

# Perpetual Income & Growth Investment Trust plc

Michael Balfour

11 December 2017

Dear Michael,

## **Letter of Appointment**

### **Appointment**

This letter is to acknowledge your appointment by the Board as a Non-Executive Director of Perpetual Income and Growth Investment Trust plc ('the Company') with effect from 2 January 2018 and to set out certain details about the role. It will also be necessary for you to stand for election by shareholders at the Company's next Annual General Meeting ('AGM'), on 17 July 2018.

The Company's Articles of Association ('Articles') provides that all Directors must retire by rotation, and may offer themselves for re-election, at least every three years. However, in line with the UK Code of Corporate Governance, the Board has directed that all Directors shall offer themselves for re-election at every AGM.

A Director's normal tenure of office is for three terms of three years, except that the Board may determine otherwise if it is considered that the continued participation on the Board of an individual Director is in the best interests of the Company and its shareholders. The Articles also set out certain provisions relating to the termination of Directors' appointments. Any Director not re-elected at an AGM would obviously cease immediately to be a Director of the Company.

### **Role**

As a member of the Board you are responsible, with your fellow Directors, for the direction of the Company and for the monitoring of the performance of the Manager (Invesco Fund Managers Limited) and the other suppliers of services to the Company. Furthermore, you should satisfy yourself of the integrity of financial information and that financial controls and systems of risk management are robust and defensible. As your duties are of an entirely non-executive nature, you have no individual authority to bind the Company without specific Board or Board Committee approval.

In carrying out your duties as a non-executive Director of the Company you will comply with the Companies Act 2006 and by countersigning this letter you confirm that you are aware of your duties under the Companies Act 2006 and have understood these.

The Board as a whole undertakes the duties of the Nomination and Remuneration Committees. In addition, you will serve on the Audit Committee, which meets at least three times a year, usually in February, May and November and the Management Engagement Committee which meets at least annually.

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#### **Registered Office:**

Perpetual Park  
Perpetual Park Drive  
Henley-on-Thames  
Oxfordshire  
RG9 1HH

#### **Administrative Office:**

6<sup>th</sup> Floor  
125 London Wall  
London EC2Y 5AS  
Telephone: 020 3753 1000  
Facsimile: 020 3753 0123

## **Time Commitment**

Overall, we anticipate a time commitment of some 10 days per annum. This includes attendance at Board and Committee meetings, the AGM and meetings with the Manager and/or Shareholders, where necessary. In addition, you will be expected to devote appropriate time ahead of each meeting. In accepting your appointment, you confirm that you are able to allocate sufficient time to meet the expectations of your role. The Chairman's agreement or, in his absence, that of another Director should be sought before accepting additional commitments that might impact on the time you are able to provide to your role as a non-executive Director of the Company.

## **Fees**

You will be entitled to an annual Director's fee of £25,000 per annum, payable quarterly in arrears. The fee will be reviewed periodically. The Company will, of course, reimburse you for any reasonable and properly documented expenses incurred in the performance of your duties. However, reimbursement of certain expenses may be subject to taxation.

## **Outside Interests / Appointments**

It is accepted and acknowledged that you may have business interests other than those of the Company. You must declare any existing actual or potential conflicts of interest. In the event that you become aware of any new potential conflicts of interest during your appointment, these should be disclosed to both the Chairman and the Company Secretary as soon as they become apparent.

The Board is required to consider and, where deemed appropriate, authorise any directorships, appointments or other matters relating to your role as a Director of the Company, which might be regarded as giving rise to a conflict situation for you, including considering and determining what terms and conditions should apply to such authorisation. Any authorisation of a conflict matter will be reviewed at least annually and you will be under an obligation to disclose any change in circumstance relevant to that conflict matter.

Please note that your appointment to or resignation from the board of any publicly listed company must be notified to the Company Secretary, in order that a Stock Exchange announcement can be made.

## **Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means), to third parties without prior clearance from the Chairman or, in his absence, another Director of the Company.

Your attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Consequently you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

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## **Share Purchases and Sales**

Should you wish to deal in the Company's securities you must comply with the Dealing Code that has been adopted by the Company, a copy of which is appended to this letter. In particular, you must seek permission in accordance with the Dealing Code before you deal and inform the Company Secretary. Closed periods will be notified in each Board pack. No dealing by Directors or persons closely associated with them is permitted during a closed period.

## **Review Process**

The performance of individual directors and of the whole Board and its Committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Chairman.

## **Insurance**

The Company has directors' and officers' liability insurance and it is intended to maintain such cover for the full term of your appointment. You will also benefit from the additional protection of indemnification under a Deed Poll executed by the Company in 2012.

## **Independent Professional Advice**

Occasions may arise in which it will be necessary for you to seek professional advice from independent advisors about the performance of your duties, at the Company's expense. A provision has been agreed whereby advice can be taken up to a cost of £10,000 without recourse to the Board. You might find it helpful to discuss the issue with the Chairman or another of your non-executive colleagues in advance, should you think it appropriate.

I trust that the foregoing accurately records the terms of your appointment and, if you agree, I shall be grateful if you will sign and return to me a copy of this letter which is enclosed for that purpose.

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