

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

MANAGEMENT ENGAGEMENT COMMITTEE TERMS OF REFERENCE

Reviewed and re-adopted by the Committee on 10 JUNE 2024

Terms of Reference – Management Engagement Committee

Membership

The Committee comprises of Paul Le Page as Chair, supported Fiona Le Poidevin, James Stewart, Timothy Drayson and Margaret Stephens as Committee members. All members of the Management Engagement Committee shall be independent non-executive directors. Members of the committee shall be appointed by the Board, on the recommendation of the remuneration and nomination committee in consultation with the chair of the committee.

All members of the Board have the right to attend Management Engagement Committee meetings. However, other individuals such as representatives from Sequoia Investment Management Company Limited (the “Adviser”), Sanne Fund Management (Guernsey) Limited (“SFM” or the “Manager”) or Sanne Fund Services (Guernsey) Limited (“SFS” or the “Administrator”) may be invited to attend all or part of any meeting as and when appropriate.

The Board shall appoint the Committee Chair who shall be an independent non-executive director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

Secretary

The Administrator shall be the secretary of the Management Engagement Committee.

The secretary of the Management Engagement Committee shall attend meetings of the Management Engagement Committee to take minutes.

In the absence of the secretary of the Management Engagement Committee, the members present at the meeting of the Management Engagement Committee shall elect another person as the secretary.

Quorum

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

The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Management Engagement Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Management Engagement Committee in which he/she and/or his/her associates have a material interest.

A duly convened meeting of the Management Engagement 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 Management Engagement Committee.

Frequency of meetings

The Management Engagement Committee shall meet at least once a year and at such other times as the chair of the Management Engagement Committee shall require.

Any member of the Management Engagement Committee may request a meeting if he/she considers that one is necessary.

Duties

The Management Engagement Committee shall be responsible for:

- monitoring the Adviser's performance and compliance by the Adviser with the terms of the Investment Advisory Agreement;
- reviewing at least annually the contractual relationships with, and scrutinize and hold to account the performance of, the Advisor, and whether the terms remain aligned with the objectives of the Company and the interest of shareholders;
- considering the merit of obtaining, on a regular basis, an independent appraisal of the Adviser's services;
- reviewing the Adviser's level and method of remuneration to ensure they do not encourage excessive risk taking, that they reward demonstrable superior performance, whether a GAV/NAV/market capitalisation basis remains appropriate, and the appropriateness of the Adviser's notice period (both in the context of the Company and of industry norms);
- recommending to the Board whether the continuing appointment of the Adviser is in the best interests of the Company and shareholders, and the reasons for this recommendation;
- monitoring the Manager's performance and compliance by the Manager with the terms of the Investment Management Agreement;
- review the standard of the services provided by the Company's Corporate Broker (Jefferies), Administrator and Secretary (SFS), reviewing their contractual relationships and ensuring the terms accurately reflect the nature and level of services provided, and that further performance is incentivised, and agreeing the procedures by which these key providers should report to the Board;
- review the standard of the services provided by other service providers to the Company, including those providing Financial PR (Tulchan), Custodian/Depository (BNY Mellon), the SPV Administrator (TMF Luxembourg), the external auditor (KPMG, in conjunction with the Audit Committee), Independent Valuations Agent (PwC), the Registrar (Computershare Investor Services), and monitoring compliance with the terms of their respective agreements;
- Receiving reports from the ESG & Engagement Committee on ESG developments with key service providers;
- When appropriate, referring concerns with, or raised by, any of the Company's key service providers to the ESG & Engagement Committee; and
- considering any points of conflict which may arise between the providers of services to the Company.

Matters reserved for the Board

Whilst the Committee may be requested to undertake additional work on matters not set out in these Terms of Reference, it is acknowledged that the Board will remain primarily responsible for developing policies with the Adviser covering key operational issues, including:

- i) defining the scope of responsibilities and principal operating issues (performance benchmarking methodology, hedging, share buy-backs or issuances), and agreeing the Adviser's procedures for reporting back to the Board;
- ii) agreeing the circumstances or matters where matters should be referred to the Board for approval;

- iii) agreeing a policy for stewardship, and the extent to which authority is delegated to the ESG & Engagement Committee for considering voting and shareholder engagement, ESG issues in respect of the holdings in the Company's portfolio (such agreement to take account of the UK Stewardship Code), and reporting on such in the Company's Annual Report.

The Board will also remain responsible for considering any conflicts of interest of the Adviser and agreeing the content of any policies to mitigate the risk of a conflict arising (including allocation policies); reviewing the resource available to the Adviser, assessing key man risk, team structures, the adequacy of succession planning arrangements and its future leadership strategy; considering the terms of any performance-related elements of remuneration; and investigating any breaches of investment parameters and any deviation from the agreed investment policy and strategy.

Reporting responsibilities

The chair of the Management Engagement Committee shall report formally to the Board on proceedings after each meeting on all matters within its duties and responsibilities.

The Management Engagement Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

The Management Engagement Committee shall compile a report to Shareholders on its role and its activities to be included in the Company's Annual Report, such disclosures should include:

- discussions over the Adviser's overall performance, considering investment performance, portfolio risk, or relevant operational issues (to the extent this is not discussed in full elsewhere in the Annual Report);
- any findings from the review of the contractual relationship with the Adviser (considering whether they remain reflective of market practice, in the best interests of Shareholders, and whether any variations to the terms were considered necessary or desirable); and
- a prominent statement whether, in the opinion of the directors, the continuing appointment of the Adviser on the terms agreed is in the interests of shareholders as a whole and their reasons for this view.

Others

The Management Engagement Committee shall have access to sufficient resources in order to discharge its duties. In the event that the Management Engagement Committee determines that it has insufficient resources, it may make a request for additional resources to the Chair. If the request for additional resources is denied, the Management Engagement Committee may, if it chooses, make a request to the Board through the office of the Chair. The Board shall convene a Board meeting as soon as reasonably practicable to consider the request.

All members of the Management Engagement Committee shall have access to the advice and services of the secretary of the Management Engagement Committee with a view to ensuring that procedures of the Management Engagement Committee and all applicable rules and regulations are followed.

In the event that the Management Engagement Committee or any member of the Management Engagement Committee requires access to independent professional advice in connection with his/her duties, a request may be made to the Chair.

Every member of the Management Engagement Committee shall give sufficient time and attention to his/her duties as a member of the Management Engagement Committee. He/she shall give the Company the benefit of his/her skills and expertise through regular attendance and active participation.

The Management Engagement Committee shall, at least once a year, review its own performance, 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.

Authority

The Management Engagement Committee is authorised by the Board to investigate any activity within its terms of reference.

Adopted by the Committee and Board on 27 March 2018

Updated following Committee and Board meeting on 29 March 2022 and approved by the Board on 30 March 2022.

Updated and approved by the Board on 4 October 2022.

Updated following Committee and Board meeting on 7 March 2023 and approved by the Board on 8 March 2023.

Updated and approved by the Board on 10 June 2024

Committee membership:

10 June 2024 to date: Paul Le Page (Chair), Fiona Le Poidevin, James Stewart, Timothy Drayson and Margaret Stephens.