

## **INTERNATIONAL BIOTECHNOLOGY TRUST PLC**

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### **Management Engagement Committee Terms of Reference**

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Approved on 8 July 2009

#### **Function**

1. The function of the Management Engagement Committee is to ensure that the Company's investment management agreement is competitive and reasonable for the shareholders, along with the Company's agreements with all other third party service providers. The Committee shall also review the performance of the Investment Manager and the other third party service providers on a periodic basis.

#### **Membership**

2. The Committee shall be appointed by the Board and shall consist of not less than three members all of which shall be independent non-executive Directors of the Company. A quorum shall be three members.
3. The Chairman of the Committee shall be appointed by the Board.

#### **Meeting**

4. The Committee shall meet as and when required and no less than once a year.

#### **Secretary**

5. The Company Secretary shall be the secretary of the Committee and shall attend the annual meeting.

#### **Authority**

6. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

#### **Responsibilities**

7. The responsibilities of the Committee shall be:-
  - (a) to review the terms of the investment management agreement between the Company and the Investment Manager, and to ensure that the terms are competitive, fair and reasonable for the shareholders;
  - (b) to review and make recommendations on any proposed amendment or material breach of the investment management agreement;
  - (c) to review the performance of the Investment Manager including the on-going suitability of the investment manager to manage the assets of the Company, on at least an annual basis; and
  - (d) to review performance of, and the terms of the Company's arrangements with, other third party service providers and to ensure that the terms are competitive, fair and reasonable for shareholders.

## **Reporting**

8. The Committee Chairman, or in his absence the elected Chairman of the relevant meeting, shall report on the issues raised at the meeting and make relevant recommendations to the Board at the earliest opportunity.
9. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

## **Membership (as at 8 July 2009)**

Andrew Barker (Chairman)

Alan Clifton

David Clough

Peter Collacott

Alex Hammond-Chambers

Ian Macgregor