

**CDC GROUP PLC (THE “COMPANY”)**

**TERMS OF REFERENCE OF THE  
DEVELOPMENT IMPACT COMMITTEE OF THE BOARD**

**(1) NAME**

Development Impact Committee (“Committee”)

**(2) MEMBERSHIP**

(a) The Committee will consist of four non-executive director members (“Members”). Two of the Members will be appointed by the Special Shareholder (as defined in the Company’s Articles of Association) during such period as there is a holder of the special share.

(b) The Members are:

Sam Fankhauser\*  
Michele Giddens  
Laurie Spengler\*  
Graham Wrigley\*

(appointed by the Special Shareholder)

(c) The Board shall appoint the chair of the Committee (“Chair”).

The Chair is:

Sam Fankhauser

**(3) QUORUM**

Three Members, two of whom must be non-executive directors appointed by the Special Shareholder during such period as there is a holder of the special share.

**(4) SECRETARY**

The secretary of the Committee shall be CDC’s Company Secretary or his or her nominee (“Secretary”).

**(5) VOTING**

Decisions shall be made by a majority of those voting with the Chair of the Committee holding the carrying vote in the event there is a tie.

**(6) RESOLUTIONS IN WRITING**

A resolution in writing signed by all the Members entitled to receive notice of 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 and the Chief Executive Officer.

**(8) ATTENDANCE AT MEETINGS OF THE COMMITTEE**

- (a) Only Members and the Secretary shall be entitled to attend meetings of the Committee
- (b) Any other person may attend with the agreement of the Chair. The Secretary shall maintain a list, which shall be reviewed and agreed from time to time, of the staff who may attend the meetings.
- (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 employee of the Company and any subsidiary of the Company and all such employees are directed to co-operate with any such request made by the Committee
- (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 PRINCIPLE**

The Committee shall be guided in all its decisions by:

The purpose of overseeing CDC's delivery of development impact, consistent with its mission to support the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places. Development impact includes the non-financial impacts of CDC's investment, including economic development, job creation and social, environmental and governance matters.

## **(11) DUTIES**

The duties of the Committee shall be:

- (a) monitoring progress on delivering broad development impacts including job creation, environmental and social outcomes, governance and other topics.
- (b) ensuring that the reporting on and measurement of development impact is performed in a robust and consistent manner, including making any necessary assurances to the Board and recommendations to the Remuneration Committee based on such reports and measurements.
- (c) reviewing and ensuring the quality and accuracy of the development impact sections of CDC's *Annual Review*.
- (d) ensuring compliance with CDC's Code of Responsible Investment and related policies and procedures.
- (e) oversight of periodic evaluation of development impacts, including appropriate selection of evaluation questions and monitoring of progress in order to ensure high quality of outputs and outcomes.
- (f) monitoring and supervising the operation and decision making of the Grant Facility Committee, which has been granted delegated authority by the Board to manage a grant facility, ensuring that it is conducted in accordance with any principles (agreed by the Board and DFID) and policies which apply to such facility.
- (g) considering such wider development impact initiatives as the Committee deems necessary to achieve its guiding principle, such as interactions with other development institutions, harmonisation, non-financial additionality and technical assistance.

## **(11) REPORTING**

- (a) The Secretary shall circulate copies of the minutes of meetings of the Committee to all directors, 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; and may report on decisions of, or matters coming before, the Committee to any other person or body the Committee considers appropriate.

## **(12) OTHER MATTERS**

- (a) The Committee shall arrange for a periodic review of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary for Board approval.

- (b) These terms of reference are to be reviewed at least at each renewal of the Company's Investment Policy.

These terms of reference were adopted by the Development Impact Committee at its meeting on 5 July 2018.