

**ABERDEEN FRONTIER MARKETS INVESTMENT COMPANY LIMITED**  
(the “Company”)

**NOMINATIONS COMMITTEE**

**TERMS OF REFERENCE**  
(ADOPTED 10 SEPTEMBER 2018)

There shall be established a Committee of the Board, duly constituted in accordance with Article 30.7 of the Company’s Articles of Incorporation. To be known as the Nominations Committee.

**1. MEMBERSHIP**

- 1.1 Members of the Nominations Committee (“Committee”) shall be appointed by the Board of Directors (“Board”) and shall initially be made up of all of the Directors of the Board.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, such other individuals as the Committee from time to time determine may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.3 The Board shall appoint the Committee Chairman: the Chairman will be the Chairman of the Company. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number who shall be an independent non-executive director to chair the meeting.
- 1.4 The Company Chairman should not chair the Committee when it is dealing with the appointment of a successor to the chairmanship of the Company.
- 1.5 The Company Secretary shall act as Secretary to the Committee.
- 1.6 The quorum necessary for the transaction of the business of the Committee shall be two. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 1.7 Appointments to the Committee shall be a period of up to three years which may be extended for one or more further three year periods.

**2. AUTHORITY**

- 2.1 The Committee is authorised to seek any information it requires from any Director or employee of the Investment Manager, Secretary and UK Administration Agent and all such Directors and employees are directed to co-operate with any request made by the Committee.
- 2.2 The Committee is authorised by the Board to obtain professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

**3. FREQUENCY OF MEETINGS**

- 3.1 The Committee shall meet as and when required by the Chairman of the Committee.
- 3.2 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.

- 3.3 The Secretary shall ensure that adequate notice of meetings together with an agenda of items to be discussed is given to each member of the Committee. Supporting papers shall be sent to Committee members and to other attendees as appropriate at the same time.

#### **4. MINUTES OF MEETINGS**

- 4.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 4.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 4.3 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all members of the Board.

#### **5. TERMS OF REFERENCE**

- 5.1 The Committee shall:

1. Review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make appropriate recommendations to the Board with regard to any changes;
2. Give consideration to succession planning for non-executive directors taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
3. Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
4. Before appointment is made by the Board, evaluate the balance of skills, knowledge and experience on the Board, and, in the light of the evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:
  - a. Consider candidates from a wide range of backgrounds; and
  - b. Consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
5. Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings;
6. The Committee shall also make recommendations to the Board concerning:
  - a. Membership of the Audit and Remuneration Committees, in consultation with the Chairman of those Committees;
  - b. The re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to

continue to contribute to the Board in the light of the knowledge, skills and experience required; and

- c. The Committee shall consider such other matters as may be requested by the Board.

## **6. REPORTING RESPONSIBILITIES**

- 6.1 The Committee Chairman shall report formally to the Board of its proceedings after each meeting in all matters within its duties and responsibilities and take into account any matters within its terms of reference that may be brought to its attention by the Board.
- 6.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 6.3 The Committee shall compile a report to shareholders on its activities to be included in the Company's Annual Report.

## **7. OTHER MATTERS**

7.1 The Committee shall:

1. Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
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;
3. Give due consideration to laws and regulations, the provisions of the AIC Code of Corporate Governance and the AICs Corporate Governance Guide endorsed by the Financial Reporting Council and the requirements of the UK Listing Authority Listing Rules as appropriate;
4. Oversee any investigation of activities which are within its terms of reference; and
5. At least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

John Whittle

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Chairman  
Nominations Committee  
Date: 10 September 2018