

TERMS OF REFERENCE – MANGEMENT ENGAGEMENT COMMITTEE

1. Establishment and Purpose

- 1.1 The Management Engagement Committee (the “**Committee**”) was constituted by resolution of the board of directors of the Company (the “**Board**” or the “**Directors**”) on 16 October 2019.
- 1.2 The principal function of the Committee is to keep under review and annually (or as otherwise required) appraise the performance of the Investment Advisor, the Administrator and other service providers of the Company as considered appropriate.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board and shall be made up of at least two members, all of whom should be independent non-executive directors and all or a majority of members shall be resident for tax purposes other than in the United Kingdom.
- 2.2 Unless otherwise determined by the Board, a director shall be deemed to be “independent” for the purpose of these terms of reference if he would be deemed to be “independent” under the AIC Code of Corporate Governance (the “**AIC Code**”).
- 2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

The Board shall appoint the Committee Chairman who should be either the Chairman of the Board or an independent non-executive director. In the absence of the Committee Chairman and/or an appointment deputy, the remaining members present shall elect one of their number to chair the meeting.

- 2.4 The current members of the Committee are Robert Burke and William Scott. William Scott acts as Chairman of the Committee.

3. Secretary

The Company Secretary or its nominee shall act as the Secretary of the Committee.

4. Quorum

The quorum necessary for the transaction of business shall be two, both of whom must be independent non-executive directors. 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.

5. Meetings

The Members may convene the Committee, meet together for the dispatch of business and otherwise regulate their meetings as they think fit.

6. Frequency of Meetings

The Committee shall meet at least once a year and at such other times as the Chairman of the Committee shall require.

7. Notice of Meetings

- 7.1. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.
- 7.2. Unless otherwise agrees, 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, any other person required to attend and all other non- executive directors, 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.

8. Minutes of Meetings

- 8.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 8.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

9. Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

10. Duties

- 10.1. The Committee shall:

10.1.1. review the terms of the Investment Advisory Agreement, including the provisions relating to the Investment Advisor's remuneration, and satisfy itself that they are competitive and sensible for the Company and its shareholders and other service providers as considered appropriate;

10.1.2. propose any changes to the terms of the Investment Advisory Agreement which it considers necessary and desirable as a result of its review;

10.1.3. review the overall performance of the Investment Advisor, Administrator, Custodian, Registrar, Corporate Broker and any other key service provider as determined by the Board from time to time and make necessary recommendations to the Board;

10.1.4. satisfy itself that the duties of the parties as set out in the relevant agreements are being performed as required;

10.1.5. consider the statement to be made in the Company's Annual Report regarding the continued appointment of the Investment Advisor and make a recommendation to the Board on such statement; and

10.1.6. consider the continuing ability of the Board to act independently of any substantial shareholder, and their associates, for so long as they have a substantial shareholding in the Company.

- 10.2. The Committee shall not have any executive powers with regard to its findings and recommendations.

11. Reporting Responsibilities

- 11.1. The Chairman of the Committee shall make a brief report of the findings and recommendations of the Committee to the Board after each Committee meeting. The minutes of the Committee meetings shall be circulated to the Board. The Chairman shall submit an annual report to the Board summarising the Committee's activities during the year and the related significant results and findings.
- 11.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action of improvement is needed.
- 11.3. The Committee shall make a statement in the Company's annual report about its activities.

12. Other

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at a maximum effectiveness and recommend any changed it considers necessary to the Board for approval.

13. Authority

- 13.1. The Committee shall have the authority to investigate any matter within its terms of reference (and shall have the resource it needs to do so) and is authorised to seek any information it requires from any employee of the company in order to perform its duties.
- 13.2. 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.

Adopted by the Committee and the Board on 23 January 2020

Last reviewed and adopted by the Committee and the Board on 28 February 2023