

Impact Committee Terms of Reference

4 October 2024

1. Membership

- 1.1 The committee shall comprise at least three directors.
- 1.2 Appointments to the committee are made by the board on the recommendation of the Nomination, Governance and Remuneration Committee in consultation with the chair of the committee and shall be for a period of up to three years, which may be extended for up to two additional three-year periods, provided the member still meets the criteria for membership of the committee.
- 1.3 Only members of the committee have the right to attend committee meetings. However, other individuals such as the Chair, CEO, Head of HSES, CRO and CSIO and external advisers or other individuals may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.4 The board shall appoint the committee chair. In the absence of the committee chair, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the board.

2. Secretary

- 2.1. The company secretary, or their nominee, shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

3. Quorum

- 3.1. The quorum necessary for the transaction of business shall be three.

4. Frequency of meetings

- 4.1. The committee shall meet at least three times a year and otherwise as required.

5. Notice of meetings

- 5.1. Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair or any of its members.
- 5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

6. Minutes of meetings

- 6.1. The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance.
- 6.2. Draft minutes of committee meetings shall be circulated to all members of the committee. Once approved, minutes should be made available to all other members of the board and the company secretary unless, exceptionally, it would be inappropriate to do so.

7. Conflicts of Interest

- 7.1. It is each member's responsibility to disclose any interests that could constitute an actual or perceived conflict of interest and, in such circumstances, they may absent themselves from voting. If the committee chair decides in consultation with the other members (if necessary) that a member has an actual or perceived conflict of interest, the chair may determine that the member absent themselves from a particular committee business and/or that a recommendation should be made to the board that such member be removed as a member. Any decision of the chair (and/or of the board) shall be final and binding.

8. Engagement with Owners

- 8.1. The committee chair should attend the Annual Owners Meeting to answer any questions on the committee's activities.

9. Duties

- 9.1. The committee shall (unless required otherwise by regulation) carry out the following duties for the PIDG Group as a whole:
 - 9.2. Health and Safety Risk and performance management
 - 9.2.1. The committee shall:
 - 9.2.1.1. Oversee the development and implementation of, and advise the board of, the PIDG HSES management system and governance processes which:

- seek to ensure the health, safety, security, wellbeing and human rights of PIDG People, and the people on PIDG projects, the suppliers to PIDG projects, and the people in the communities affected by PIDG; and
- seek to ensure that the national regulations in the countries in which PIDG operates are being complied with by PIDG Group and the PIDG projects.

9.2.1.2. Oversee the development and implementation of, and advise the board of:

- HSES Serious incident reporting and appropriate mitigation and lesson learn reporting.
- crisis and emergency response planning across the PIDG Group and portfolio.

9.2.1.3. The committee shall oversee the safety culture of the PIDG Group and portfolio companies in particular in regard to how PIDG Group interact with PIDG people, the workers on PIDG projects, the communities in which PIDG operates and the suppliers to PIDG projects. The committee will support the board in monitoring the culture of the company.

9.3. Impact performance, management systems and governance

9.3.1. The Committee shall oversee PIDG's approach to Impact, which is two-fold:

9.3.1.1. To identify, mitigate and manage Health and Safety Environmental and Social (HSES) risks and adverse impacts, through PIDG's HSES management system; and

9.3.1.2. To drive and demonstrate tangible, positive impact on people and planet, the wider economy and infrastructure capital markets through PIDG's wider impact management system, striving for sustainable development.

9.3.3 The Committee shall:

9.3.1.3. Oversee the development and review of, and advise the board of, the PIDG HSES and Impact policies to ensure they are aligned with good international industry practice, prevailing regulations and best practise and integrated with the PIDG strategic objectives.

9.3.1.4. Oversee the development of, advise the board regarding, and recommend for approval by the board, the company's impact management systems and governance, including PIDG HSES management systems and governance.

9.3.1.5. Ensure that PIDG Impact management systems, including PIDG HSES management systems and governance, are effective, aligned with the PIDG policies, good international industry practise, prevailing regulations and good practice, and integrated with the company's business plan, values and objectives, in order to support the company's long-term sustainable success.

9.3.1.6. Oversee PIDG Impact performance, including:

- PIDG HSES performance
- PIDG HSES Portfolio management
- Progress towards the strategic impact objectives of the organization
- Monitoring, assurance, evaluation and learning activities.

9.3.1.7. Ensure accountability of management including appropriate resourcing of the Impact function in line with strategic impact objectives and the risk exposure of the portfolio.

9.4. Goals, objectives and targets, and performance metrics

9.4.1. The committee shall advise on, and recommend for approval by the board, appropriate Impact (and HSES) related goals, short- and long-term objectives and targets, and key HSES, sustainability and other

impact metrics. Monitor annual and long-term progress against previously set objectives. Oversee the ongoing measurement and reporting of Impact performance, including HSES.

9.5. Delivery against strategy impact objectives

9.5.1. The committee shall oversee progress towards the company impact objectives, and advise the board on significant underperformance against the company impact objectives and learning that can inform future implementation of the strategy.

9.6. Impact reporting

9.6.1. The committee shall review the content, integrity and completeness of external statements and disclosures about sustainability and Impact activities, targets and progress.

9.7. Horizon scanning

9.7.1. The committee shall support the Impact function in the identification of current and emerging sustainability and impact-related issues, standards, good practice, and regulatory or legislative developments, at the sectoral, national and international level. This includes sourcing or undertaking relevant training and development opportunities, both for the committee members and for company employees as appropriate. Evaluate which issues and developments are likely to impact the company's strategy, operations and reputation. Determine whether and how these should be reflected in the company's impact management objectives, policies and reporting.

9.8. Risk

9.8.1. The committee shall, on guidance from the Impact function, advise the board on the company's appetite and tolerance with respect to HSES, sustainability and impact-related risks. Identify material HSES, sustainability and impact-related risks and ensure that these are appropriately captured in the company's risk profile and risk management framework.

9.9. Resourcing

9.9.1. The committee shall, on guidance from the Impact function, make recommendations to the board in relation to the required resourcing and funding of the Impact function and activities, and on behalf of the board, oversee the deployment and control of any resources and funds.

9.10 Collaboration with other committees

The committee shall:

9.10.1. Work and liaise as necessary with other board committees, ensuring the interaction between committees and with the board is reviewed regularly.

9.10.2. Work in conjunction with the audit committee to regularly review the requirement for internal and external assurance of HSES, sustainability and impact-related matters. Provide to the audit committee its assessment of Impact performance against the set objectives, including any potential impact on PIDG's financial performance and results.

9.10.3. Work in conjunction with the risk committee to advise the board on the company's appetite and tolerance with respect to environmental and social risk, to identify material HSES, sustainability and impact-related risks and to ensure these are appropriately captured in the company's risk profile and risk management framework. Provide to the risk committee its assessment of Impact performance

against the set objectives, including and any potential impact on PIDG's key risks relating to reputation, financial performance and results and any other risks it believes to be material.

- 9.10.4. Provide to the investment committee, its assessment of Impact performance against the set objectives, including any potential impact on PIDG's portfolio and portfolio risks.

10. Reporting responsibilities

- 10.1 The committee chair shall report to the board after each meeting on the nature and content of its discussion, recommendations and action to be taken.
- 10.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for board discussion when necessary.
- 10.3 The committee shall in assessing performance against stated impact objectives, consider the implications for PIDG's reputation, financial health and results and raise this with the Board as appropriate.
- 10.4 The committee shall compile a report of its activities to be included in the company's annual report, describing the work of the committee.

11. Other matters

The committee shall:

- 11.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 11.2 Be provided by PIDG Ltd appropriate funding to obtain advice and assistance from internal or external legal, accounting, or other advisors at PIDG Ltd's expense, without the prior approval of the board up to a maximum cost of £10,000.
- 11.3 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 11.4 Give due consideration to all relevant laws and regulations, the provisions of the Code and associated guidance and any other applicable rules, as appropriate.
- 11.5 Ensure that a periodic evaluation of the committee's own performance is carried out.
- 11.6 At least annually, review the committee's terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

12. Authority

12.1. The committee is authorised to:

12.1.1. Seek any information it requires from any employee of the company in order to perform its duties.

12.1.2. Call any employee to be questioned at a meeting of the committee as and when required.

12.1.3. Delegate any matter or matters to another committee or person(s) as it deems appropriate.

12.1.4. Publish in the PIDG Ltd.'s Annual Report details of any issues that cannot be resolved between the committee and the board.