

**TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE (THE “COMMITTEE”)  
OF THE BOARD OF DIRECTORS (THE “BOARD”)  
OF EDINBURGH DRAGON TRUST PLC (THE “COMPANY”)**

**MEMBERSHIP**

The Remuneration Committee should consist of non-executive Directors and should comprise at least two such Directors. The Chairman of the Committee shall be an independent Director other than the Chairman of the Board.

**MEETINGS**

The Committee shall meet at least once in each year, at such times and locations as may be agreed by its members. The Committee may invite additional attendees as it sees fit.

**DUTIES**

The Committee should:

- determine and agree the broad policy for the remuneration of the Chairman and Directors of the Company. No Director should be involved in any decisions as to their own remuneration;
- in determining the remuneration of Directors due regard should be given to the comments and recommendations of the UK Corporate Governance Code as well as the UK Listing Authority’s Listing Rules, the Articles of Association of the Company, fees of the peer group and associated guidance;
- ensure that provisions regarding disclosure of remuneration as set out in the Directors’ Remuneration Report Regulations and the Code, are fulfilled;
- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- report the frequency of, and attendance by members at, Remuneration Committee Meetings in the annual report;
- make the Committee’s terms of reference publicly available. These should set out the Committee’s delegated responsibilities and be reviewed and, where necessary, updated annually;
- review its terms of reference: and
- The Committee Chairman shall report to the Board on its proceedings after each meeting.