

Close Brothers Group plc

Board Diversity & Inclusion Policy (the “Policy”)

1. Purpose and scope

- 1.1 This Policy sets out the approach of Close Brothers Group plc (“**Close Brothers**” or the “**Group**”) to diversity and inclusion on its Board of Directors (the “**Board**”).
- 1.2 Our stakeholders are diverse and they have a variety of needs. These are met by the diversity of thought, culture, background and perspectives that are reflected within our Board through an inclusive environment where everyone is valued and respected.

2. Policy statement

- 2.1 The Board recognises the importance of ensuring that its members collectively possess the appropriate range and balance of skills, knowledge and expertise, and embrace the advantages to be derived from having a diversity of gender, social and ethnic backgrounds represented on the Board, bringing different perspectives and the challenge needed to ensure effective decision-making.
- 2.2 The Board fosters a truly inclusive culture which allows views from all perspectives to be given due consideration and enables the Board to consider the needs and expectations of all its stakeholders.

3. Objectives

- 3.1 The Board supports the aim of promoting greater diversity and inclusion in the boardroom and seeks to maintain a diverse, inclusive and balanced Board. It will look for opportunities to further improve the diversity of the Board where it is consistent with the skills, experience and expertise required by the Board at a particular point in time.
- 3.2 The Board aims to recruit new directors in line with the recommendations of the FTSE Women Leaders Review and the Parker Review, as well as the requirements of the UK Listing Rules.
- 3.3 As and when vacancies arise on the Board, the Board will consider its longer-term ambition that:
 - At least 40% of the directors appointed to the Board are women;
 - At least one of the Chair, Chief Executive, Senior Independent Director or Chief Financial Officer is a woman; and
 - At least one director appointed to the Board is from a minority ethnic background.
- 3.4 The Board recognises that due to its relatively small size, the appointment or departure of a single director can have a significant impact on the achievement of the targets above.

4. Responsibilities

- 4.1 The Board's Nomination and Governance Committee (the "**Committee**") regularly reviews and evaluates the structure, size and composition of the Board and its committees and is responsible for identifying and recommending new directors for appointment. Board appointments are made on merit against objective and defined criteria, following consideration by the Committee of the balance of skills, experience, knowledge and diversity required for the Board to operate effectively as a whole.
- 4.2 The Committee is committed to ensuring that the external search firms that it uses to assist with Board appointments consider candidates from a broad and diverse range of backgrounds and experiences. In its search for candidates, the Committee aims only to engage with executive search firms which are signatories to the Voluntary Code of Conduct for Executive Search Firms.
- 4.3 The Committee regularly discusses talent management and succession planning below Board level. As part of this, it considers actions to develop a diverse and inclusive talent pipeline that can progress into management and leadership positions, including at Board level.
- 4.4 The Chair is responsible for leading the annual board evaluation process, which involves consideration of the composition, diversity and effectiveness of the Board.
- 4.5 The Board recognises its responsibility to assess and monitor culture across the Group, of which diversity and inclusion are significant factors.

5. Review and approval

- 5.1 The Committee will review this Policy on an annual basis and refer any proposed amendments to the Board for approval.
- 5.2 This Policy has been approved and adopted by the Board of Close Brothers Group plc.

July 2023