

THE INCOME & GROWTH VCT PLC

MANAGEMENT ENGAGEMENT COMMITTEE

Terms of Reference

1. Constitution

- 1.1 The Board has resolved to establish a Committee of the Board to be known as the Management Engagement Committee (“the Committee”).

2. Membership

- 2.1 The Committee shall comprise the full Board.
- 2.2 Members of the Committee shall be appointed by the Board on the recommendation of the Nominations and Remuneration Committee in consultation with the Chairman of the Management Engagement Committee.
- 2.3 All members of the Committee shall be independent of the Company and the Investment Adviser.
- 2.4 The Chairman of the Committee shall be appointed by the Board. In the absence of the committee chairman, the remaining members present shall elect one of themselves to chair the meeting.
- 2.5 The Committee may invite other individuals as appropriate to attend meetings of the Committee at its discretion.

3. Secretary

- 3.1 The Company Secretary shall be the Secretary of the Committee.
- 3.2 The Company Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

4. Quorum

- 4.1 The quorum necessary for the transaction of business shall be two members of the Committee.

5. Frequency of Meetings

- 5.1 Meetings shall be held not less than once a year and at such other times as the Chairman of the Committee shall require. The external auditors may request a meeting if they consider one necessary.

6. Notice of meetings

- 6.1 Meetings of the Committee shall be called by the secretary of the committee at the request of any of its members or at the request of the external auditor if they consider it necessary.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee, and any other person required to attend no fewer than four working days before the date of the meeting.

7 Minutes of meetings

- 7.1 The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
- 7.2 Draft minutes of committee meetings shall be circulated promptly to all members of the Committee.

8 Annual General Meeting

- 8.1 The Committee Chairman shall attend the annual general meeting to answer shareholder questions on the Committee's activities.

9 Duties of the Committee

- 9.1 The duties of the Committee shall be:
 - 9.1.1 To monitor and evaluate the Adviser's investment performance, including undertaking an annual performance evaluation of the Adviser;
 - 9.1.2 To review the standard of the administrative and company secretarial services provided by the Adviser for the Company under the terms of the Investment Management Agreement;
 - 9.1.3 To evaluate the level and effectiveness of any marketing support and shareholder relations provided by the Adviser for the Company, whether under the terms of the Investment Management Agreement or simply as part of a non-contractual obligation or understanding;
 - 9.1.4 To regularly review the Investment Management Agreement with the Adviser and make recommendations to the Board with regard to any changes deemed necessary;
 - 9.1.5 To review and, if applicable, amend the terms of the Adviser's investment management fee and the incentive fee;
 - 9.1.6 To recommend to the Board any change of the investment Adviser or to the Investment Management Agreement;
 - 9.1.7 To consider and agree terms on which the Company enters into contracts with third party service providers for the provision of management services including *inter alia* the appointment of the Company's auditor, corporate broker, share registrar, legal advisor, VCT tax advisor, sponsor and receiving agent (or giving of instructions for such services to be provided to the Company by third parties) and conduct an annual review of all third party service providers;
 - 9.1.8 To take appropriate action to resolve on-going management issues arising from the engagement of, and communication between, third party service providers.
 - 9.1.9 Detail items to be published in the Company's Annual Report relating to the evaluation of the performance of the Investment Adviser and other activities of the Committee.

10 Other matters

- 10.1 The Committee shall:

- 10.1.2 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 10.1.3 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 as appropriate;
- 10.1.4 Give due consideration to laws and regulations, the provisions of the AIC Code of Corporate Governance and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable Rules, as appropriate;
- 10.1.5 Oversee any investigation of activities which are within its terms of reference; and
- 10.1.6 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.

11 **Authority**

- 11.1 The Committee is authorised by the Board to investigate any activity within its terms of reference.
- 11.2 It is authorised to seek any information it requires from any of the service providers and all service providers and advisers are directed to co-operate with any request made by the Committee.
- 11.3 The Committee is authorised by the Board to obtain external legal or other independent professional advice up to a limit of £5,000 and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 11.4 To have the right to publish in the company's annual report, details of any issues that cannot be resolved between the Committee and the Board.

12 **Publication of these terms of reference**

- 12.1 Copies of these terms of reference shall be made available to shareholders on request and published on the Company's website.

Reviewed and Adopted on:

11 September 2024
