

## The Schiehallion Fund Limited

### Nomination Committee Terms of Reference

Membership & Quorum	<p>The Committee shall be appointed by the Board, a majority of which will be independent non-executive directors, and shall consist of no fewer than three members. A quorum will be two members.</p> <p>The Board shall appoint the Committee Chairperson who should be either the Chairperson of the Board or an independent non-executive director. The Chairperson of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chairmanship of the Company.</p>
Secretary	<p>Alter Domus (Guernsey) Limited shall act as Secretary to the Committee.</p>
Frequency of Meetings	<p>The Committee shall meet at least once a year and otherwise as required.</p>
Responsibilities	<p>The Committee shall:</p> <ul style="list-style-type: none"><li>— Review regularly the Board structure, size and composition (including the knowledge, experience, skills and diversity) and make recommendations to the Board with regard to any changes.</li><li>— Be responsible for identifying and nominating candidates for the approval of the Board to fill Board vacancies as and when they arise.</li><li>— Monitor the performance of the Company's Directors, Board and Committees. The Senior Independent Director shall appraise the Chairperson annually and report to the Board in the Chairperson's absence.</li><li>— Draw up plans for succession for the Board taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in future.</li><li>— Recommend to the Board candidates for the role of Senior Independent Director.</li><li>— Recommend to the Board membership of the Audit Committee.</li><li>— Ensure that at least one member of the Audit and Management Engagement Committee has recent and relevant financial experience and that the Audit Committee as a whole has competence relevant to the sector in which the Company operates.</li><li>— 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 of Board meetings.</li><li>— Ensure the provision of an induction programme for new Directors and monitor the professional development and training needs of existing Directors.</li><li>— In respect of Directors who are retiring under the provisions of the AIC Code of Corporate Governance make recommendations to the Board as to their suitability for re-election based on performance appraisals.</li><li>— Assess and recommend which Directors are independent or not independent for approval by the Board and for disclosure in the Annual Report and Financial Statements.</li><li>— Review annually the time required to perform the duties of a Director and assess whether the Directors are spending enough time to fulfil these duties.</li><li>— Consider Directors' potential conflicts of interest and make recommendations to the Board as to their approval.</li></ul>

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Reporting

- The Committee Chairperson shall report to the Board on its proceedings after each meeting on all matters within its responsibilities.
- The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Board.
- The Committee shall make a statement in the Annual Report and Financial Statements about its activities, including: the membership of the Committee; the number of Committee meetings and attendance over the course of the year; the process used for appointments; and explain if external advice or open advertising has not been used.
- The statement should include a description of the Board’s policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

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Other Matters

The Committee shall arrange for periodic review of its own performance and, at least annually, review these terms of reference and recommend any changes it considers necessary to the Board for approval.

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