



**FRANKLIN
TEMPLETON**

Terms of Reference of Nomination and Remuneration Committee

Templeton Emerging Markets Investment Trust PLC ("TEMIT" or the Company")

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE (THE "COMMITTEE")

The Committee is appointed by the Board in accordance with the Company's Articles of Association. The Committee has delegated authority of the Board and shall act in accordance with these Terms of Reference.

A. Membership

1. The Committee shall comprise at least three Directors each of whom shall be appointed by the Board.
2. A majority of members of the Committee shall be independent non-executive directors.
3. The Company Secretary or their nominee shall act as the Secretary of the Committee.
4. An independent non-executive Director will chair the Committee, but the Chairman shall not chair the Committee when it is dealing with the appointment of a successor to the Chairmanship and with determining the remuneration policy and setting the remuneration for the chair. Before appointment as Chair of the Committee, the board should satisfy itself that the appointee has relevant experience and understanding of the Company.

B. Meetings

1. The quorum for meetings shall be two.
2. Meetings will be held at least annually to review board membership and remuneration and report annually to the Board.
3. A meeting of the Committee may be called by any member of the Committee or by the Secretary.
4. 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 not fewer than five working days prior to the date of the meeting (unless every member formally agrees to a shorter notice period).

5. The Secretary shall minute the proceedings and resolutions of all meetings as well as keep appropriate records.
6. No Director shall be involved in any decision as to their own appointment as Director.
7. The Chairman of the Committee will attend the Company's AGM and will be prepared to respond to questions which may be raised by shareholders on matters within the Committee's responsibilities.

C. Duties and Responsibilities

The Committee shall:

1. Review regularly the Board structure, size and composition and make recommendations in the form of a description of the role and capabilities required by the Board with regard to any adjustments that seem appropriate through evaluating the balance of skills, knowledge and experience on the Board;
2. Consider the rotation of Directors (including any recommendation to Shareholders on re-election of a retiring Director) and renewal of the Board;
3. Approve the candidate specification for all Board appointments;
4. Approve the process by which suitable candidates are identified and shortlisted, including the selection of such third-party advisors as may be necessary;
5. Nominate candidates for consideration by the full Board, whose responsibility it is formally to make the appointment;
6. At all times, disclose on the Company's website the Committee's role and the authority delegated to it by the Board;
7. When dealing with the appointment of a Chairman, prepare a job specification, including an assessment of the time commitment expected, with recognition being given to the need for availability in the event of a crisis;
8. Periodically review the level of Directors' time commitment and fees relative to other comparable companies and in light of the Directors' responsibilities;
9. The Committee will have access to independent research and advice from external sources; and
10. Where a remuneration or recruitment consultant is appointed, this should be the responsibility of the Committee. The consultant should be identified in the annual report alongside a statement about any other connection it has with the Company or Directors. Independent judgement should be exercised when evaluating the advice of external third parties.

In evaluating the Board and particularly when making decisions on nominations to be made, the Committee members shall consider:

1. All relevant legal and regulatory requirements;
2. The provisions and recommendations of the UK Corporate Governance Code ("Code") and associated guidance; and
3. The diversity policy of the Company set by the Board.

In determining the remuneration policy and particularly when determining any increases in fees paid to Directors,

the Committee member shall consider:

1. All relevant legal and regulatory requirements;
2. The provisions and recommendations of the UK Corporate Governance Code and associated guidance;
3. The time commitment and responsibilities of the role;
4. Avoiding any forms of remuneration for non-executive Directors which are proscribed by the UK Corporate Governance Code and associated guidance, such as share options or other performance-related elements;
5. Whether provision should be made for additional directors' fees where directors are involved in duties beyond those normally expected as part of the director's appointment; in such instances the board should provide details of the events, duties and responsibilities that gave rise to any additional directors' fees in the annual report, and
6. The remuneration policy of the Company set by the Board and approved by the shareholders at every three years.

D: Reporting Requirements

1. The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
2. The Committee shall make whatever recommendations to the Board it deems appropriate within its remit where action or improvement is needed.
3. The Committee shall produce a section in the Company's annual report setting out the Company's remuneration policy and practices and ensure that it is put to shareholders for approval at the AGM.
4. The annual report shall describe the work of the Committee, including:
 - the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;
 - how the Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and Directors, the outcomes and actions taken, and how it has or will influence Board composition; and
 - the policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives.

Dated 4 June 2019