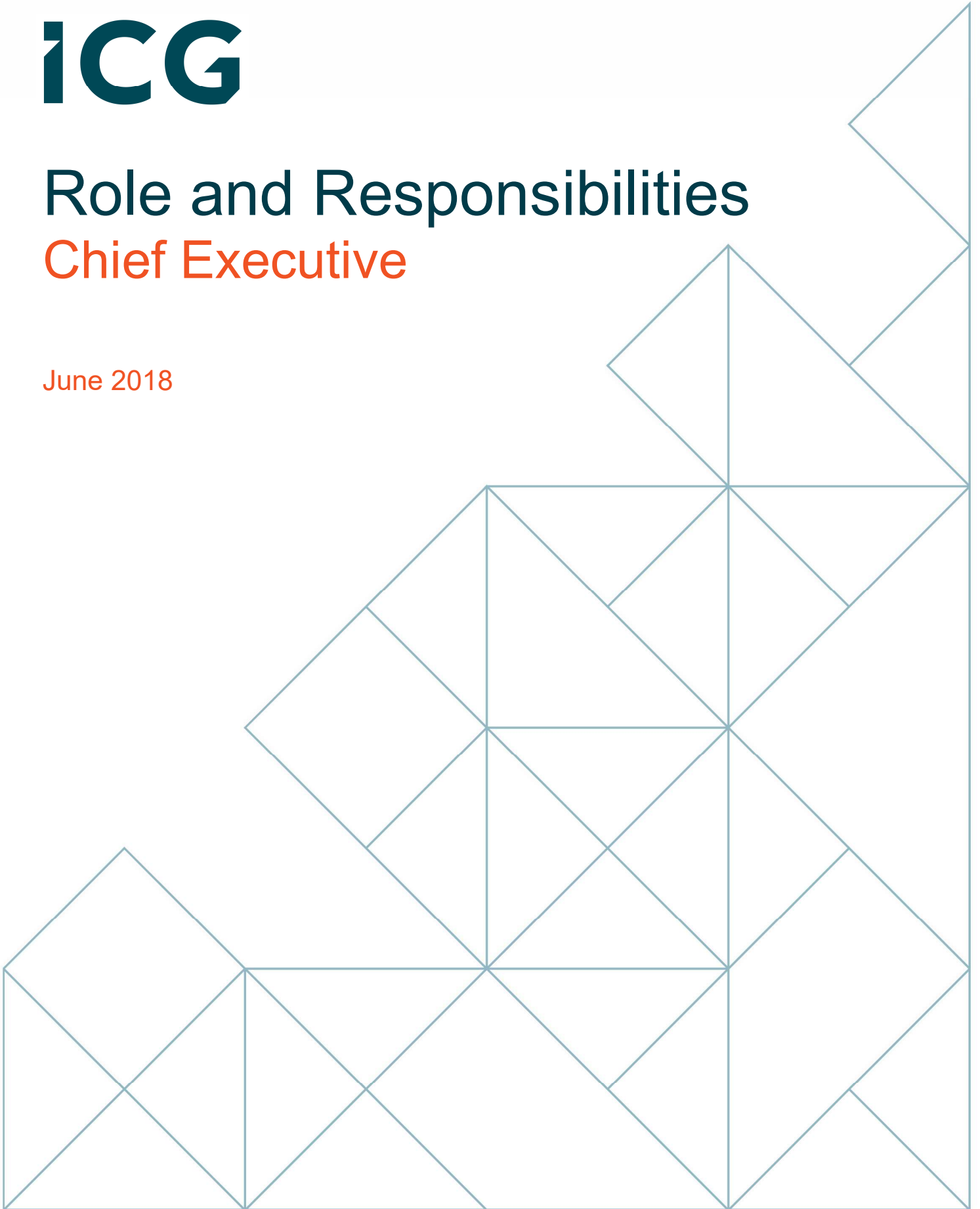


# ICG

## Role and Responsibilities

### Chief Executive

June 2018



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## 1. Requirements of all Directors

- 1.1. The Board is a unitary Board and the duties of Directors and, in particular, the Executive Directors apply to the Chief Executive.

## 2. Role of the Chief Executive

- 2.1. Reporting to the Chairman and the Board, the Chief Executive:
- 2.2. Leads and manages the Group's executives to ensure the Group functions effectively in line with the Board's culture; values; and ethical and regulatory standards.
- 2.3. Manages the Group's business, subject to the matters reserved for the Board and the matters assigned by the Board to the Committees of the Board
- 2.4. Delivers commercial success through competent and prudent management embracing sound planning, risk management and regulatory compliance
- 2.5. Strives to create shareholder value through organic, merger and acquisition activities
- 2.6. Chairs the Commercial Steering Committee that advises him on his duties
- 2.7. Receives reports from the Chairman of the Operations Steering Committee that advises him on his and the CFO's duties.

## 3. Responsibilities of the Chief Executive

- 3.1. Advice to the Board for its approval (or, where specified below, for its information)
  - 3.1.1. Develop and recommend policies and procedures on the Group's culture (having defined the purpose, strategy and values), regulatory and ethical standards
  - 3.1.2. Develop and recommend the Group strategy and objectives
  - 3.1.3. Develop and recommend new presentations to analysts, shareholders and third parties relating to strategy
  - 3.1.4. Develop and recommend extensions, cessations and material reductions in business operations or geographies
  - 3.1.5. Recommend the operating budget, the cash-flow budget, the capital expenditure budget and the capital investment budget
  - 3.1.6. Recommend acquisitions and disposals of subsidiaries, associates, joint ventures and trade investments not in the ordinary course of business
  - 3.1.7. Following the receipt of advice from the CFO, propose changes to the Group's public limited company status or premium listing on the London Stock Exchange
  - 3.1.8. Making recommendations in respect of the following matters:
    - a) the commitment of balance sheet funds to co-invest with or invest into a fund with an existing investment strategy where the amount proposed to be invested exceeds the lower of €200 million or 20 per cent of the fund target size
    - b) providing for information details of any waiver or consent which is required in respect of any investment pertaining to a fund commitment under 3.1.8(a) above
    - c) the commitment of balance sheet funds other than pro rata to a fund where the commitment exceeds one or more of the following thresholds

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- d) “underwriting” of €75 million or greater in respect of an asset;
    - (i) “warehousing” of €75 million or greater in respect of an asset;
    - (ii) “balance sheet investment” of €50 million or greater in respect of an asset; or
    - (iii) the total of underwriting, warehousing and balance sheet investment exceeding €75 million
  - 3.2. in the above paragraph, “underwriting” shall mean the holding by the Company’s balance sheet of a portion of an investment (led by the Company) in excess of the amount to be held alongside a fund where such portion is intended for sale within two months, “warehousing” shall mean the holding by the Company’s balance sheet of a portion of an investment (led by the Company) which is to be held by the Company rather than alongside a fund where such portion is intended for sale within six months and “investment” is any holding not covered by the first two definitions
    - 3.2.1. The disposal of an asset owned by the Company for its own benefit or which had been acquired to be held for sale into a fund with a new strategy that results in a loss of more than £20 million compared to its carrying value
    - 3.2.2. Providing a report to the Board (for information) in respect of the disposal of any asset owned by the Company alongside a fund of third party investors that results in a loss of more than £20 million compared to its carrying value
  - 3.3. Advice to the CFO for his approval
    - 3.3.1. Recommending guarantees, indemnities or the security over Group assets in excess of £50 million (if in respect of investment business) or £10 million (if in respect of non-investment business)
    - 3.3.2. Recommending the acquisition of any non-trading asset, including land and buildings, or any contract, including leases, with a total cost in excess of £20 million
  - 3.4. Advice to the Nomination and Governance Committee for its approval or subsequent advice to the Board
    - 3.4.1. Significant changes to the Group’s management structure
    - 3.4.2. Changes to the membership of the steering committees
    - 3.4.3. Changes to the terms of reference of the Steering Committees
    - 3.4.4. The Group’s management development and succession plans for Designated Employees (being members of the Steering Committees, Investment Committees, regional and country heads, Partners, the Company Secretary, General Counsel, the Chief Risk Officer, the Head of Compliance, the Head of Human Resources and those whose total remuneration exceeds £500,000 pa (to include any buy-outs, annual salary and pro forma bonuses etc) in the first full year of employment)
    - 3.4.5. Acting as the nominated shareholder representative of subsidiaries, and approving changes to directors of subsidiaries.
  - 3.5. Advice to the Audit Committee for its approval or subsequent advice to the Board
    - 3.5.1. Following discussion with the CFO recommend the annual report and accounts, the preliminary announcement, the half yearly, other interim reports and any other regulatory announcement, circular or prospectus
    - 3.5.2. Following discussion with the CFO, recommend distributions, including the annual and interim dividends.
  - 3.6. Advice to the Risk Committee for its approval or subsequent advice to the Board
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- 3.6.1. Following discussion with the CFO assess the appropriateness of the risks to be taken in executing the Group strategy, recommending the appetite and tolerance of identified risks
  - 3.6.2. Following discussion with the CFO recommend the Internal Capital Adequacy Assessment Process (“ICAAP”)
  - 3.6.3. Following discussion with the CFO recommend the extent of Directors’ and Officers’ insurance coverage
  - 3.6.4. Following discussion with the CFO recommend the prosecution, defence or settlement of litigation or alternative dispute resolution involving costs and sums above £2 million that would be for the account of the Group in respect of which (a) a claim letter had been issued and (b) the General Counsel’s view is that the claim is not groundless.
  - 3.7. Advice to the Remuneration Committee for its approval or subsequent advice to the Board
    - 3.7.1. Recommend share awards to Designated Employees
    - 3.7.2. Recommend the maximum aggregate annual increase in salaries
    - 3.7.3. Recommend the extent of utilisation of the Bonus pool
    - 3.7.4. Recommend the use of the Business Growth Pool
    - 3.7.5. Recommend remuneration of Designated Employees and any other staff who are required to be approved by applicable regulation (including FCA Remuneration Code staff)
    - 3.7.6. Recommend all recruitment packages which are guaranteed to deliver a value of over £500,000 (to include any buy-outs, annual salary and pro forma bonuses etc) in the first full year of employment
    - 3.7.7. Recommend any changes to Group-wide or Company-wide benefit plans
    - 3.7.8. Recommend for endorsement or amendment carried interest allocation proposals to be recommended to General Partners of funds managed by or advised by members of the Group
    - 3.7.9. Make recommendations in respect of any payments made on the termination of employment of a Designated Employee who is a Partner or a portfolio manager of a fund, which are to be in accordance with contractual terms, relevant laws and regulations, fair to the individual and the Company, and ensure that failure is not rewarded and that the duty to mitigate loss is fully recognised
  - 3.8. Board delegated authorities
    - 3.8.1. Ensure subsidiary companies’ strategies are consistent with the Group’s approved strategy
    - 3.8.2. Take the direct report of the Chief Financial Officer and the Chief Risk Officer
    - 3.8.3. Establish and implement a management framework for the effective management of the Group based around two senior management committees: the Commercial Steering Committee; and the Operational Steering Committee
    - 3.8.4. Manage, taking corrective action as necessary, the Group’s performance to seek to achieve the operating budget, the cash-flow budget, the capital expenditure budget and the capital investment budget
    - 3.8.5. Fulfil the duties and responsibilities of the Chief Investment Officer of the Group
    - 3.8.6. Establish and implement appropriate corporate structures to ensure the Group’s objectives can be met
    - 3.8.7. Following the receipt of advice from the CFO, approve all financial commitments as set out in paragraphs 3.1.8 to 3.1.11 below the Board’s retained authority
    - 3.8.8. Having consulted with the Chief Financial Officer to the extent the CEO feels to be appropriate, determine all aspects of remuneration and carried interest (including forfeitures of bonuses and treatment
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of carried interest for leavers) for all staff other than those aspects which have been delegated by the Board to the Remuneration Committee.

- 3.8.9. Approve appointments and termination of staff other than Executive Directors
- 3.8.10. Approve all recruitment packages other than those to which paragraph 3.6.6 applies
- 3.8.11. Execute Board approved transactions not in the ordinary course of business and those that are technical in nature (e.g. intra-Group reorganisations)
- 3.8.12. Determine provisions against the carrying values of investments in accordance with accounting policies approved by the Audit Committee;
- 3.8.13. Ensure all Group policies, other than those managed directly by the Board, its Committees or the CFO are reviewed at least on a triennial basis and establishing a framework to ensure that these are maintained to high standards of corporate governance
- 3.8.14. Take reasonable steps to promote the Group's brand both internally within the Group and to external stakeholders.
- 3.8.15. Having taken the advice of the Chief Risk Officer, ensure compliance with Group policies
- 3.8.16. Executive support for the Board and its Committees, as requested.

## 4. Communications

- 4.1. In conjunction with the Chairman and Chief Financial Officer and other Directors and executives, where appropriate, represent the Group to external stakeholders, including members/shareholders, customers, suppliers, regulatory and governmental authorities, and society generally.
- 4.2. Report regularly to the Board, in Board meetings and as necessary, on the execution of the CEO's duties with timely and quality information so that the Board can discharge its responsibilities effectively.

## 5. Delegation

- 5.1. The Chief Executive may delegate any of his powers provided that such delegation is to an appropriately skilled and senior employee and the Chief Executive Officer has ensured that there will be regular and transparent reporting from the delegate. Solely to the extent required by law and regulation, the Chief Executive Officer will remain responsible for the exercise of such powers.

## 6. Senior Managers and Certification regime prescribed responsibilities and key functions [this section is not currently adopted by the Board]

- 6.1. The Chief Executive will meet the requirements of the following prescribed responsibilities and key functions:

Prescribed responsibility	Description	SMF	SMF Committee status