

# Board Diversity Policy

## Policy statements

### Introduction

The Board Diversity Policy (the “Policy”) sets out the Board of Talbot Underwriting Ltd.’s (the “Board”) approach to and promotion of diversity, equity and inclusion. The success of Talbot Underwriting Ltd (the “Company”) is enhanced by building a diverse and inclusive culture. The Board’s approach to diversity sets the tone for the entire Company, which is governed in greater detail in the Company’s policies.

### Board appointments

The Board nominations process is a formal and transparent process and welcomes the benefits of diversity and a number of measurable factors are considered by the Board including gender, race, ethnicity, sexual orientation and age, as well as diversity of approach, skills and experience. The Board Nominations Committee meets on an ad hoc basis where a new Board member is required and is responsible for review of the structure, size and composition of the Board, and makes recommendations to the Board with regard to the appointment of new members.

New Board appointments are based on merit and candidates are considered against objective criteria. The Board acknowledges that the overall effectiveness of the Board and prudent management of the firm and protection of policy holders is supported by a diverse membership. The Board considers that a Board which benefits from a diversity of thought encourages constructive debate and mitigates the risk of ‘groupthink’. Board members are asked annually, via the Board Effectiveness Review, to consider whether the composition of the Board and the Board Committees have the right balance of skills, knowledge and experience, and whether the nominations process pays due regard to the benefits of diversity.

The Board is targeting a gender balance target of at least 20% female membership by the end of 2023, in line with the target set by the Lloyd’s market for all managing agent Boards and Executive Committees. The Board places high emphasis on ensuring the development of diversity in senior management roles in the Company, and expects all firm leaders to promote a culture of diversity. Diversity at Board level is supported by ensuring diversity at senior management level and the executive pipeline, through career development and ensuring a level playing field for progression. Progress on moving the Company to a more diverse workforce through various strategic Company initiatives and targets is monitored by the Board’s sub-committee, the People and Remuneration Committee and via quarterly Board-level reporting as well.