

# **AFRICA CLEAN ENERGY SOLUTIONS LIMITED**

## **INVESTMENT COMMITTEE (Hereinafter referred to as “the Committee”) CHARTER**

The Investment Committee has been established to assist the Board in its project and cash investments and investment portfolio responsibilities, and also to assist the Operations team in the activities and processes relating to the investment of Company funds. The Operations team is the management team responsible for the day-to-day operations of the Company funds.

### **1. MEMBERSHIP**

1.1. The Committee shall comprise two Executive Directors (the Chief Executive Officer and Chief Operating Officer or Chief Finance Officer), as well as at least three independent non-executive directors. Members of the Committee shall be appointed by the Board, on the recommendation of the Corporate Governance Committee in consultation with the Chairperson of the Investment Committee.

1.2. The Board shall appoint a Chairperson from the independent non-executive members of the Committee.

1.3. The Board shall have the power at any time to remove any members from the Committee and to fill any vacancies created by such removal.

1.4. Only members of the Committee have the right to attend committee meetings. However, other individuals such as, senior executives and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

1.5. The term of office shall be for a period of up to three years. Members may thereafter be re-appointed by the Board, for further periods of up to three years, provided the director still meets the criteria for membership of the Committee.

1.6. The Committee shall nominate a Committee Secretary.

1.7. The quorum necessary for the transaction of business shall be two members at least one must be an independent non-executive director.

### **2. MEETINGS**

2.1. The Committee shall meet on a quarterly basis in order to assist the Operations team on investment decision-making outside the ordinary scope of the Operations team, and otherwise as required.

2.2. Outside of the formal meetings, the Committee Chairperson will maintain a dialogue with key individuals involved in the Company’s investment activities. The Committee Chairperson, at his/her discretion, may invite other executives to attend and to be heard at meetings of the Committee.

2.3. Meetings shall be convened by the Secretary of the Committee at the request of any of its members if they consider it necessary. Reasonable notice of meetings and the business to be conducted shall be given to the members requested to be in attendance.

2.4. The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance. Once approved minutes should be circulated to all other members of the Board.

2.5. The Committee Chairperson shall attend the annual general meeting to answer shareholder questions on the Committee's activities.

2.6. The Committee Chairperson shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, and make recommendations to the Board on any matter it deems appropriate where action or improvement is needed.

### **3. RESPONSIBILITIES OF THE COMMITTEE**

The Committee should carry out the duties below for the parent Company, major subsidiary undertakings and the group as a whole, as appropriate.

#### **3.1. In relation to Investments the Committee will;**

3.1.1. Set investment policies, subject to approval of the Board, and guidelines, including those relating to the return on investment, country of investment, specific project type, liquidity exposures and prohibited and risky investments.

3.1.2. Review and make recommendations to the Board regarding;

i, the investment policies and guidelines, their implementation, and compliance with those policies and guidelines;

ii, advising the Operations team, who manage the day to day operations, on debt and/or loan structures;

iii, risk management with regard to investment activities.

3.2. The Committee shall review the performance of the local Project Managers, and shall in appropriate circumstances recommend to the Board the termination of the services of the Project Managers, and the appointment of any other external managers, in conjunction with the Operations team.

3.3. The Committee shall help the Board to ensure that responsible investment is practiced by the Group to promote good governance and creation of value by the projects and countries in which the Group invests.

3.4. The Committee will set the direction for how responsible investing will be approached and conducted by the Group. The Committee shall therefore assist the Board in approving a policy that articulates the Groups direction on responsible investment. This policy should provide for the adoption of a recognised responsible Investment code, principles and practices.

3.5. The Committee shall assist the Board in holding any outsourced service providers accountable for complying with the responsible investment principles incorporated in the Groups Investment Principles. To give effect to this, the Committee will from time to time consider reports from the outsourced providers regarding their compliance with the responsible Investment Principles.

#### **4. AUTHORITY**

4.1. The Committee, in carrying out its tasks under these terms of reference, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.

4.2. The Committee shall have access to such information and relevant records of the Company to assist the Committee in fulfilling its duties.

4.3. The Committee members are obliged to disclose any interests they have that might interfere or conflict with the performance of their duties.

4.4. The Committee shall arrange for periodic reviews of its own performance

4.5. The Committee shall at least annually, review its charter to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

Approved By:

Chairperson of Committee

Chairperson of Board