

# BLACKROCK THROGMORTON TRUST PLC

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## Nomination Committee

### Terms of Reference

Amended by resolution of the board dated 3 December 2018

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#### 1. Membership

- 1.1 Members of the Committee shall be appointed by the Board from amongst the non-executive directors and shall consist of at least 3 members.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals, such as representatives from external advisers, may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3 The Board shall appoint the Committee Chairman who should be the Chairman of the Board or an independent non-executive director. 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. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

#### 2. Secretary

- 2.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

#### 3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be 2 members.

#### 4. Frequency of Meetings

- 4.1 The Committee shall meet at least annually and at such other times as the Chairman and other members of the Committee may require.

#### 5. Notice of Meetings

- 5.1 Meetings of the Committee shall be called by the Secretary at the request of the Committee.
- 5.2 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 5 working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

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### 6. Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings.
- 6.2 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 in the opinion of the committee chairman it would be inappropriate to do so.

### 7. Annual General Meeting

- 7.1 The Committee Chairman should attend the Annual General Meeting prepared to answer any shareholder questions on the Committee's activities.

### 8. Duties

- 8.1 The Committee should carry out the duties below:

- 8.1.1 regularly review the structure, size and composition; including the skills, knowledge, independence, experience and diversity (seeking to promote, where appropriate, diversity of gender, social and ethical backgrounds, cognitive and personal strengths) of the Board and make recommendations to the Board with regard to any changes;
- 8.1.2 give full consideration to succession planning for directors, including the Chairman, 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;

- 8.1.3 keep under review the leadership needs of the Company;

- 8.1.4 be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;

- 8.1.5 before any appointment is made by the board, evaluate the balance of skills, knowledge, independence, 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:

- 8.1.5.1 use open advertising or the services of external advisers to facilitate the search;

- 8.1.5.2 consider candidates from a wide range of backgrounds; and

- 8.1.5.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the board, including gender, taking care that appointees have enough time available to devote to the position;

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- 8.1.6 for the appointment of a chairman, the committee should prepare a job specification, including the time commitment expected. A proposed chairman'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. The matter of 'overboarding' should also be considered in the context of relevant corporate governance guidelines on Directors' other commitments when considering the appointment of all Directors.
- 8.1.7 prior to the appointment of a director, 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
- 8.1.8 review the results of the board performance evaluation process that relate to the composition of the board
- 8.1.9 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; and
- 8.1.10 to 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
- 8.1.11 work and liaise as necessary with all other board committees
- 8.2 The Committee shall also make recommendations to the Board concerning:
- 8.2.1 formulating plans for succession for non-executive directors and the key role of Chairman;
- 8.2.2 the need for a Senior Independent Director and if appropriate, suitable candidates;
- 8.2.3 membership of the Audit and Management Engagement Committees in consultation with the chairmen of those committees;
- 8.2.4 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 the knowledge, skills and experience required;
- 8.2.5 the continuation (or not) of the service of any non-executive director who has served on the Board for longer than nine years;
- 8.2.6 the re-election by shareholders of directors under the 'retirement by rotation' provisions in the company's articles of association, or the re-election provisions of the Code having due regard to their performance and ability to continue and contribute to the Board in the light

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of the knowledge, skills, independence, and experience required and the need for progressive refreshing of the board (particularly in relation to directors being re-elected for a term beyond nine years); and

- 8.2.7 any matters relating to the continuation in office of any director at any time including the suspension or termination of the service of a director subject to the provisions of the law and their service contract.

### 9. Reporting Responsibilities

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall produce a report to be included in the annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company; and
- 9.4 the report referred to in 9.3 above should include a statement of the board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

### 10. Other matters

The committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
- 10.2 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;
- 10.3 give due consideration to applicable law and regulation, the provisions of the Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and any other applicable rules, as appropriate; and
- 10.4 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.

### 11. Authority

- 11.1 The Committee is authorised to seek any information it requires from the Manager and/or Investment Manager of the Company in order to perform its duties.

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11.2 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, up to a limit of £5,000. Any costs incurred in respect of the identification of suitable candidates for the position of non-executive director shall not be subject to this limit.