

MANCHESTER AND LONDON INVESTMENT TRUST PLC
(THE “COMPANY”)

SCHEDULE OF MATTERS RESERVED FOR DECISION BY THE BOARD

Whilst the Board has delegated the management of the Company’s investments to the Investment Manager, and certain functions are dealt with by the Audit Committee which reports to the Board, the Directors collectively are ultimately responsible for all affairs of the Company. The following matters are specifically reserved for consideration and decision by the full Board of Directors (the “Board”) for maintenance of effective control of strategic, financial, operational and compliance issues.

URGENT MATTERS

- 1.1 For matters that have to be dealt with urgently, between regular Board meetings, a meeting will be held in person, or by telephone or video conference in which as many Directors as possible will participate. This will allow Directors the opportunity to discuss the matter and raise questions. Any Director unable to attend will be sent the relevant papers and will have the opportunity to give his views to the Chairman, another Director or the Company Secretary before the meeting.
- 1.2 If the matter is routine and discussion is unnecessary, the approval of all Directors may be obtained by means of a written resolution. In all cases the procedures will balance the need for urgency with the overriding principle that each Director should be given as much information as possible, the time to consider it properly and an opportunity to discuss the matter prior to the commitment of the Company.

BOARD MEMBERSHIP AND AUDIT COMMITTEE

- 2.1 Regularly review the structure, size, composition, independence, experience and diversity of the Board and identify and consider candidates to fill Board vacancies as and when they arise, taking into consideration the balance of skills, knowledge and experience on the Board to assess the role and capabilities for a particular appointment.
- 2.2 Ensure adequate succession planning for the Board so as to maintain an appropriate balance of skills and experience within the Company and on the Board.
- 2.3 Carry out annual appraisals of the Board, Directors, Chairman and Board Committees.
- 2.4 Consider continuation in office of any Director, Board appointments and removals and any special terms and conditions attached to the appointments.
- 2.5 Terms of reference and membership of the Audit Committee.
- 2.6 Recommendations for the appointment or removal of the Auditors (following recommendations from the Audit Committee).
- 2.7 Regular review and consideration of the independence of Directors.
- 2.8 Appointment of the senior independent director.
- 2.9 Terms of reference and conditions of service for the Chairman and Directors.
- 2.10 Consider and agree the continuation in office of Directors due to retire at an AGM and proposals for their re-election by shareholders.
- 2.11 Agree the remuneration policy of the Directors taking into account all factors which it deems necessary, including relevant requirements under all applicable laws.
- 2.12 Review the ongoing appropriateness and relevance of the remuneration policy.
- 2.13 Determine and agree the remuneration levels for Directors of the Company.
- 2.14 Agree the policy for authorising claims for expenses from the Directors.

- 2.15 Undertake a formal and rigorous annual review of its own performance, that of its Committees and of the Chairman and individual Directors.
- 2.16 Authorise conflicts of interest where permitted by the Company's articles of association.

MANAGEMENT STRUCTURE

- 3.1 Approve changes to the Company's management and control structure.
- 3.2 Approve authorised signatories on the Company's bank and custody mandates and as witnesses to the affixing of the Company's seal.
- 3.3 Agree a policy with the Investment Manager regarding voting and corporate governance issues in respect of holdings in the Company's portfolio.
- 3.4 Approve valuation of the Company's portfolio (following recommendations from the Audit Committee).
- 3.5 Approve valuation of unlisted investments (following recommendations from the Audit Committee).
- 3.6 Approve any significant changes in accounting policies or practices (following recommendations from the Audit Committee).

SERVICE PROVIDERS

- 4.1 Review, at least annually, the performance of the Investment Manager's obligations under the Investment Management Agreement and periodic review and continued approval of the Investment Management Agreement.
- 4.2 Consider at least annually whether the appointment of the Investment Manager continues to be in the interests of shareholders and accords with all relevant regulatory and industry requirements.
- 4.3 Consider the merit of obtaining, on a regular basis, an independent appraisal of the Investment Manager's services;
- 4.4 Periodic review and continued approval of the Company Secretarial Agreement.
- 4.5 Periodic review and continued approval of the Administration Agreement.
- 4.6 Periodic review and continued approval of the Registrar's Agreement.
- 4.7 Periodic review and continued approval of other third party service provider agreements.
- 4.8 Appoint or remove, as required, third party service providers, and the following in particular: the Investment Manager; the Secretary; the Registrar; the Administrator; the Auditor; the Alternative Investment Fund Manager; the Depositary; the Custodians and the Banker.
- 4.9 Agree the fees of third party service providers and review these on a regular basis.

STRATEGY & INVESTMENT MANAGEMENT

- 5.1 Review of key investment and financial data, analyses of transactions and performance comparisons.
- 5.2 Reviewing the Company's investment objectives, strategy and benchmarks.
- 5.3 The power, in extremis, to instruct the Manager to sell or buy particular investments.
- 5.4 Review and approve any contracts of the Company which are material, either by reason of size or strategically, eg bank borrowings/gearing arrangements.
- 5.5 Review and approve any contracts of the Company not in the ordinary course of business, eg loans and repayments; major acquisitions or disposals.
- 5.6 Review and conduct of any corporate transaction involving the Company.
- 5.7 Approve, following consultation with the Alternative Investment Fund Manager, the Company's investment policy, long-term objectives and commercial strategy.

- 5.8 Approve changes relating to the Company's capital structure, including reduction of capital, share issues and share buybacks, including the use of treasury shares, or its status as an investment company, investment trust and plc.
- 5.9 Approve any changes relating to the Company's listing on the Premium Segment of the Main Market of the London Stock Exchange.
- 5.10 Approve the Company's marketing and investor relations strategy and approval of monies to be spent on advertising and promotion.
- 5.11 Approve, following consultation with the Alternative Investment Fund Manager, the gearing policy and the setting of any limits.
- 5.12 Review and approve, following consultation with the Alternative Investment Fund Manager, any treasury policies, including foreign currency and interest rate exposure and use of derivative instruments.
- 5.13 Approve the dividend policy (following recommendations from the Audit Committee).
- 5.14 Approve declaration of interim dividends and recommendation of any final dividend (following recommendations from the Audit Committee).

GOVERNANCE, COMPLIANCE AND REGULATORY MATTERS

- 6.1 Approve all shareholder circulars, prospectuses and listing particulars.
- 6.2 Approve the half-yearly results, half-yearly report and the annual results and annual report.
- 6.3 Calling of general meetings of the Company.
- 6.4 Approve the resolutions and any associated documentation to be put forward to shareholders at a general meeting or annual general meeting.
- 6.5 Agree the procedures for the release of inside information and other Company announcements for non-routine and notifiable events.
- 6.6 Approve press releases concerning matters decided by the Board.
- 6.7 Review the Company's corporate governance arrangements and annual review of continuing compliance with the terms of the UK Corporate Governance Code.
- 6.8 Ensure the maintenance of a sound system of internal control and risk management and review the effectiveness of the Company's overall internal control arrangements and processes (following review and recommendations from the Audit Committee).
- 6.9 Receive reports on the views of the Company's shareholders to ensure that they are communicated to the Board as a whole.
- 6.10 Approve any actions relating to major compliance issues.

MISCELLANEOUS

- 7.1 Review major changes in the fund management arrangements.
- 7.2 Formulate policy regarding charitable donations.
- 7.3 Formulate policy regarding political donations.
- 7.4 Approve, following consultation with the Alternative Investment Fund Manager as appropriate, any actions relating to the prosecution, defence or settlement of litigation.
- 7.5 Approve the adoption of any electronic voting policy.
- 7.6 Approve the adoption of any environmental policy.
- 7.7 Agree and approve the limits, premium and policy wording of the Directors' & Officers' liability insurance and the establishment of corporate indemnities to Directors.
- 7.8 Receiving reports of the proceedings and decisions of the Audit Committee.
- 7.9 Review and approve, following consultation with the Alternative Investment Fund Manager, any amendment to the FPP memorandum.
- 7.10 Approve this Schedule of Matters Reserved for Decision by the Board.

ADOPTED: 26 September 2017