

**TERMS OF REFERENCE  
OF THE MANAGEMENT ENGAGEMENT COMMITTEE (THE "COMMITTEE")  
OF THE BOARD OF DIRECTORS (THE "BOARD")  
OF SHIRES INCOME PLC (THE "COMPANY")**

***Constitution***

1. The Board hereby resolves to establish a Committee of the Board to be known as the Management Engagement Committee.

***Membership***

2. The Committee shall be appointed by the Board from among the Non-Executive Directors of the Company and shall consist of not less than three members. A quorum shall be two members.
3. The Board resolves that, until it decides otherwise, all Non-Executive Directors of the Company shall be members of the Committee.
4. The Chairman of the Committee shall be appointed by the Board.

***Attendance at Meetings***

5. Any Board Member who is not a member of the Committee shall have the right of attendance along with any other persons the Committee deems necessary to invite.
6. The Company Secretary shall be the Secretary of the Committee.

***Frequency of Meetings***

7. The Committee shall meet at least once each year and at such other times as the Directors deem necessary.

***Authority***

8. The Committee is authorised by the Board to undertake any activity within its duties outlined at paragraph 10 below.
9. The Committee is authorised by the Board 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.

***Duties***

10. The Committee shall:
  - 10.1.1 review both the performance of, and contractual arrangements with, the Manager;
  - 10.1.2 review and note management fee trends in the industry;
  - 10.1.3 review, if applicable, any performance-related management fee payable to the Manager;
  - 10.1.4 be responsible for establishing the selection criteria and setting the terms and conditions of the Management Contract;

- 10.1.5 commission any reports, surveys, legal or other professional advice which it deems necessary to help it to fulfil its obligations; and
- 10.1.6 review arrangements with the Depositary, the Registrar and any other major service providers.

***Reporting Procedures***

- 11. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Board.

Last reviewed: February 2019