Nominations Committee - Terms of Reference
Updated 29 March 2021

UK Code Provision 17: ‘The board should establish a nomination committee to lead the process for appointments, ensure plans are in place for orderly succession to both the board and senior management positions, and oversee the development of a diverse pipeline for succession.’

Membership
The Committee shall comprise all the independent non-executive directors of the company for the time being. The Committee shall be chaired by the Board Chairman (Ronald Gould). Appointments to the committee are made by the Board on the recommendation of the nomination committee and shall be for a period of up to three years, which may be extended for up to two additional three-year periods, provided the director still meets the criteria for membership of the committee. The Board shall appoint the committee chair who should be either the chair of the Board or an independent non-executive director. In the absence of the committee chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the board. The chair of the Board shall not chair the committee when it is dealing with the matter of succession of the chair of the board. (17)

Meetings
The Committee shall meet as and when required. The quorum for a meeting shall be any two members of the Committee. Minutes of Committee meetings shall be tabled at Board meetings for information purposes. Non-committee members including representatives of the Investment Manager and non-independent, non-executive directors may be invited by the Committee to attend any of its meetings.

Secretary
The company secretary, or their nominee, shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

Quorum
The quorum necessary for the transaction of business shall be two, both of whom must be independent non-executive directors.

Notice of meetings
Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair or any of its members. 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 and any other person required to attend no later than five 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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Minutes of meetings
The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance. Draft minutes of committee meetings shall be circulated to all members of the committee. Once approved, minutes should be circulated to all other members of the Board and the company secretary unless, exceptionally, it would be inappropriate to do so.

Duties
The Committee shall:

- regularly review the size, structure and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes; (Provision 17)
- Ensure plans are in place for orderly succession to Board, and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board in the future; (Provision 17)
- Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- Before any appointment is made by the Board, evaluate the balance of skills, knowledge, 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 and the time commitment expected. In identifying suitable candidates the committee shall:
  - consider using the services of external advisers to facilitate the search;
  - consider candidates from a wide range of backgrounds; and
  - consider candidates on merit and against objective criteria, having due regard to the benefits of diversity on the board and taking care that appointees have enough time available to devote to the position.
- Prior to the appointment of a director, other significant time commitments should be disclosed and any additional future commitments should not be undertaken without prior approval of the board. The proposed appointee should also be required to disclose any other business interests that may result in a conflict of interest. These must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the Board.
- 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.
- Review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning.
- 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.
- Make recommendations to the Board in respect of the re-election by shareholders of directors under the annual re-election provisions of the Code, having due regard to their performance and ability, and why their contribution is important to the company’s long-term sustainable success in the light of the skills, experience and knowledge required and the need for progressive refreshing of the Board, taking into account the length of service.
of individual directors, the chair and the Board as whole. make recommendations for changes to the chairmanship and membership of the Company’s committees and the senior independent director;

- assess and recommend which Directors are independent or not independent for approval by the Board and for disclosure in the Annual Report and Accounts.

Authority
The Committee shall have the power to employ the services of such advisers as it deems necessary to fulfil its responsibilities.

Reporting responsibilities

- The committee chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations and action to be taken;
- The committee shall produce a report to be included in the company’s annual report describing the work of the nomination committee, including the process used in relation to appointments and its approach to succession planning, how the Board evaluation has been conducted, the nature and extent of an external evaluator’s contact with the Board and individual directors, the outcomes and actions taken, and how it has influenced or will influence Board composition; and the gender balance of the Board.
- If an external search consultancy has been engaged, it should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors.