

Close Brothers Group plc – Board Diversity Policy

Purpose and scope

This document sets out the approach of Close Brothers Group plc (“**Close Brothers**” or the “**Group**”) to diversity on its Board.

Close Brothers knows the benefits that diversity can bring at all levels of the Group’s operations.

As a part of this, the Board recognises the importance of having directors with a range of skills, knowledge and experience, and embraces the advantages to be derived from having a diversity of gender and social and ethnic backgrounds represented on the Board, bringing different perspectives and the challenge needed to ensure effective decision-making.

Board diversity

The Board’s Nomination and Governance Committee (the “**Committee**”) regularly reviews and evaluates the structure, size and composition of the Board 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.

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.

The Board supports the aim of promoting greater diversity in the boardroom and seeks to maintain a diverse 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.

Whilst the Board aims to maintain female representation of at least 30 per cent., it 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 this aim.

Diversity below Board level

The Board remains committed to improving diversity at all levels of the Group’s operations. As such, it supports, and is updated on, diversity initiatives in place below Board level across the Group.

The Committee regularly discusses talent management and succession planning with respect to senior management roles below Board level. As part of this, it considers diversity and actions to encourage a diverse pipeline that can progress into management and leadership positions, including at Board level.

Further commentary on the progress made in reaching the Group’s diversity objectives will be set out in the Group’s annual reports.

Review and approval

The Committee will review this Policy annually, and refer any proposed amendments to the Board.

This Policy has been approved by the Close Brothers Group plc Board.

23 January 2019