

**SEQUOIA**  
**ECONOMIC**  
**INFRASTRUCTURE**  
INCOME FUND LIMITED

**REMUNERATION & NOMINATION COMMITTEE**  
**TERMS OF REFERENCE**

Reviewed and re-adopted by the Committee on 29 MARCH 2022

## **Sequoia Economic Infrastructure Income Fund Limited**

### **Remuneration and Nomination Committee (the “Committee”) – Terms of Reference**

#### *Membership*

The Remuneration and Nomination Committee shall comprise at least three directors. A majority of the members of the Committee shall be independent non-executive directors. The members of the Committee for the time being shall be Sandra Platts (Chair), Robert Jennings and James Stewart.

The Committee shall comprise at least two members, all of whom shall be independent non-executive directors. The chair of the board may also serve on the Committee as a member if he or she was considered independent on appointment as chair but cannot Chair the Committee. Members of the Committee shall be appointed by the Board in consultation with the chair of the Committee. If the Board has decided that the entire Board should fulfil the role of the Committee, it will explain why it has done so in the annual report.

All members of the Board have the right to attend committee meetings. However, other individuals and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

Appointments to the Committee are made by the board and shall be for a period of up to three years, which may be extended for further periods of up three-years, provided the director still meets the criteria for membership of the Committee.

The Board shall appoint the committee chair who shall be an independent non-executive director with relevant experience and understanding of the Company. In the absence of the Committee chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the board.

#### *Secretary*

The company secretary or his or her nominee shall act as the secretary of the Committee.

#### *Quorum*

The quorum necessary for the transaction of business 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.

#### *Meetings*

The Committee shall meet at least once a year and otherwise as required.

#### *Notice of meetings*

Meetings of the committee shall be called by the secretary of the Committee at the request of the committee chair.

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, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to all members of the Board and to other attendees, as appropriate, at the same time.

#### *Minutes of meetings*

The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.

Draft minutes of committee meetings shall be circulated promptly to all members of the committee. Once approved, minutes should be circulated to all other members of the board unless it would be inappropriate to do so.

### *Duties - Remuneration*

The Committee shall be responsible for:

- determining and agreeing with the Board the framework or broad policy for the remuneration of the company's chair, directors, the company secretary and such other members of the management as it is designated to consider. No director or manager shall be involved in any decisions as to their own remuneration;
- in determining such policy, take into account all factors which it deems necessary including the time commitment and responsibilities of the role(s) in question with reference to relevant legal and regulatory requirements, the provisions and recommendations of Guernsey Code, UK Corporate Governance Code or the AIC Code and associated guidance;
- when setting remuneration policy for directors, review and have regard to the remuneration trends across the company and market practice with peers, and give due consideration to the additional time requirements placed on directors from assuming additional responsibilities, such as chairing a committee of the Board;
- review the ongoing appropriateness and relevance of the remuneration Policy;
- within the terms of the agreed policy and in consultation with the chair, determine the total individual remuneration package of the chair, each director, company secretary and other designated members of management (if any); or
- obtain reliable, up-to-date information about remuneration in other companies.

To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the Board:

- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee; or
- agree the policy for authorizing claims for expenses from the directors.

Should an external consultant be appointed, the Committee shall identify them in the annual report alongside a statement about any other connection it has with the Company.

### *Duties - Nomination*

The Committee shall be responsible for:

- regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- give full consideration to succession planning for directors in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board in the future;
- keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;

- be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall;
- consider the use of open advertising or the services of external advisers to facilitate the search;
- consider candidates from a wide range of backgrounds;
- consider candidates based on merit and against objective criteria and within this context, promoting diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, taking care that appointees have enough time available to devote to the position;
- for the appointment of a chair of the Board, the Committee should prepare a job specification, including the time commitment expected. A proposed chair's other significant commitments should be disclosed to the Board before appointment and any changes to the chairman's commitments should be reported to the Board as they arise;
- prior to the appointment of a director to the Board, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
- 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;
- review the results of the annual Board performance evaluation process that relate to the composition, diversity and how effectively members of the Board work together to achieve objectives;
- review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- determining a policy on the tenure of the chair, and non-executive directors with a clear rationale for the expected tenure, and
- work and liaise as necessary with all other Board Committees.

The Committee shall also make recommendations to the Board concerning:

- formulating plans for succession for non-executive directors and in particular for the key role of chair, including the policy on tenure and how the expected tenure is consistent with the need for regular refreshment and diversity;
- suitable candidates for the role of senior independent director;
- membership of the audit, risk, ESG & engagement, management engagement, and any other Board Committees as appropriate, in consultation with the chairman of those committees;
- 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 knowledge, skills and experience required;
- the re-election by shareholders of directors under the annual re-election provisions of the AIC Code or the retirement by rotation provisions in the company's articles of incorporation and the AIC Code of Corporate Governance, having 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 the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);

- any matters relating to the continuation in office of any director at any time; and
- the appointment of any director to executive or other office.

### *Reporting responsibilities*

The Committee chair shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.

The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

The Committee shall produce a report of the company's remuneration policy and practices, and a description of the work of the Committee, to be included in the company's annual report and ensure each year that it is put to shareholders for approval at the AGM.

The Committee shall also produce a report to be included in the company's annual report about its activities, the process used to make appointments, its approach to succession planning and how these support developing a diverse pipeline, and explain if external advice or open advertising has not been used. The report shall also explain how the board evaluation has been conducted, the nature and extent of an external evaluators contact with the Board and with individual directors, the outcomes of actions taken, and how it has or will influence board composition.

The report referred to above should include a statement of the Board's policy on diversity and inclusion, its linkages to company strategy, how it has been implemented and progress on achieving the objectives. If the Board has decided that the entire Board should fulfil the role of the Committee, such statement in the annual report will also include an explanation why it has chosen to do so.

### *Other matters*

The Committee shall:

- have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 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;
- give due consideration to laws and regulations, the provisions of the AIC Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable Rules, as appropriate; and
- arrange for periodic reviews of its own performance and, at least annually, review its 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.

### *Authority*

The Committee is authorised by the board to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.

Adopted by the Committee on 29 March 2022 and approved by the Board on 30 March 2022.

Committee membership:

Remuneration Committee:

*30 December 2014 to 26 June 2018: Sandra Platts (Chair), Jon Bridel, Robert Jennings.*

*26 June 2018 to 4 August 2021: Sandra Platts (Chair), Jon Bridel, Robert Jennings, Jan Pethick.*

*4 August 2021 to 29 March 2022: Sandra Platts (Chair), Jon Bridel, Robert Jennings, Jan Pethick and Sarika Patel.*

Nomination Committee:

*30 December 2014 to 26 June 2018: Robert Jennings (Chair), Jon Bridel, Sandra Platts.*

*26 June 2018 to 3 August 2021: Robert Jennings (Chair), Jon Bridel, Sandra Platts, Jan Pethick.*

*4 August 2021 to 29 March 2022: Robert Jennings (Chair), Jon Bridel, Sandra Platts, Jan Pethick and Sarika Patel.*

Remuneration and Nomination Committee:

*29 March 2022 to-date: Sandra Platts (Chair), Robert Jennings and James Stewart.*