

HICL Management Engagement Committee – Terms of Reference

HICL INFRASTRUCTURE PLC ("the Company")

MANAGEMENT ENGAGEMENT COMMITTEE

MEMBERS: F Nelson (Chairman)
S Farnon
S Holden
K D Reid
I Russell
M Bane

IN ATTENDANCE: The Company Secretary

The Management Engagement Committee has discretion to invite individuals or professional service providers to attend meetings as and when required.

**MEMBERSHIP
AND QUORUM:**

Members of the Committee shall be appointed by the Board and consist of at least three members, all of whom should be independent Non-Executive Directors of the Company.

The Chairman of the Committee shall be appointed by the Board and shall be an independent Non-Executive Director. 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.

A quorum shall be two members of the Committee.

**CONSTITUTION
AND PURPOSE:**

The Committee does not hold any executive authority save as expressed herein.

The principal function of the Committee is to review annually the terms of the management agreement between the Company and the Investment Manager, the administration agreement between the Company and the Administrator, the corporate secretarial agreement between the Company and the Company Secretary, and the registrar agreement between the Company and the Registrar, and any other key service providers as engaged by the Company from time to time ("the Agreements").

In accordance with AIC Code of Corporate Governance the Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board. This requirement could be met by including the information on the Company's website.

AUTHORITY: 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.

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.

RESPONSIBILITY: The responsibilities of the Committee shall be:

- a. To 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. To propose any changes to the terms of the Agreements, that it considers necessary and desirable as a result of its review;
- c. To review the overall performance of the Investment Manager, Administrator, Registrar and other key service providers;
- d. To satisfy itself that the duties of the parties as set out in the relevant agreements are being performed as required;
- e. To consider any changes proposed by the parties to the terms of the relevant agreements and to review, at the intervals provided for in the agreements, the amount and terms of payment of the parties' remuneration;
- f. To consider any specific matters relating to the engagement of the parties which the Board may request;
- g. To report to the Board on its conclusions and to make recommendations in respect of any matters within its remit;
- h. To ensure that service providers are complying with the provisions of Section 3 of the Authorised Closed Ended Investment Schemes Rules 2008; and
- i. To respect the Environmental, Social and Governance ("ESG") Policy.

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

REPORTING PROCEDURES:

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 of Directors by way of inclusion in the relevant quarterly Board pack(s).

The Chairman of the Committee shall make a brief report of the findings and recommendations of the Committee to the Board of Directors after each Committee meeting.

The Committee should make a statement as to its work, findings and recommendations in the Company's annual report.

FREQUENCY OF MEETINGS:

A meeting shall be held at least once a year and where appropriate coincide with the key date(s) in the Company's financial reporting cycle and at such other times as the Chairman of the Committee deems appropriate.

OTHER: The Committee shall, at least once a year, review its own performance, 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.

Updated: March 2019