

# HENDERSON OPPORTUNITIES TRUST PLC

## Schedule of Matters Reserved for the Board

*The board should agree matters over which the manager has discretion and the areas of decision-making that are exclusively reserved for the board.*

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

<b>1</b>	<b>Strategy and Management</b>
1.1	Responsibility for the overall management of the Company.
1.2	Approval of the Company's long term objectives and commercial strategy 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.
1.7	Annual review of the continuing appointment of the Investment Manager
1.8	Approval of the Company's annual operating budget and any material changes.
1.9	Oversight of the Company's operations ensuring: <ul style="list-style-type: none"><li>• an adequate system of internal control;</li><li>• adequate accounting and other records; and</li><li>• compliance with statutory and regulatory obligations.</li></ul>
1.10	Review of the Company's performance in the light of stated objectives and ensuring that any necessary corrective action is taken.
1.11	Regular review of the schedule of investment limits and restrictions in order to ensure compliance with regulations.
1.12	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 of the Investment Manager by the Board.
1.13	Amendment of the Company's stated investment policy, any such amendment to be approved by shareholders.
1.14	Review of gearing levels and approve bank borrowing facilities.
1.15	Establish the terms and conditions of appointment of non-executive directors and ensure regular review of such terms and conditions.
1.16	Authorisation of signatories, including the Company's bank mandate and as witnesses to the Company's seal.
<b>2.</b>	<b>Structure and Capital</b>
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	Consideration of proposals relating to corporate acquisitions / disposals.
<b>3.</b>	<b>Financial Reporting and Controls</b>
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.
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.

## Schedule of Matters Reserved for the Board (Continued)

<b>4.</b>	<b>Internal Controls</b>
4.1	Monitor and evaluate other service providers.
4.2	Satisfy itself that the manager and all other third party suppliers of services to the Company maintain a sound system of internal control and risk management including: <ul style="list-style-type: none"> <li>receiving reports on, and reviewing the effectiveness of, the Company's risk and control processes to support its strategy and objectives.</li> <li>undertaking an annual assessment of these processes.</li> <li>approving an appropriate statement for inclusion in the annual report.</li> </ul>
4.3	Consider all issues in relation to regulatory and statutory compliance.
<b>5.</b>	<b>Contracts</b>
5.1	Consider all material contracts of the Company, in particular the sanction in advance of any acquisition or sale:- <ul style="list-style-type: none"> <li>with a value in excess of 10% of assets under management;</li> <li>which is in a fund or company managed by the Investment Manager; or</li> <li>which does not have or has not applied for a regional Stock Exchange or AIM listing.</li> </ul>
5.2	Consider all contracts of the Company not in the ordinary course of business.
5.3	Consider all contracts involving bank borrowings and foreign currency transactions.
5.4	Consider all contracts involving bank borrowings and foreign currency transactions.
5.5	Consider any takeover offer.
<b>6.</b>	<b>Communications</b>
6.1	Approval of the resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
6.2	Approval of all circulars and listing particulars.
6.3	Approval of press releases concerning matters decided by the Board.
6.4	Approval of Company announcements (with the exception of routine announcements and announcements which are time critical, for example directors' dealings and substantial shareholder announcements).
<b>7.</b>	<b>Board Membership and Other Appointments</b>
7.1	Consider changes to the structure, size and composition of the Board 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	Consider 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.
7.7	Appoint/remove the Company Secretary.
7.8	Recommend the appointment, reappointment or removal of the external auditor to be put to shareholders for approval following the recommendations of the Audit Committee.
7.9	Determine the remuneration of the external auditor.
7.10	Formulate the policy on tenure of the Chair
<b>8.</b>	<b>Delegation of Authority</b>
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.
<b>9.</b>	<b>Remuneration</b>
9.1	Determine the policy and setting the remuneration for the Chairman
9.2	Determine the remuneration of the Directors subject to the Articles of Association and shareholder approval as appropriate.
<b>10.</b>	<b>Corporate Governance</b>
10.1	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

## Schedule of Matters Reserved for the Board (Continued)

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.
<b>11.</b>	<b>Policies</b>
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.
<b>12.</b>	<b>Other</b>
12.1	Approve the appointment of the Company's 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 and approve the appointment of a broker to execute the wording required by the Directors and the Company.
12.4	Review the schedule of matters reserved for the Board on a regular basis.
12.5	Obtain confirmation from each of its service providers that they have put in place adequate procedures for the prevention of bribery within their organisations and request copies of the policy they have adopted and that the service provider adopts a similar approach with its sub-contractors.
12.6	The Directors have access to independent professional advice at the Company's expense where they judge it necessary to discharge their responsibilities properly.
<b>13.</b>	<b>Shareholders</b>
13.1	Receiving reports on the views of the Company's shareholders.
13.2	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.
13.3	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.

### 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.

### Sources:

AIC Code	The Code of Corporate Governance issued by the Association of Investment Companies.
Audit	Responsibility of the Audit Committee with the final decision required to be taken by the Board as a whole.
Nominations	Responsibility of the Nominations Committee with the final decision required to be taken by the Board as a whole.
Management Engagement	Responsibility of the Management Engagement Committee with the final decision required to be taken by the Board as a whole.
CA	The Companies Act 2006
BA	Bribery Act 2010
MAR	Market Abuse Regulation
Role of the Chairman	Responsibility of the Chairman with the final decision required to be taken by the Board as a whole.