committee shall:

- (d) adopt a formal, rigorous and transparent procedure, as approved by the Board;
- (e) evaluate the balance of skills, experience, independence and knowledge on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
- (f) consider candidates on merit and against objective criteria including taking into consideration diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, and taking care that appointees have enough time available to devote to the position; and
- (g) make recommendations to the Board concerning suitable candidates for the

role of Senior Independent Director.

**5. GENERAL**

The Company shall:

- (a) develop and recommend to the Board for approval a formal policy on diversity and inclusion for the Company as a whole, linked to the Company's strategy, and set and monitor the implementation of this policy and achievement of its related objectives;
- (b) approve a report on the Committee's work to be included in the Company's annual report and accounts; and
- (c) at least once a year 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;

"**Chief Executive**" means the chief executive of the Company;

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

"**Group**" means the Company and its consolidated subsidiaries;

"**an independent non-executive Director**" means a non-executive Director who is determined by the Board to be independent for the purposes of the UK Corporate Governance Code; and

reference to any executive of the Group described by his job title shall include reference to the executive from time to time holding the same position under any revised job title or from time to time performing (to the extent relevant to the work of the Committee) the duties previously performed by such executive.

These Terms of Reference replace the Terms of Reference dated 24 September 2014.