

The Edinburgh Investment Trust plc

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE (THE 'COMMITTEE') OF THE BOARD OF DIRECTORS (THE 'BOARD') OF THE EDINBURGH INVESTMENT TRUST PLC (THE 'COMPANY')

1. OBJECTIVE

- 1.1 The objective of the Committee is to ensure that there is a formal, rigorous and transparent procedure for the appointment of new Directors to the Board, to lead the process for Board appointments and make recommendations to the Board.
- 1.2 The Committee is to assist the Board in ensuring its composition is regularly reviewed and refreshed so that it is effective and able to operate in the best interests of shareholders; and in doing so, the Committee shall work and liaise with other Board committees, as appropriate.
- 1.3 The Committee should assist the Chair with the implementation of an annual performance evaluation process and review the results that relate to the composition of the Board and succession planning.

1. AUTHORITY

- 1.1 The Committee should be provided with sufficient resources to undertake its duties. The Board authorises the Committee, within the scope of its responsibilities to seek any information it requires from any of the Company's service providers.
- 1.2 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.
- 1.3 The Committee may invite such other persons to attend its meetings, as it deems necessary.
- 1.4 The Committee shall, 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.

2. MEMBERSHIP

- 3.1 The Committee shall comprise a majority of independent non-executive Directors. So long as members continue to be independent, the Committee shall not have a policy of tenure. Each member should bring an independent mind-set to the role and be capable of making a valuable contribution to the Committee.
- 3.2 The Board shall appoint the Committee Chairman who should be the Chairman of the Board. In the absence of the Committee Chairman and/or appointed deputy, the remaining members present shall elect one of their number to chair the meeting.
- 3.3 A quorum for any meeting of the Committee will be two members. 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.
- 3.4 The Company Secretary or their nominee shall act as the Secretary of the Committee.

- 3.5 Members shall be provided with appropriate and timely training, both for new members and on an ongoing basis for all members.
- 3.6 The Committee should have access to the services of the Company Secretary on all Committee matters including:
- a) assisting the Chair in planning the Committee's work;
 - b) drawing up Committee meeting agendas;
 - c) maintenance of minutes;
 - d) drafting of material about its activities for the annual financial report;
 - e) collection and distribution of information; and
 - f) necessary practical support.

4. MEETINGS

- 4.1 The Committee shall meet annually and at such other times as the Chairman of the Committee shall require.
- 4.2 Meetings of the Committee shall be summoned by the Company Secretary of the Company at the request of any of its members if they consider it necessary. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the meeting.
- 4.3 The Company Secretary shall ascertain the existence of any conflicts of interest and minute them accordingly.
- 4.4 The Company Secretary shall ensure that the Committee is kept properly informed and should take the initiative in supplying information in a timely manner to enable full and proper consideration to be given to the issues.
- 4.5 The Company Secretary shall minute the proceedings and resolutions of all Committee meetings, including recording the names of those present and in attendance. Minutes of Committee meetings shall be circulated to all Directors within ten working days.
- 4.6 The Chairman of the Committee shall make himself available at the Company's Annual General Meeting to answer shareholder queries and shall engage with shareholders on matters that fall within his responsibility.

5. DUTIES

The Committee shall:

- 5.1 Be responsible for identifying and nominating for approval of the Board, candidates to fill Board vacancies as and when they arise.
- 5.2 In identifying suitable candidates, the Committee shall generally use such methods as it deems appropriate, including the use of open advertising or the services of external advisers to facilitate the search.
- 5.3 Regularly evaluate the structure, size and composition (including the balance of skills, knowledge and experience and diversity) of the Board and, in the light of this evaluation, define the capabilities in which the Board is deficient and make recommendations on any changes or new director appointments.
- 5.4 Give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore

needed on the Board in the future. The Chair of the Board should not chair the Committee when it is dealing with the appointment of their successor.

- 5.5 Review each Directors' length of service and assess if this impacts on their independence and make any recommendations to the Board including a policy on the tenure of board members including that of the Chair.
- 5.6 Assist the Chair with the implementation of an annual performance evaluation process to assess the overall and individual performance and effectiveness of the Board and its committees, including consideration of balance of skills, experience, independence and knowledge of the Company, its diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, how the Board works together as a unit and other factors relevant to the Board's effectiveness.
- 5.7 Review the results of the Board performance evaluation process that relate to the composition of the Board.
- 5.8 If required, ensure that evaluation of the Board is externally facilitated at least every three years.
- 5.9 Ensure that all Directors offer themselves for annual re-election by shareholders.
- 5.10 Review the time required from non-executive Directors, including the Chairman and [senior independent director]. Performance evaluation should be used to assess whether the non-executive Directors are spending enough time to fulfil their duties.
- 5.11 Make available its terms of reference explaining clearly its role and the authority delegated to it by the Board.
- 5.12 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.
- 5.13 Arrange for any new Directors to be provided with training and induction and existing directors where further training needs have been identified as part of a board evaluation or at the request of the Board.
- 5.14 Assist the Board in the review of non-executive Directors' remuneration levels and ensure they take account of current market levels.

6. REPORTING RESPONSIBILITIES

- 6.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 6.2 The Committee shall:
 - a. Make whatever recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed.
 - b. Compile a report to shareholders on its activities to be included in the annual financial report which describes the work of the Committee including:
 - the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;

- how the Board performance evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual Directors, the outcomes and actions taken and how it has or will influence Board composition;
- the policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives; and
- the membership of the Committee, number of Committee meetings and attendance over the course of the year.

Approved by the Committee on 18 February 2021