

**RTW VENTURE FUND LIMITED (the "Company")**  
**MANAGEMENT ENGAGEMENT COMMITTEE**

**Terms of Reference**

There shall be established a Committee of the Board, duly constituted in accordance with the Company's Articles of Incorporation adopted prior to Admission, to be known as the Management Engagement Committee (the "**Committee**"). Any capitalised terms used in this document that are not otherwise defined shall have the same meaning as set out in the prospectus for the admission of the Company's ordinary shares to the specialise fund segment of the Official List and to trading on the London Stock Exchange.

Membership

The members of the Committee shall be:

- Bill Scott;
- Paul Le Page; and
- William Simpson.

A quorum shall be two members. 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.

The Chairman of the Committee shall be appointed by the Board; the first Chairman will be William Simpson. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

The Administrator shall act as Secretary to the Committee.

Representatives of the Investment Manager, the Administrator and any Director who is not a member of the Committee shall be invited to attend meetings as the Directors deem appropriate.

Appointments to the Committee shall be determined by the Board. Every member of the Committee shall be independent of the Investment Manager.

Authority

The Committee is authorised to seek any information it requires from any Director or employee of the Investment Manager or the Administrator.

The Committee is authorised by the Board to obtain professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Frequency and Location of Meetings

The Committee shall meet not less than once a year at appropriate times in the Company's reporting and auditing cycle and otherwise as requested. The Investment Manager may request a meeting if it considers it necessary.

The Chairman of the Committee may, and the Secretary on the requisition of any member of the Committee shall, convene a meeting of the Committee at any time.

The Secretary shall ensure that adequate notice of meetings together with an agenda of items to be discussed is given to each member of the Committee. Supporting papers shall be sent to Committee members and to other attendees as appropriate at the same time.

All meetings of the Committee shall take place in the Bailiwick of Guernsey or at any other location outside of the UK as the Board may from time to time decide.

### Minutes

The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.

### Terms of Reference

The terms of reference of the Committee shall be as follows:

#### **A. Management Engagement**

The Committee shall:

- (i) make its terms of reference publicly available;
- (ii) reasonably satisfy itself that the Investment Management Agreement is fair and that the terms remain competitive and sensible for shareholders;
- (iii) review and make recommendations on any proposed amendment to the Investment Management Agreement;
- (iv) reasonably satisfy itself that systems put in place by the Investment Manager and the Administrator in respect of the Company are adequate to meet relevant legal and regulatory requirements;
- (v) consider whether the continuing appointment of the Investment Manager is in the interests of shareholders as a whole, and make recommendations to the Board thereon together with a statement of the reasons for their view;
- (vi) consider the merit of obtaining, on a regular basis, an independent appraisal of the manager's services;
- (vii) consider the appointment or re-appointment of Investment Manager and review the level and method of remuneration, the basis of performance fees (if any) and the notice period and make recommendations to the Board thereon;

- (viii) review with the Investment Manager any material issues arising from their work that the Investment Manager wishes to bring to the attention of the Committee and/or the Board, whether privately or otherwise;
- (ix) keep under review the performance of the Investment Manager in its role as Investment Manager to the Company; and
- (x) keep under review the performance of all the service providers to the Company with the exception of the Auditors.

**B. Reporting Responsibilities**

The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and take into account any matters within its terms of reference that may be brought to its attention by the Board.

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

The Committee shall compile a report to shareholders on its activities, including its membership and the frequency of, and attendance at, its meetings, to be included in the Company's Annual Report.

**C. Other Matters**

The Committee shall:

- (i) have access to sufficient resources in order to carry out its duties, including access to the Administrator for assistance as required;
- (ii) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- (iii) give due consideration to laws and regulations in all jurisdictions in which the Company operates or is listed and/or actively markets its securities and comply with the provisions of the Companies (Guernsey) Law, 2008 (as amended), the Registered Collective Investment Scheme Rules 2008, the AIC Code of Corporate Governance and any applicable rules and requirements published by the Guernsey Financial Services Commission, the UK Financial Conduct Authority or the London Stock Exchange, as appropriate;
- (iv) oversee any investigation of activities which are within its terms of reference;
- (vi) at least once a year prior to the annual results announcement being released, 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; and
- (vii) review with representatives of the Investment Manager, the Administrator and such other persons as it sees fit any matter within its terms of reference including matters

of concern to the Internal Audit or Compliance Departments of the Investment Manager.