



HGCAPITAL TRUST PLC
TERMS OF REFERENCE FOR THE MANAGEMENT ENGAGEMENT COMMITTEE

1. CONSTITUTION

- 1.1** The management engagement committee (**Committee**) was constituted as a committee of the board of directors (board) of HgCapital Trust plc (**Company**) at a full meeting of the board held on 10 April 2001 in accordance with the articles of association of the Company.
- 1.2** The Committee has the delegated authority of the board in respect of the functions and powers set out in these terms of reference.
- 1.3** The Committee may sub-delegate any or all of its powers and authority as it thinks fit to one or more of its members or the company secretary, including, without limitation, the establishment of sub-committees, which are to report back to the Committee.

2. ROLE

The role of the Committee is to review annually the compliance by Hg Pooled Management Limited (the “Manager”) with the Company’s investment policy as established by the board and with contractual agreements entered into between the Company and the Manager and the Manager’s associates or subsidiaries from time to time, including the Management Agreement, and to review on a regular basis the performance of any other key service providers to the Company. For the avoidance of doubt, the Committee will not review the performance of the Company’s auditor.

3. DUTIES AND TERMS OF REFERENCE

The Committee shall carry out the following duties for the Company as appropriate:

3.1 Manager

- (a)** Monitor and evaluate the Manager’s performance (and, if necessary, providing appropriate guidance) and compliance by the Manager with the Management Agreement;
- (b)** Review the terms of the Management Agreement from time to time to ensure that the terms thereof comply with all regulatory requirements, conform with market and industry practice and remain in the best interests of shareholders;
- (c)** Consider the merit of obtaining an independent appraisal of the Manager’s services;
- (d)** Review the level and method of remuneration of the Manager pursuant to the terms of the Management Agreement, including the methodology of the annual management fee and performance fee (which shall include a comparison of fees payable as compared to the Company’s peer group management arrangements). The review of the performance fee arrangements shall seek to ensure that the methodology does not encourage excessive risk and that it rewards demonstrably superior performance by the Manager in managing the portfolio against the stated investment objective when compared to a suitable benchmark or peer group;
- (e)** Oversee the relationship with the Manager including (but not limited to):
 - i.** Making recommendations on the Manager’s remuneration;
 - ii.** Approving of the terms of engagement of the Manager and the terms of the

- Management Agreement;
- iii. Assessing annually the Manager's independence and objectivity taking into account relevant regulatory requirements; and
 - iv. Assessing annually the qualifications, expertise and resources of the Manager.

3.2 Other Service Providers

- (a) Monitor compliance by providers of other services to the Company with the terms of their respective agreements from time to time;
- (b) Review, and consider the appointment or termination of providers of services to the Company and the terms and conditions upon which such appointments be made; and
- (c) Consider any points of conflict which may arise between the providers of services to the Company.

3.3 General

- (a) The Committee shall consider and review, at least annually, its Policy on Service Provider Engagement;
- (b) The review process shall be consultative and the Committee may seek input from relevant parties having a relationship with the Manager to satisfy itself that the relationship is working well and is cost efficient;
- (c) The Committee shall ensure that it is aware of all service providers to the Company and shall request a breakdown of fees to ensure that all service providers including professional advisers, are identified for possible evaluation, noting the total remuneration paid to service providers annually;
- (d) The Committee shall consider any specific matters relating to the engagement of the parties which the board may request.

4. BOARD RECOMMENDATIONS

4.1 The Committee shall make recommendations to the board on:

- (a) Whether the continuing appointment of the Manager on the agreed terms is in the best interests of the Company and shareholders, and the reasons for this recommendation;
- (b) Any variation to the terms of the Management Agreement which the Committee considers necessary or desirable;
- (c) The appointment of new service providers or existing providers, contracting them to provide additional services or agreeing the renewal of their contract (above value of £50,000 per annum) and the terms and conditions of those appointments;
- (d) the termination of existing principal service providers;
- (e) The reviews of the principal service providers carried out by the Management Engagement Committee; and
- (f) any item that it deems appropriate and on any area within its remit where action or improvement is needed.

4.2 Notwithstanding the provisions of the Policy on Service Provider Engagement and any authority of the Manager to engage service providers, the Chair of this Committee has authority to appoint new service providers, approve a renewal of, or an addendum to an existing agreement, up to a maximum annual contractual value of £50,000 per annum and the terms and conditions of that appointment. Any such appointments will be reported to the Board of the Company at the following Board meeting.

5. MEMBERSHIP

5.1

Unless otherwise determined by the Board, the members of the Committee shall be all such persons who, for the time being, are appointed as Directors of the Company including the Chair of the Board. In the event of a member of the Committee having a conflict of interest with an external appointment then the Director should make this known and if required stand down from the Committee for that part of the meeting.

5.2

The Chair of the Committee shall be agreed by the Board.

5.3

In the absence of the Committee Chair the remaining members present shall elect one of themselves to chair the meeting.

5.4

The Committee Chair shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.

5.5

The company secretary or his or her nominee shall act as the secretary of the Committee and will provide all necessary support to the Committee including the recording of Committee minutes.

6. ATTENDANCE AT MEETINGS

6.1

The Committee shall meet at least once a year.

6.2

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Investment Manager and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary and with the agreement of the Committee Chair. The Committee Chair shall have the discretion to decide who, other than Committee members, shall attend and address Committee meetings.

6.3

The company secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

6.4

Meetings of the Committee may be conducted when the members are physically present together or in the form of either audio or video conference.

7. NOTICE OF MEETINGS

7.1

Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any member of the Committee.

7.2

Unless otherwise agreed, 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 calendar 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, but Committee papers may be forwarded at shorter notice with the approval of the Committee Chair.

8. QUORUM

The quorum necessary for the transaction of business at a Committee meeting shall be two members present in person or by audio or video conference.

9. VOTING ARRANGEMENTS

9.1

Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee (whether in person or by audio or video conference).

9.2

If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.

9.3

Except where he has a personal interest, the Committee Chair shall have a casting vote.

9.4

The Committee Chair may ask any attendees of a Committee meeting to leave the meeting to allow discussions of matters relating to them.

10. MINUTES OF MEETINGS

10.1

The company secretary (or his or her nominee) shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

10.2

Draft minutes of Committee meetings shall be circulated promptly to the Committee Chair.

10.3

A resolution in writing and signed by all Committee members will be as effective as a resolution passed at a Committee meeting. Any written resolution shall be tabled and noted at the next meeting of the Committee.

11. ANNUAL GENERAL MEETING

The Committee Chair should attend the Company's annual general meeting to answer any shareholder questions on the Committee's activities.

12. REPORTING RESPONSIBILITIES

12.1

The Committee Chair shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities and the minutes of all Committee meetings shall be included in the board papers for a subsequent board meeting.

12.2

The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

12.3

The Committee shall produce a disclosure statements to be included in the Company's annual report about its activities and any statements regarding the Manager, its remuneration and any other terms of its appointment which are required to be included in the Company's annual report or as otherwise required by the board.

12.4

Through the chairman of the board, the Committee shall ensure that the Company maintains contact as appropriate and required with its principal shareholders in respect of the engagement of its Manager and other service providers.

12.5

The Committee shall make available its terms of reference on the Company's website.

13. GENERAL MATTERS

13.1

The Committee shall have access to sufficient resources to carry out its duties, including access to the company secretary for assistance as required.

13.2

The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

13.3

In carrying out its duties, the Committee shall give due consideration to all relevant laws and regulations, in particular, the directors' duties contained in the Companies Act 2006, the provisions of the UK Corporate Governance Code, The AIC Code of Corporate Governance and the requirements of the FCA's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.

13.4

The Committee shall arrange for periodic reviews 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 to the board for approval.

14. AUTHORITY

14.1

The board authorises the Committee to carry out the duties set out in these terms of reference, to have unrestricted access to the Company's documents and information and to obtain, at the Company's

expense, appropriate professional advice on any matter within its terms of reference, as it considers necessary.

14.2

The board authorises the Committee to seek any information it requires from any Director or employee of the Investment Manager, Secretary or any other supplier of services to the Company to perform its duties.

14.3

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.

Adopted at the board meeting of the Company on 7th of March 2024.