

**Middlefield Canadian Income PCC (the “Company”)
including Middlefield Canadian Income – GBP PC**

**Terms of Reference of the Nomination and Remuneration Committee (the
“Committee”)
a delegated Committee of the Board of Directors (the “Board”) of the Company**

Updated by the Secretary on 8 September, 2021

Approved by the Board on 16 September, 2021

Membership

The members of the Committee shall be all the independent directors of the Company. The Chairman of the Committee shall be Richard Hughes or, failing him, any member of the Committee present in the United Kingdom (the “UK”) other than the Chairman of the Company. For the purposes of transacting business, a quorum of the Committee shall be not less than two members of the Committee and all meetings must take place in the UK.

Secretary

The Secretary of the Committee shall be the Secretary of the Company.

Attendance

A representative of the Secretary should normally attend meetings.

Frequency of Meetings

The Committee shall meet not less than once a year and at such other times as the Chairman of the Committee shall require.

Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any agent of the Company. All agents of the Company are directed to co-operate with any reasonable request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary.

Duties

1. The Committee will consider the length of service of the Board as a whole and each director and make recommendations to the Board as to refreshing its membership.
2. The Committee will lead the process for appointments to the Board, ensuring plans are in place for an orderly succession and overseeing the development of a diverse pipeline for succession. Appointments to the Board should be subject to a formal, rigorous and transparent procedure. Appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.
3. The Committee will consider and monitor the level and structure of remuneration of the directors of the Company. The Committee shall have delegated responsibility for setting the remuneration of the Chairman of the Board. No director shall be involved in deciding their own remuneration and the Committee shall exercise independent judgement and discretion when authorising remuneration outcomes, taking account of the Company’s and each individual director’s performance.
4. The Committee shall set the directors’ remuneration levels in conjunction with the Chairman of the Board.
5. The Committee shall prepare and maintain a formal and transparent policy on remuneration, which should be designed to support strategy and promote the Company’s long-term sustainable success.
6. The Committee shall decide whether any remuneration consultant should be appointed and, if a remuneration consultant is appointed, independent judgement should be exercised when evaluating their advice.
7. The Committee is authorised, where necessary to fulfil its duties, in consultation with the Secretary to obtain any outside legal or other professional advice, including the advice of independent remuneration consultants, to secure the attendance of external advisors at its

- meetings, if it considers this necessary, and to obtain reliable up-to-date information about remuneration in other companies, at the expense of the Company.
8. The Committee will consider the overall levels of insurance cover for the Company, including Directors' and Officers' Liability Insurance. The Committee will make recommendations on such insurance for approval by the Board.
 9. The Committee will evaluate the performance of the Board, its committees, the Chairman and other individual directors annually and make appropriate recommendations to the Board for reporting in the Company's annual financial report. Individual evaluations should demonstrate whether each director continues to contribute effectively.
 10. The Chairman of the Committee should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board.
 11. The Chairman of the Committee shall consider having a regular externally facilitated Board evaluation.
 12. The Chairman of the Committee shall attend the Company's and the Cell's annual general meetings and shall respond to shareholders' questions, through the Chairman of the Board, in respect of matters within the terms of reference of the Committee. The Chairman of the Committee should also seek engagement with shareholders on significant matters related to their areas of responsibility.
 13. The Committee will prepare for inclusion in the Company's annual financial reports a report describing the work of the Committee, such report to include the matters prescribed in provision 28 of the AIC Code.
 14. The Committee shall consider such other topics as directed by the Board.

Minutes

The minutes of meetings of the Committee shall be circulated to all members of the Board.

Delegation

Any or all powers of the Committee may be delegated by resolution of the Committee unless otherwise determined by the Board.

Reporting

The Chairman of the Committee shall report on its behalf to the Board at regular intervals, informing the directors of its deliberations and the matters it has reviewed and making recommendations when requested and as required by the AIC Code of Corporate Governance.

Terms of Reference Update

Should these terms of reference require update from time to time, they must be circulated to the Board for approval at the next Board meeting of the Company.

Availability on Website

These terms of reference should be made publicly available on the Company's website.