

HENDERSON EUROTRUST PLC

Schedule of Matters Reserved for the Board

Whilst the Board has delegated the management of the Company's investments to the Manager, and certain functions are dealt with by Committees which report to the Board, the Directors collectively are ultimately responsible for all affairs of the Company. The following matters are specifically reserved for determination by the Board of Directors.

The following matters are reserved to the Board for its ultimate decision having regard to information provided:

1	Strategy and Management
1.1	Responsibility for the overall management of the Company.
1.2	Approval of the Company's long term objectives, commercial strategy and benchmarks to include the determination of the parameters of the investment strategy and investment, treasury and risk management policies within which the Investment Manager can exercise judgement.
1.3	Assess the basis on which the company generates and preserves value over the long-term and consider and address opportunities and risks to the future success of the business, the sustainability of the company's business model and how its governance contributes to the delivery of its strategy.
1.4	Assess and monitor its own culture, including its policies, practices and behaviour to ensure it is aligned with the company's purpose, values and strategy
1.5	Consider the actions it intends to take to consult shareholders in order to understand the reasons behind a situation where 20 per cent or more of votes have been cast against the board recommendation for a resolution.
1.6	Appointment and review of the performance of, and contractual arrangements, with the Investment Manager following recommendations from the Management Engagement Committee.
1.7	Annual review of the continuing appointment of the Investment Manager following recommendations from the Management Engagement Committee.
1.8	Ensure there is adequate succession planning for the Fund Manager.
1.9	Approval of the Company's annual operating budget and any material changes.
1.10	Oversight of the Company's operations ensuring: <ul style="list-style-type: none"> • competent and prudent management; • sound planning; • an adequate system of internal control; • adequate accounting and other records; and • compliance with statutory and regulatory obligations.
1.11	Review of the Company's performance in the light of stated objectives and ensuring that any necessary corrective action is taken.
1.12	Regular review of the schedule of investment limits and restrictions in order to ensure compliance with regulations.
1.13	Regular review of the investment performance and associated matters such as gearing, asset allocation, marketing/investor relations, peer group information and industry issues. Review of any other ad hoc reports as requested by the Board.
1.14	Amendment of the Company's stated investment objective and policy, any such amendment to be approved by shareholders and the FCA.
1.15	Review of gearing policy and approve bank borrowing facilities.
1.16	Establish the terms and conditions of appointment of non-executive directors and ensure regular review of such terms and conditions.
1.17	Authorisation of signatories, including the Company's bank mandate and as witnesses to the Company's seal.
2.	Structure and Capital
2.1	Approval of changes relating to the Company's status as an investment trust company or its capital structure, including any reduction of share capital, the authorisation of share issues and share buy backs and the use of treasury shares.
2.2	Monitor the level of the share price discount or premium (if any) and, if desirable, take action to reduce it.
2.3	Approval of proposals relating to corporate acquisitions / disposals.
3.	Financial Reporting and Controls
3.1	Approval of announcements of half year and final results.
3.2	Approval of the annual report and financial statements, including the viability statement, corporate governance statement and the directors' remuneration report and policy.
3.3	Approval of the half year report.
3.4	Approval of the dividend policy.
3.5	Approval and declaration of interim dividends and the recommendation of the final dividend and any special dividends.

Schedule of Matters Reserved for the Board (Continued)

3.6	Approval of any significant changes in accounting policies or practices.
3.7	Approval of treasury policies including foreign currency exposure and the use of financial derivatives.
3.8	Approval of the valuation of any unlisted investments, following recommendation by the Audit & Risk Committee.
4.	Internal Controls and Risk Management
4.1	Ensuring maintenance of a sound and adequate system of internal controls and risk management including monitoring the Company's risk management and internal control systems and satisfying itself that the manager and all other third-party suppliers of services to the Company maintain sound systems of internal control and risk management. At least annually, carry out a review of their effectiveness of the systems and report on that review in the Annual Report.
4.2	Approving procedures for the detection of fraud and the prevention of bribery.
4.3	Considering the Company's third-party service providers policies and procedures in respect of BA10 and the policies and procedures in place to prevent facilitation of tax evasion in accordance with CFA17.
4.4	Monitor and evaluate the performance of the other third party service providers.
4.5	Review of Custodian's arrangements for the safekeeping of the Company's investment portfolio.
4.6	Consider all issues in relation to regulatory and statutory compliance.
5.	Contracts
5.1	Approval of all material investments of the Company, in particular the sanction in advance of any acquisition or sale:- <ul style="list-style-type: none"> • with a value in excess of 10% of assets under management; • which is in a fund or company managed by the Investment Manager; or • which does not have or has not applied for a regional Stock Exchange or AIM listing.
5.2	Approval of all contracts of the Company not in the ordinary course of business.
5.3	Approval of all contracts involving bank borrowings and foreign currency transactions.
5.4	Approval of approaches in relation to corporate transactions.
6.	Communications and Public Relations
6.1	Ensuring a satisfactory dialogue with shareholders and maintenance of good relations with the Company's stakeholders.
6.2	Approval of the resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
6.3	Approval of all circulars, prospectuses and listing particulars.
6.4	Approval of press releases concerning matters decided by the Board.
6.5	Approval of Company announcements (with the exception of routine announcements and announcements which are time critical, for example directors' dealings and substantial shareholder announcements).
6.6	Approval of the marketing strategy and objectives and the marketing budget.
7.	Board Membership and Other Appointments
7.1	Consider changes to the structure, size and composition of the Board, including the continuation in office of Directors at the end of their term of office, when they are due to be re-elected by shareholders at an AGM, following recommendations from the Nominations Committee.
7.2	Consider appointments to and removals from the Board following recommendations by the Nominations Committee.
7.3	Ensure adequate succession planning for the Board.
7.4	Select the Chairman of the Board and approve the Role of the Chairman for publication on the Company's website.
7.5	Appoint any Senior Independent Director and approve the Role of the Senior Independent Director for publication on the Company's website.
7.6	Appoint/remove the Company Secretary.
7.7	Recommend the appointment, reappointment or removal of the external auditor to be put to shareholders for approval following the recommendations of the Audit & Risk Committee.
7.8	Determine the remuneration of the external auditor.
7.9	Formulate the policy on tenure of the Chair
8.	Delegation of Authority
8.1	Chairmanship and Membership of Board Committees.
8.2	Approve the Terms of Reference of Board Committees
8.3	Consider the recommendations of Board Committees and sub committees.
8.4	Authorise the use of ad-hoc sub-committees of the Board and consider recommendations of such sub-committees.
9.	Remuneration
9.1	Determine and approve the Directors' remuneration policy to be put to shareholders for approval
9.2	Determine the remuneration of the Chairman and other Directors, subject to the Articles of Association and remuneration policy as approved by shareholders as appropriate.

Schedule of Matters Reserved for the Board (Continued)

10.	Corporate Governance
10.1	Set the corporate governance culture of the Company and review of the Company's corporate governance arrangements.
10.2	Establish a nomination committee to lead the process for appointments, ensure plans are in place for orderly succession to the board and oversee the development of a diverse pipeline for succession
10.3	Undertake a formal and rigorous annual evaluation of the Board's performance and that of the Board Committees and individual directors.
10.4	Determine the independence of directors.
10.5	Identify and manage Directors' conflicts of interest and ensure that the influence of third parties does not compromise or override independent judgement.
10.6	Understand the view of the Company's other key stakeholders and consider CA s172 in board discussions and decision-making. Keep engagement mechanisms under review so that they remain effective.
10.7	Regular review of the Manager's Stewardship and Responsible Investment policies and the approach to Environmental, Social and Governance ("ESG") matters.
11.	Policies
11.1	Approval of policies, including any communications policy or corporate social responsibility policy.
11.2	Formulate a charitable donations policy.
11.3	Consider any political donations.
11.4	Approve a share dealing procedure to include the Market Abuse Regulation requirements.
12.	Other
12.1	Approve the appointment of the Company's third party services providers and other professional advisers.
12.2	Consider actions which may give rise to prosecution, defence or settlement of litigation.
12.3	Determine the level of directors' and officers' liability insurance required.
12.4	Review and approve the schedule of matters reserved for the Board on a regular basis.
12.5	The Directors have access to independent professional advice at the Company's expense where they judge it necessary to discharge their responsibilities properly.
12.6	Approval of minutes of Board meetings.
13.	Shareholders
13.1	Receiving reports on the views of the Company's shareholders.
13.2	Understand the view of the Company's key stakeholders and consider CA s172 in board discussions and decision-making. Keep engagement mechanisms under review so that they remain effective.
13.3	Regularly monitor the shareholder profile of the company and put in place a system for canvassing shareholder views and for communicating the board's views to shareholders.
13.4	Ensure that shareholders are provided with sufficient information for them to understand the risk:reward balance to which they are exposed by holding the shares.
13.5	Consider the actions it intends to take to consult shareholders in order to understand the reasons behind a situation where 20 per cent or more of votes have been cast against the board recommendation for a resolution.
13.6	Receive reports on the marketing material produced to meet the FCA Consumer Duty outcomes.
13.7	Consider the requirements under the Economic Crime Act 2022. Board to consider the frequency and content of the reporting required.

URGENT MATTERS

For matters that have to be dealt with urgently, between regular Board meetings, a meeting will be held in person, or by telephone or video conference in which as many Directors as possible will participate. This will allow Directors the opportunity to discuss the matter and raise questions. Any Director unable to attend will be sent the relevant papers and will have the opportunity to give their views to the Chairman, another Director or the Company Secretary before the meeting.

If the matter is routine and discussion is unnecessary, the approval of all Directors may be obtained by means of a written resolution. In all cases the procedures will balance the need for urgency with the overriding principle that each Director should be given all relevant information, the time to consider it properly and an opportunity to discuss the matter prior to the commitment of the Company.

SECTION 172 COMPANIES ACT 2006

The following is a list of factors that Directors should consider when making decisions:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

Schedule of Matters Reserved for the Board (Continued)

- the likely consequences of any decision in the long term;
- the interests of the company's employees (of which the Company has none);
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

Additional Notes

Matters the Board considers suitable for delegation are contained in the Terms of Reference of each Committee.

In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Company.