



MANCHESTER AND LONDON INVESTMENT TRUST PLC

NOMINATION COMMITTEE TERMS OF REFERENCE

1. PURPOSE

The Committee is appointed by the Board to review and advise on board composition and the appointment of agents and advisers, to consider the nomination of new board members and to review board performance to accord with the relevant principles of the AIC Code of Corporate Governance as amended in July 2016.

2. MEMBERSHIP, SECRETARY AND QUORUM

2.1 The Committee is appointed by the Board and comprises of three members, one of whom shall act as Chairman of the Committee. Other individuals, such as external advisers, may be invited to attend Committee meetings as and when appropriate and necessary;

2.2 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;

2.3 The Company Secretary or their nominee shall act as the Secretary of the Committee;

2.4 The quorum necessary for the transaction of business shall be two.

3. MEETINGS AND MINUTES

3.1 The Committee shall meet at least once a year and otherwise as required;

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

4. DUTIES

The Committee shall:

4.1 Regularly review the structure, size, composition, independence, experience and diversity of the board and make recommendations to the board on changes;

4.2 Be responsible for identifying and nominating for the approval of the board candidates to fill board vacancies on the basis of merit;

4.3 Before any appointment is made, evaluate the balance of skills, knowledge, experience and diversity on the board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and an appropriate letter of appointment;

4.4 Make recommendations to the board on formulating succession plans for non-executive directors and the chairman;

4.5 Make recommendations to the board on the continuation in office of any director.

5. REPORTING RESPONSIBILITIES

- 5.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting;
- 5.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit;
- 5.3 The Committee shall produce an annual report of its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

6. OTHER

The Committee shall:

- 6.1 Have access to sufficient resources to carry out its duties, including access to the Company Secretary for assistance and independent professional advice at the expense of the Company as required;
- 6.2 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;
- 6.3 Give due consideration to the provisions of the UK Corporate Governance Code (and if applicable, the AIC Code of Corporate Governance) and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other Applicable Laws, as appropriate;
- 6.4 Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference.

7. APPROVAL

These terms of reference were approved by the Committee on 27 September 2016 and adopted by the Board on 27 September 2016.