

Board Diversity Policy

CONFIDENTIALITY

This document is a best effort accurately to describe the subject policy at the time of publication. The material contained herein is confidential and proprietary to Talbot Underwriting Ltd and may not be reproduced, published or disclosed to others without the express authorisation of Talbot Underwriting Ltd.

DOCUMENT CONTROL

Key Document Summary

Document Status	Approved
Document Owner	TUL Board
Approved By	TUL Board
Date Approved	05/03/2021
Document Location	SharePoint Governance Site

Document History

Date	Version	Status	Reviewer(s)	Action/Comment
15/03/18	1.0	Draft	TUL Board	Approved by TUL Board, subject to comments made by the Board.
06/04/2018	1.0	Live	Romisha Patel	Published as live.
26/02/2019	2.0	Draft	Marie-Claire Gallagher	Updated reference to Senior Managers and Certification Regime.
14/03/2019	2.0	Approved	TUL Board	Final approval.
12/02/2020	3.0	Draft	Marie-Claire Gallagher	Updates to the responsibilities of the TUL Board and other minor updates as captured under the annual review.
20/01/2021	3.1	Draft	Marie-Claire Gallagher	Removed gender split target.

Contents

1	Executive summary	4
1.1	Purpose of this policy.....	4
1.2	Regulatory requirements.....	4
1.3	Policy ownership.....	4
1.4	Roles and responsibilities	4
2	Policy statements	4
2.1	Introduction	4
2.2	Board appointments	4

1. Executive summary

1.1. Purpose of this policy

This document describes the Board Diversity Policy for Talbot Underwriting Ltd (TUL).

1.2. Regulatory requirements

This policy sets out how Talbot will comply with the PRA’s requirement for large insurers to maintain a Board Diversity Policy. This is part of the PRA’s Senior Managers and Certification Regime.

1.3. Policy ownership

The Board Diversity policy is owned by the Board of Talbot Underwriting Ltd.

1.4. Roles and responsibilities

The table below lists the key roles and associated responsibilities:

Roles	Responsibilities
Talbot Governance Team	<ul style="list-style-type: none">• Drafts the Board diversity policy, in conjunction with the HR department as required.
Talbot Board	<ul style="list-style-type: none">• Reviews and approves the Board Diversity policy on an annual basis.• Approves the appointment of new Board members as recommended by the Talbot Nominations Committee.
Talbot Nominations Committee	<ul style="list-style-type: none">• Reviews the Board Diversity Policy, for recommendation to the Board.• Oversees the process of identifying new Board members as required.

2. Policy statements

2.1. 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.

2.2. 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 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 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 via quarterly reporting.