

## **Aberdeen Asian Income Fund Limited**

### **Nomination and Remuneration Committee Terms of Reference**

The Nomination and Remuneration Committee should consist of a majority of independent non-executive Directors. It may include the Chairman of the Board.

The Chairman of the Committee shall be an independent non-executive Director appointed by the Board of Directors.

#### **Duties**

The Committee should:

- be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- before making an appointment, the Nomination and Remuneration Committee should evaluate the balance of skills, knowledge and 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;
- review annually the time required from a non-executive Director. Performance evaluation should be used to assess whether the non-executive Director is spending enough time to fulfil their duties;
- consider candidates from a wide range of backgrounds;
- give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are needed on the Board in the future;
- regularly review the structure, size and composition (including the skills, knowledge and experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- keep under review the leadership needs of the Company with a view to ensuring the continued ability of the Company to compete effectively in the market place;
- make a statement in the Annual Report about the process used for appointments and explain if external advice or open advertising has not been used;
- 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;

- ensure that on appointment to the Board, non-executive Directors are provided with an induction programme;
- approve the process for the annual evaluation of the Board, its Committees and individual Directors.
- determine and agree the broad policy for the remuneration of the Chairman of the Board and other Directors. In determining the remuneration of Directors, due regard should be given to the comments and recommendations of the UK Code of Corporate Governance (the “Code”), the AIC’s Code of Governance (the “AIC Code”), the FCA’s Listing Rules, the Articles of Association of the Company and fees of the peer group;
- ensure that provisions regarding disclosure of remuneration as set out in the Directors’ Remuneration Report Regulations, the Code and the AIC 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; and
- make a statement in the Annual Report about its activities; the membership of the Committee, number of Committee meetings and attendance of members over the course of the year;
- make publicly available its terms of reference explaining clearly its role and the authority delegated to it by the Board.

The Committee should make recommendations to the Board:

- as regards plans for succession;
- as regards the re-appointment of any non-executive Director at the conclusion of their specified term of office;
- concerning the re-election by shareholders of any Director under the retirement by rotation provisions in the Company’s Articles of Association;
- concerning any matters relating to the continuation in office of any Director at any time;
- concerning the appointment of any Director to other office (e.g. Chairman of the Audit Committee) other than to the positions of Chairman, the recommendation for which would be considered at a meeting of the Board; and
- on the level of fees payable to Directors.

March 2026