

Schedule of matters reserved for the Board

This document sets out those powers reserved for the full board of directors of the Company (the "**Board**") and not delegated to the Company's directors. It applies to the Company and each of its subsidiaries (if any, from time to time) (together, the "**Group**"), such that the directors of all of the Company's subsidiaries are on notice that the following powers may not be exercised by them without the specific authority of the Board. The list contains some matters which the Board cannot, as a matter of law, delegate. The Board may, however, appoint committees as it thinks fit to exercise certain of its powers or delegate certain matters to the boards of directors of certain of its subsidiaries. Specific areas of delegation are set out in the Terms of Reference for the Audit Committee, the Remuneration and Nomination Committee and the Management Engagement Committee of the Company as required by the AIC Code of Corporate Governance, although the final decision on these matters is required to be taken by the whole Board.

STRATEGIC ISSUES

- 1.1** To approve the Group's long-term objective and any decisions of a strategic nature, including any change to the Company's stated investment objective, investment policy and investment restrictions from time to time, and including those which may need to be submitted to shareholders for approval.
- 1.2** To approve the risk management policies for the Group, including insurance, hedging and borrowing policy/limits from time to time.
- 1.3** To approve:
 - 1.3.1** the formation, acquisition, divestment or liquidation of any Group company (including a joint venture company) or other assets or liabilities;
 - 1.3.2** investment, treasury and risk management parameters for the Investment Manager to operate within and approve any transactions (investments and divestments) outside of those parameters;
 - 1.3.3** the incurring of any transaction fees and/or costs in relation to any potential investments, divestments or any other transactions, in each case where such transaction constitutes either a Class 1 or Class 2 transaction or a reverse takeover for the purposes of the Listing Rules issued by the Financial Conduct Authority in its primary market functions.
- 1.4** To review the performance of the Group in light of the Group's strategy objectives and budgets ensuring that any necessary corrective action is taken.
- 1.5** To be responsible for the appointment, overall supervision and removal of the Group's service providers and any material amendments to the agreements or contractual arrangements with any key delegates or service providers. In relation to the Investment Manager, the Board will take into account the recommendations of the Management Engagement Committee.
- 1.6** To approve any decision to propose the winding-up of the Company to its Shareholders or any decision to wind-up a member of the Group, save for a dormant subsidiary.
- 1.7** To approve any changes to the Company's tax residence, listing, the introduction of any new classes of share(s), it's the Company's status as a plc or its status as an investment trust.

- 1.8** The acquisition or disposal of any property from or to the Investment Manager or any of its affiliates or shareholders, or the entering into any contract or arrangement of any nature between the Investment Manager and any of its affiliates or shareholders.
- 1.9** The approval of an allocation policy with the Investment Manager and any amendments to the 'right of first refusal' granted by the Investment Manager to the Company as stated in the Key Principles of Conflict Policy, Prospectus and Investment Management Agreement.
- 1.10** The approval of any amendments to the Key Principles of Conflict Policy agreed between the Company and the Investment Manager.
- 1.11** Consulting with shareholders to understand reasons for significant votes against resolutions put forward at general meetings.
- 1.12** The approval of an annual or other budget for services to be provided to the Company (including, but not limited to PR and marketing services) which may specify the limitations on expenses which may be incurred by the Investment Manager without the Board's prior approval.

FINANCIAL ITEMS

- 2.1** To approve the annual business plan and budget prepared by the Investment Manager.
- 2.2** To approve the annual and half-yearly reports, any quarterly financial statement and any preliminary announcement of the final results and the annual report and accounts including the corporate governance statement.
- 2.3** To approve the dividend policy, declare the interim dividend and recommend the final dividend.
- 2.4** To approve any significant changes in accounting policies and practices, including any changes to any NAV Calculation Date (as defined in the Investment Management Agreement entered into between the Company and the Investment Manager on or around 22 June 2021).
- 2.5** To approve the recommendations of the Audit Committee, including the remuneration of the Company's Auditors and recommendations for the appointment, re-appointment or removal of the Company's Auditors to be put to shareholder approval.
- 2.6** To approve the accounting policies and practices (including any significant changes thereto) to be applied and adopted in the preparation of the Group's financial statements and to receive any proposed qualification to the accounts.
- 2.7** To receive and review the reports of the Audit Committee.
- 2.8** To approve the Group's financial model including the projected working capital and any material changes to it.
- 2.9** To approve increases in the authorised share capital of the Company and the issue of shares or of securities conferring rights of subscription for or conversion into shares in the Company.
- 2.10** To authorise transfers to reserves and appropriations of profit by the Company.
- 2.11** To authorise calls on or forfeiture of shares.

- 2.12** To approve any own purchases or redemptions of shares or any reductions of capital by the Company, including the use of treasury shares.
- 2.13** To approve any contracts between any member of the Group and a third party, including relating to property or land, in excess of one year's duration or not in the ordinary course of business or pursuant to an investment made in accordance with the Company's investment policy.
- 2.14** To approve any, other than investments made in accordance with the Company's investment policy, contracts to which any member of the Group is a party which are material strategically or by reason of size entered into in the ordinary course of business above £100,000.
- 2.15** To approve the value of any impairment of a loan forming part of the Company's portfolio.

TREASURY ITEMS

- 3.1** To receive at least twice each year proposals setting out the policy for the financing of the Group.
- 3.2** To approve the issue to third parties of debenture or loan stocks, bonds and other paper programmes, delegating authority, as appropriate, to finalise details.
- 3.3** To approve guarantees, other than investments made in accordance with the Company's investment policy, and letters of comfort given by the Group where the amount of the loan or liability exceeds [£100,000].
- 3.4** To approve in principle the granting of security over any Group asset, the entering into of loan facilities, debt factoring, sale and leaseback arrangements and contracts for derivatives, in each case with third parties, delegating authority, as appropriate, to finalise details.
- 3.5** To approve at least once each year proposed credit limits for the placing of deposits with individual financial institutions.
- 3.6** To receive and review at least twice each year proposals in respect of the management of the Company's interest rate exposures.

LEGAL, ADMINISTRATION AND OTHER BENEFITS

- 4.1** To authorise the commencement or settlement of any legal (or similar) process in relation to matters having a value or effect on the Group in excess of £[100,000].
- 4.2** To authorise signatories on the Company's bank mandate, determine who should be permitted to be on the bank mandate of any Group company and authorise/ratify the affixing of the Common Seal of the Company.
- 4.3** To receive and review any material litigation affecting any member of the Group.
- 4.4** To receive notification of sales or purchases of shares by directors or any other persons discharging managerial responsibility of the Company in accordance with the Company's Share Dealing Code for such transactions by directors.
- 4.5** To approve the overall levels of insurance for the Group including Directors' and Officers' liability insurance and indemnification of directors.

COMMUNICATIONS WITH SHAREHOLDERS

To approve:

- 5.1** the form and issue of the annual report, any preliminary statement and the interim report and any other similar reports or statements of the Company including those published on a quarterly basis;
- 5.2** the form and issue of circulars to shareholders of the Company and the form and issue of other prospectuses/issue documents;
- 5.3** company announcements or press releases (i.e. to the Financial Conduct Authority or the London Stock Exchange) concerning matters decided by the Board;
- 5.4** the calling of shareholder meetings and the resolutions to be put forward at general meetings; and
- 5.5** any communications with analysts in connection with the items mentioned in paragraphs 5.1 and 5.3 above.

BOARD APPOINTMENTS AND ARRANGEMENTS

6.1 To approve:

- 6.1.1** changes to the structure, size and composition of the Board;
 - 6.1.2** arrangements relating to the appointment and resignation of directors to or from the Board and of the Company Secretary and all terms and conditions thereof (including, for the avoidance of doubt, their removal from office). In the case of the non-executive directors, the terms and conditions, including fees from time to time, shall be for approval by the Board in accordance with the Company's articles of association;
 - 6.1.3** the appointment of directors to specified offices of the Board including the Chairperson and senior independent director;
 - 6.1.4** the continuation in office of directors at the end of their term of office or at any time;
 - 6.1.5** the Chairpersonship, composition and terms of reference of the Audit Committee, the Management Engagement Committee, the Remuneration and Nomination Committee and any other committees established by the Board and to receive the reports of such Committees on their activities;
 - 6.1.6** transactions with directors and other related parties;
 - 6.1.7** appointments to the boards of directors of other members of the Group;
 - 6.1.8** in accordance with the Company's articles of association and any statutory requirements any authorisation relating to an actual or potential conflict of interest requested by any director; and
 - 6.1.9** any other matter as directed from time to time by the Board.
- 6.2** To ensure adequate succession planning for the Board.

6.3 Authorising conflicts of interest where permitted by the Company's articles of association.

When considering the matters in this section, the Board will take into account the recommendations of the Remuneration and Nomination Committee and the Management Engagement Committee, as appropriate.

MISCELLANEOUS

- 7.1** To approve procedures for the release of inside information.
- 7.2** To approve the appointment of professional advisers for any Group company in addition to the Company's Auditors.
- 7.3** To approve this schedule of matters reserved for Board decisions.
- 7.4** To undertake a formal and rigorous review annually of its own performance, that of its committees and individual directors.
- 7.5** To determine the independence of the directors.
- 7.6** To receive reports on the views of the Company's shareholders.
- 7.7** To consider the balance of interests between shareholders and the community.
- 7.8** To review the Group's overall corporate governance processes and arrangements.
- 7.9** Any other matters which the Board deems to be appropriate for its reservation shall also be reserved by the Board by way of approving an amendment to this Schedule.

MONETARY LIMITS

Those monetary limits specified in paragraphs 2.1.4, 3.3 and 4.1 are subject to variation by the Board on a specific or general basis (as the case may be).

In addition to the specific areas of delegation mentioned above, the Board has delegated certain of its powers to the Audit Committee, the Management Engagement Committee and the Remuneration and Nomination Committee in accordance with the AIC Code of Corporate Governance.

Dated : June 2021