

The Scottish Investment Trust PLC

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE MEMBERSHIP

The committee shall comprise all serving members of the board. A majority of members of the committee shall be directors of the company independent of management. The chairman of the board of directors shall chair the committee except when the appointment of a new chairman is being considered. In the absence of the committee chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting. Care should be taken to minimise the risk of any conflict of interest and potential conflicts should be disclosed.

SECRETARY

The company secretary or his/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.

FREQUENCY OF MEETINGS

The committee shall meet at such times as the chairman of the committee shall require.

NOTICE OF MEETINGS

Meetings of the committee shall be convened by the secretary of the committee at the request of the chairman of the committee.

MINUTES OF MEETINGS

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

DUTIES

The committee shall:

1. regularly review the structure, size and composition of the board and make recommendations with regard to any adjustments that are deemed necessary;
2. be responsible for identifying and nominating, for the approval of the board, candidates to fill board vacancies as and when they arise;
3. undertake an annual performance evaluation of all members of the board.

It shall also make recommendations:

1. as regards the re-appointment of any non-executive director at the conclusion of his or her specified term of office; especially when they have concluded their second term;
2. for the continuation (or not) in service of any director who has reached the age of 70;
3. concerning the re-election by shareholders of any director under the 'retirement by rotation' provisions in the company's articles of association;
4. concerning any matters relating to the continuation in office as a director of any director at any time;
5. in connection with items that should be published in the company's annual report relating to the activities of the committee; and
6. with regard to the membership and chairmanship of the audit committee.

Authority The committee is authorised to seek any information it requires from any employee of the company in order to perform its duties. 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.