

Management Engagement Committee Terms of Reference

September 2024

1. Composition and procedure

- 1.1 The Management Engagement Committee (the “**Committee**”) shall consist of a minimum of 3 directors of the Company (the “**Directors**”). The Committee and the chairman thereof (the “**Chairman**”) shall be appointed by the board of Directors (the “**Board**”). Membership shall be confined to independent Directors.
- 1.2 Membership shall be for a period of up to 3 years, which may be extended by no more than two additional 3 year periods provided that the majority of the Committee members remain independent.
- 1.3 In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of their members to chair the meeting.
- 1.4 The quorum for the transaction of business at Management Engagement Committee meetings shall be 2 Committee members. A duly convened meeting of the Committee at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

2. Secretary

The secretary of the Company (the “**Company Secretary**”) or his or her 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. Constitution and purpose

The principal function of the Committee is to review annually the terms of the Investment Management Agreement between the Company and the Investment Manager, the administration agreement between the Company and the Administrator and any other key service providers as engaged by the Company from time to time (the “**Agreements**”), as well as the performance of the Investment Manager (in accordance with principle 17 of the AIC Code of Corporate Governance).

4. Authority

- 4.1 The Committee is authorised to investigate and review any matter within its terms of reference and to consider any matter the Committee deems relevant to the discharge of its duties.

- 4.2 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference and to secure the attendance of outsiders with relevant expertise or experience as it considers necessary.

5. **Responsibility**

- 5.1 The responsibilities of the Committee shall be to:

- (a) review the terms of the Agreements, including the provisions relating to fees, and satisfy itself that they are competitive and sensible for the Company and its shareholders;
- (b) review the quarterly reports and any other reports submitted to the Board by the Investment Manager pursuant to the terms of the Investment Management Agreement, as well as any and all Proper Instructions and Standing Instructions issued to the Investment Manager by the Board pursuant to the Investment Management Agreement;
- (c) propose any changes to the terms of the Agreements or the Instructions (or propose any additional Instructions) that it considers necessary and desirable as a result of its review;
- (d) review the overall performance of the Investment Manager, Administrator and any other key service providers;
- (e) satisfy itself that the duties of the parties as set out in the Agreements are being performed as required;
- (f) consider any changes proposed by the parties to the terms of the Agreements and to review, at the intervals provided for in the Agreements, the amount and terms of payment of the parties' remuneration;
- (g) consider any specific matters relating to the engagement of the parties which the Board may request; and
- (h) report to the Board on its conclusions and to make recommendations in respect of any matters within its remit.

- 5.2 Amendments may be made to the duties of the Committee by the Board from time to time.

6. **Reporting procedures**

- 6.1 The Secretary shall circulate the minutes of the meetings to all members of the Committee following approval by the Chairman of the Committee and to the Board by way of inclusion in the relevant quarterly Board pack(s).

- 6.2 The Chairman of the Committee shall make a brief verbal report of the findings and recommendations of the Committee to the Board after each Committee meeting.
- 6.3 The Committee should make a statement as to its work, findings and recommendations in the Company's annual report.