

2 July 2019

Dear Shareholders,

Sequoia Economic Infrastructure Income Fund Limited (“SEI” or the “Company”)

Statement on Board Composition and Diversity

The Board of SEI places significant importance on Board composition and the benefits of increased diversity. Accordingly we would like to set out our views on these matters with the aim of ensuring that all shareholders are aware of our position and the considerations which we have taken into account.

Background to SEI’s Board composition

SEI listed in March 2015 and its Board has four independent Directors:

- Robert Jennings (Chairman of the Board and of the Nomination Committee)
- Sandra Platts (Chair of the Audit and Remuneration Committee)
- Jan Pethick (Chair of the Management and Engagement Committee)
- Jonathan Bridel (Chair of the Risk Committee)

In 2018, in recognition of the increased size of the Company, we considered how the Board’s governance arrangements might need to evolve to ensure that its structure remains appropriate to the challenges faced. To this end a number of changes were made, including the appointment of Sandra Platts as Senior Independent Director, in part to support the Chairman in setting and overseeing the strategic direction of the Board. Additionally, we appointed Kate Thurman and Tim Drayson as Independent Consultants to the Company. As Independent Consultants, Kate and Tim have a specific mandate to support the Board in our overall approach to risk management across the Company’s portfolio. This includes the approval of new investment opportunities where the Board is required to be consulted due to risk considerations, participation in the semi-annual portfolio review meetings and participation in our Strategy Day. Kate and Tim also participate in quarterly Board meetings on matters relevant to their duties, for example, the monitoring of portfolio and individual positions from a risk perspective. In our view, their responsibilities relate to some of the most fundamental and important Board functions.

Board diversity considerations

The Board supports the recommendations of the Davies Report and notes the recommendations of the Parker Review into ethnic diversity, and the Hampton-Alexander review on gender balance in FTSE leadership. The Board supports the widening of its diversity whilst ensuring the capabilities, experience and background of each member remains appropriate to the Company and continues to contribute to overall board effectiveness.

A Board review was undertaken by the Nomination Committee in 2018, including an external independent review, and a further internal review has been undertaken in 2019. These reviews included considerations related to the size, structure and composition and effectiveness of the Board. Both reviews concluded that the incumbent Board is appropriately sized and continues to provide the breadth of skills, knowledge and experience to discharge its duties effectively, and to meet the leadership needs of the Company. We welcome the recent appointment of Sandra Platts as the Company’s SID and of Kate and Tim as Independent Consultants to the Board as means of further strengthening the governance framework employed.

Having taken into account the conclusions of the Nomination Committee, we are confident that the Board is functioning effectively and that it would not be in the interests of the Company’s shareholders

to change the Board's composition at this point in time, after only four years of the Company's existence.

Succession planning and conclusions

In respect of the future development of the Board, so as to avoid undue disruption from the departure of multiple directors in the same year and for reasons of continuity, the Nomination Committee confirmed the Board's approach to an orderly and gradual phasing of its membership, as set out in its formal succession plan, whereby the first of those Directors appointed at the Company's launch would retire without seeking re-appointment at the 2021 AGM.

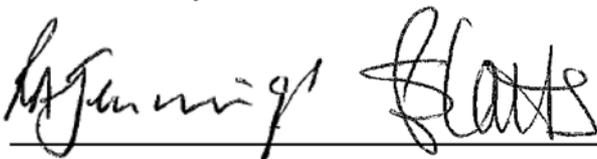
The benefits of increased diversity are very important objectives for the Company and will remain under consideration as part of our formal succession planning arrangements, with candidates for Board succession sourced based on merit, with due consideration given to any strengths which are considered to be under-represented on the Board.

While we endorse the requirement for greater Board diversity, we believe that the Board is functioning in a highly effective manner and that it would not be in shareholders' best interests to change the structure or composition of the Board at this point in time. In addition, we wish to highlight the role played by Kate Thurman as Independent Consultant to the Board. When including Kate Thurman's role in addition to Sandra Platts' role as Senior Independent Director, a third of the independent joint oversight of the Company, provided by the Board and the independent consultants, is already provided by women.

We hope this letter provides useful background and context when assessing the current structure of the Board. To the extent that you have any views on the matters addressed in this letter, the Board would welcome your opinion and would be pleased to engage with you on our succession planning and diversity objectives.

Finally, we would like to sincerely thank you for your ongoing support in helping the Company achieve its objectives.

Yours sincerely,



Robert Jennings (Chairman) & Sandra Platts (Senior Independent Director), on behalf of the Board of Sequoia Economic Infrastructure Income Fund Limited