



**GCP INFRASTRUCTURE INVESTMENTS LIMITED
MANAGEMENT ENGAGEMENT COMMITTEE TERMS OF REFERENCE**

ADOPTED BY THE BOARD ON 21 JANUARY 2022



**MANAGEMENT ENGAGEMENT COMMITTEE
TERMS OF REFERENCE**

1. Membership

The Chair of the Committee shall be appointed by the Board on recommendation of the Nomination Committee. The Committee shall comprise of the entire Board subject to all members of the Committee being independent of the Managers;

1.1 The purpose of the Committee is to review at least annually the contractual relationships with and scrutinise and hold to account the performance of the Investment Advisor, and other key third-party service providers (such as administrator/secretary, custodian/depository, registrar and broker) which provide services to the Company. Additionally, the Committee shall continue to develop and oversee the implementation of the Company's environmental, social and governance policies;

1.2 Only members of the Committee have the right to attend Committee meetings. However, the Committee shall have the authority to request other individuals, in particular the Investment Adviser and other specialist service providers, where appropriate, to attend for all or part of any meeting; and

1.3 In the absence of the appointed Chair of the Committee, the remaining members present shall elect one of themselves to Chair the meeting, from those who would qualify under these terms of reference to be appointed to that position.

2. Secretary

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

3. Quorum

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

4. Frequency of meetings

The Committee shall meet at least once every year and at such other times as required at the discretion of the Committee Chair or a majority of the members.

5. Notice of meetings

5.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of any of its members; and

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and shall be forwarded to each member of the Committee and any other person required to attend no later than ten working days before the date of the meeting. An agenda of items to be discussed shall be forwarded to the Chair of the Committee in the first instance at least ten working days before the date of the meeting unless otherwise agreed by the Chair of the Committee, then circulated to each member of the Committee and any other person required to attend at least 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.

6. Minutes

- 6.1 The Company Secretary may be invited to minute the proceedings and resolutions. The Chair of the Committee will report to the Board on the Committee's decisions and recommendations by way of written report (the "MEC Matrix"); and
- 6.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

7. Stakeholder engagement

The Chair of the Committee shall seek engagement with stakeholders on matters within the scope of the Committee's responsibilities, including attending the Annual General Meeting to respond to any shareholder questions on the Committee's activities.

The Committee shall ensure the Company's ESG Strategy is aligned and effectively communicated to shareholders and other stakeholders.

8. Duties

The Committee should carry out the duties detailed below:

Management Engagement

- 8.1 undertake to monitor and evaluate the Investment Adviser's performance at least annually with its decisions and rationale described in the annual report and that of third-party service providers via the annual business assessment risk exercise;
- 8.2 reasonably satisfy itself that the Investment Advisers and third-party service providers agreements are fair and that the terms remain competitive and in the interests of GCP Infrastructure Investments Limited (the Company).;
- 8.3 review with the Investment Adviser and the third-party service providers any material issues arising from their work and consider any matters which they may wish to bring to the attention of the Committee via the annual business risk assessment exercise;
- 8.4 monitor compliance of the Investment Adviser with the terms of the Investment Advisory Agreement and third-party service providers with the terms of their agreements via the annual business risk assessment;
- 8.5 negotiate with the Investment Adviser and third-party service providers any changes to those agreements in accordance with the directions of the Board;
- 8.6 review the level and method of remuneration (including other payments made or benefit given) and the notice period, if applicable, of the Investment Adviser and third-party service providers;
- 8.7 consider any point of material conflict between the Company, the Investment Adviser and any third-party service providers via the annual business risk assessment exercise;
- 8.8 consider the retention, continuing appointment or replacement of the Investment Adviser and third-party service providers and make recommendations to the Board thereon via the annual risk business assessment exercise;

- 8.9 reasonably satisfy itself that the Investment Adviser's business and those of the third-party service providers remain robust and can continue to operate efficiently and effectively for the foreseeable future, having particular regard to their resources and the adequacy of their governance framework via the annual business risk assessment exercise; and

Environmental, Social and Governance ("ESG")

- 8.10 define the Company's ESG Strategy, oversee the implementation and effectiveness of such strategy and ensure it is integrated with the Company's policies and procedures;
- 8.11 monitor, in consultation with the Company's service providers, relevant ESG rules, regulations, trends and developments;
- 8.12 regularly review and update the Company's ESG policies to ensure they remain in compliance with any relevant rules and regulations and fit for purpose;
- 8.13 endeavour to ensure that the activities of the Company are conducted in a socially responsible manner and have a positive impact on society;
- 8.14 reasonably satisfy itself that the Company's service providers have acted within the spirit of the Company's ESG strategy; OR obtain periodic verification from the Company's service providers that they have acted in accordance with their internal ESG policies and that these are aligned with the Company's overall ESG strategy;
- 8.15 review and evaluate the procedures and effectiveness of the Investment Adviser's responsible investment policy and ESG investment process including initial screening, due diligence, investment recommendations and investment monitoring; and
- 8.16 review and evaluate any other ESG related matters relevant to the Company's operations.

9. Reporting Responsibilities

- 9.1 The Committee shall make recommendations to the Board it deems appropriate on any area within its remit where it considers action or improvement is needed primarily via the annual business risk assessment exercise;
- 9.2 report on its activities in the Company's annual report, including a description of its review of the Investment Adviser and the rationale for their continuing appointment; and
- 9.3 Work alongside the Audit & Risk Committee in order to communicate the Company's ESG strategy in the annual report.

10. Other Matters

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the Investment Adviser, the Company Secretary and external advisers for assistance as required;

- 10.2 be provided with appropriate timely training, both in the form of an induction programme for new members and on an ongoing basis for all members if deemed to be appropriate;
- 10.3 give due consideration to the applicable laws and regulations including (without limitations), the provisions of the AIC Code of Corporate Governance and the requirements of the UK Financial Conduct Authority (“FCA”), Prospectus and the FCA’s Disclosure Guidance and Transparency Rules, and any other applicable rules, as appropriate;
- 10.4 oversee any investigation of activities which are within its Terms of Reference; and
- 10.5 arrange to review, at least annually, its constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised to:

- 11.1 seek any information it requires from any Director, the Investment Adviser or third-party service provider in order to perform its duties;
- 11.2 obtain, at a reasonable cost and at the Company’s expense, outside legal or other professional advice on any matter within its Terms of Reference;
- 11.3 call any Director or adviser to be questioned at a meeting of the Committee as and when required; and
- 11.4 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.