



CIEL Limited

Terms of Reference of the Investment Committee

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Glossary

1. Investment Committee – Committee
2. Board of Directors – Board
3. CIEL Limited – Company or CIEL

Introduction

At a Board meeting held on 30 September 2014, the Directors resolved to establish a standing committee to be known as the Strategic & Advisory Committee. The Committee was subsequently renamed as Investment Committee on 29 September 2020 and it was agreed that the terms of reference of the Committee be reviewed.

1. Membership

- 1.1 The Board will appoint Committee members.
- 1.2 The Committee will elect its chairman who will have a casting vote in case of equality of votes.
- 1.3 The Committee will be composed in majority of Non-Executive members.
- 1.4 The Committee will be composed of at least one Executive member.
- 1.5 The Committee will be chaired by a Non-Executive member.
- 1.6 The Committee will consist of a minimum of five (5) and a maximum of Eight (8) members

2. Secretary

CIEL Corporate Services Ltd shall act as the company secretary of the Committee and will ensure that the members receive information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Proceedings at Meetings/Quorum

- 3.1 The Committee shall meet, as and when necessary, at such times and at such places as requested by any of its members, upon at least 7 days' prior notice to the members of the Committee. Attendance at a meeting shall constitute a waiver of such notice.
- 3.2 Any Member of the Committee may call upon a meeting of the Committee as and when he feels necessary. The Committee shall report to the Board.
- 3.3 The quorum for decisions of the Committee shall be any 3 members present, with at least 2 Non-Executive members present, throughout the meeting who shall vote on the matter for decision. No business shall be transacted at a meeting of the Committee if a quorum is not present.
- 3.4 The Company shall procure that minutes of each meeting of the Committee are made and maintained and that such minutes are made available to the members of the Committee.
- 3.5 Members of the Committee may participate in a meeting of the Committee by means of conference telephone or video conferencing by means of which all persons participating in the meeting can hear and be heard.

4. Investments and Disinvestments

The Committee has been established to consider investment and divestment propositions as put forward by management from time to time. The consideration will have regard to the Company's overall investment strategy framework and objectives.

The Committee will discuss and recommend to the Board all strategic investments or divestments to be made by the Company and transactions involving more than 1% of the Group Net Asset Value.

The Committee shall anticipate a two-step discussion and recommendation process for any investment or divestment decision recommended by management :

❖ **Preliminary Recommendation**

Management will present an initial document (2-4 pages maximum) that shall provide the important investment considerations motivating the desired course of action and include general information on the target, the promoter and the key terms of the transaction.

The Committee will then provide a recommendation on the interest to carry on analysis, including due diligence work (legal, financial, commercial, technical, environmental and social), subject to the maximum agreed costs.

Management will consult the Committee as and when necessary and keep the members informed of discussions being held as regards investments/divestments, before a final recommendation is proposed to the Committee for approval.

❖ **Final Recommendation**

Management will present an investment memorandum (“the Investment Memorandum”) to the Committee once it has completed all negotiations with the promoter and all the necessary due diligences and drafting of legal documents have been completed.

The Investment Memorandum will cover the key investment considerations and include a full description of the business, profile of promoters and partners, business plans and its future cash flows, debate and analysis of the estimated and planned investment returns including the immediate and longer terms plans for the targeted business, the terms and costs of the transaction, and its environmental and associated risks.

The Committee will provide its recommendation to the Board subject to normal reservations including satisfactory sign off by the Board and management of the due diligence and additional issues raised by the due diligence.

The Committee shall ensure that the principles set out in CIEL Limited’s responsible investment policy (as approved by the Board on 29 June 2019) be followed while considering investment opportunities, particularly regarding the environmental & social impact assessment of such investments.

5. Reporting Responsibility

- 5.1 The chairman of the Committee shall report to the Board on the proceedings of each Committee meeting.
- 5.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

6. Remuneration of Committee Members

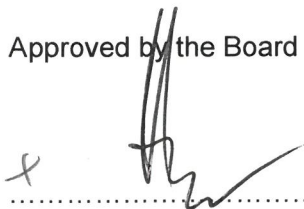
- 6.1 Having regard to the functions performed by the members of the Committee in addition to their functions as directors, in relation to the activities of the Committee, members may be paid such remuneration as shall be fixed by the Board.
- 6.2 Such remuneration, which shall be in addition to their fees payable as directors.

7. Other Matters

The Committee shall:

- 7.1.1 Have access to outside or other independent professional advice as it considers necessary to carry out its duties.
- 7.2 Have access to sufficient resources to carry out its duties, including access to the Company secretariat for assistance as required.
- 7.3 Be provided with appropriate and timely training, both in form of an induction programme for new members and on an on-going basis for all members.
- 7.4 Give due consideration to laws, regulations and any published guidelines or recommendations that will impact on the activities of the Committee.
- 7.5 Arrange for periodic reviews of its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers appropriate to the Board for approval.

Approved by the Board on 18 December 2020.


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Chairman of the Board


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Chairman of the Committee


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Company Secretary

Appendix A:

Composition of the Committee

- R. Thierry Dalais, Non-Executive Director, Chairman
- Damien Braud
- Sébastien Coquard
- Pierre Danon
- P. Arnaud Dalais
- Jean-Pierre Dalais
- L. J. Jérôme De Chasteauneuf