

# HENDERSON ALTERNATIVE STRATEGIES TRUST PLC

## Terms of Reference: Management Engagement Committee

### 1. Constitution

The Committee is constituted by the Board of Directors and assists the Board in evaluating the performance of the Manager and other third party service providers engaged by the Company.

### 2. Membership

- 2.1 Members of the Committee shall be appointed by the Board and shall be drawn from the independent non-executive directors of the Company. The Committee shall be formed of no fewer than two members.
- 2.2 The Committee shall be Chaired by the Chairman of the Board and, if it desires, the Board may appoint a deputy who shall act as the Chairman of the Committee in the absence of the Chairman of the Board. The remaining members present shall elect one of themselves to chair any meeting of the Committee where the Chairman of the Board is not present.
- 2.3 Appointments to the Committee shall be for a period up to three years which may be extended.
- 2.4 Members must declare any conflicts of interest or potential conflicts of interest at the start of each meeting.

### 3. Meetings

- 3.1 The Committee shall meet at least annually and as deemed appropriate or convened by the Board.
- 3.2 The quorum necessary for the transaction of business shall be two.
- 3.3 A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.4 Only members of the Committee have the right to attend meetings, but the Committee may invite others, including but not limited to any director, officer or employee of the Manager or any person whose advice is sought, to attend all or part of any meeting if it thinks it is appropriate or necessary.
- 3.5 Meetings of the Committee are called by the Secretary of the Committee at the request of any of its members and can be called on short or immediate notice.

### 4. Secretary

- 4.1 The Secretary shall act as Secretary of the Committee. A member of the Committee may act as Secretary in the Secretary's absence.
- 4.2 The Secretary must ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

- 4.3 The Secretary must minute the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance.
- 4.4 The minutes of the Committee meetings shall be circulated with the next set of Board papers for review.

## **5. Annual General Meeting**

- 5.1 The Chairman of the Committee, or any other director in his absence, shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities. In the absence of the Committee Chairman and any appointed deputy, the remaining Committee members present shall elect one of themselves other than the Chairman of the Board to respond to any shareholder questions.

## **6. Duties**

The Committee's duties are to:

- 6.1 review, at least annually, the terms of the Management Agreement, to ensure they are competitive and in the interests of shareholders, making recommendations to the Board on any variation to the terms which it considers necessary;
- 6.2 consider the merit of obtaining on a periodic basis, an independent appraisal of the Manager's services;
- 6.3 consider whether the appointment of the Manager continues to be in the interests of shareholders;
- 6.4 negotiate terms with the Manager;
- 6.5 review the overall standard of service delivered for any administrative, company secretarial or marketing support provided by the Manager, whether under the terms of the Management Agreement or simply as part of a non-contractual obligation of understanding;
- 6.6 review, at least annually, the performance of the Company's other service providers in meeting their obligations under their respective agreements, making recommendations on any variation to the terms which it considers necessary; and
- 6.7 consider any points of conflict which may arise between the providers of services to the Company.

## **7. Reporting Responsibilities**

- 7.1 The Committee Chairman shall report to the Board on its proceedings after each meeting.

The Committee shall:

- 7.2 make whatever recommendations to the Board it deems appropriate on any area within its remit or where action or improvement is needed;
- 7.3 make a statement in the Annual Report about its activities; and
- 7.4 keep these terms of reference under regular review, making them available to explain its role and the authority delegated to it by the Board.

## **8. Authority**

The Board authorised the Committee to:

- 8.1 undertake any activity within its terms of reference;
- 8.2 seek any information from the Manager or third party that it requires to perform its duties;
- 8.3 obtain external legal or other professional advice on any matter within its terms of reference at the Company's expense, and to invite persons giving such advice to attend Committee meetings;
- 8.4 call the Manager or any third party to be questioned at a Committee meeting, as and when required; and
- 8.5 delegate any of its powers to one or more of its members or the Company Secretary.

(Amended on 9 September 2013, 21 September 2016 and 6 March 2019)