

Board Diversity Policy

1. Purpose

- 1.1. The Board Diversity Policy (the Policy) sets out the approach to diversity and inclusion in respect of the board of The Exeter. The Policy is intended to assist the Board, through the work of the Nomination Committee, in creating and maintaining optimum board and Committee composition. The Exeter places importance on the principle of diversity, including gender diversity. Diversity throughout the organisation makes business sense, not least because it means that as a growing insurance company The Exeter is better able to understand and meet customer needs if the organisation reflects its customer base.
- 1.2. The Exeter's policy is to ensure that there is broad experience and diversity on the main Board, whilst acknowledging that as an organisation operating in the financial services industry, there will always be an overriding need to ensure that it meets its regulatory obligations including those relating to fitness and propriety and relevant experience which underpin the Approved Persons regime.
- 1.3. The Board Diversity Policy reflects The Exeter's wider commitment to corporate social responsibility and is supported by policies on equal opportunity and requirement and selection, which are applicable throughout the organisation. The Exeter is committed to creating a working culture that respects, celebrates and harnesses differences to the benefit of customers, employees, business partners and the wider communities within which we operate.
- 1.4. The principle of equal opportunities for everyone in employment is an important part of The Exeter's working culture. Our competitive advantage depends on business teams that include people with different backgrounds, experiences and perspectives, who feel valued for the positive contribution they can make to The Exeter's success. Our aim is to treat people fairly always.

2. Primary audience

- 2.1. The principles of this policy are applicable to all Society employees whilst its key focus is to ensure that the Board's policy reflects the needs of the wider organisation. It also directs our directors and managers on the effective embedding, monitoring and reporting of progress on diversity agenda.
- 2.2. This Policy makes clear to all our stakeholders – our members, employees, suppliers and business partners and the communities in which we operate - what our vision for diversity is and how we propose to work towards achieving it.
- 2.3. This Policy has the full support of the Chairman and the Board of Directors.

3. Responsibilities

- 3.1. The Board

The Board through the work of the Nomination Committee, is responsible for ensuring the Board Diversity Policy is taken into account whenever it is reviewing the structure, size and composition of the Board and its Committees.

3.2. Chief Executive

Is the main Board Director with primary responsibility for the Diversity Policy.

3.3. Company Secretary

The Company Secretary, reporting to the Nomination Committee, will be responsible for the implementation of this Policy and for monitoring progress towards the achievement of its objectives and maintaining the integrity of the Policy.

3.4. Line Management

Must encourage and promote diversity within the business.

4. Policy standards

- 4.1. The Exeter's policy is to ensure that there is broad experience and diversity on the main Board. Diversity in The Exeter embraces knowledge and understanding of relevant diverse peoples and their backgrounds including race, disability, gender, sexual orientation, religion, belief and age, as well as culture, personality and work-style. Diversity also includes a diversity of perspective on what motivates and interests The Exeter's existing and potential customers.
- 4.2. In particular, the Board is focused upon increasing diversity without compromising on the calibre of Directors and its obligations to regulators and its stakeholders. To this end appointments to the Board will be based on merit as well as complementing and expanding the skills, knowledge and experience of the Board as a whole.
- 4.3. Within the context of this Policy, the Board aspires to having an appropriate proportion of Directors who have direct experience of The Exeter's key markets and reflect its membership base and who may be of either gender, persons with disabilities and/or from different cultural backgrounds

5. Policy objectives

- 1.1. Notwithstanding its responsibilities to its stakeholders and regulatory obligations, the Board is committed to ensuring that diversity in its broadest sense continues to remain a feature of The Exeter Board. To this end, its medium-term objectives are to:
 - assist the development of a pipeline of high-calibre candidates by encouraging a broad range of senior individuals within the business to take on additional roles to gain valuable experience;
 - consider candidates for appointment as Non-Executive Directors from as wide a pool as possible within the confines of its regulatory obligations;

- ensure Non-Executive Director initial selection lists reflect the standards of this Policy and include a fair representation of female candidates; and
- only engage executive search firms which have signed up to the voluntary Code of Conduct on gender diversity and best practice.

6. Reporting

- 6.1. The Exeter's Board will report annually against the objectives and other initiatives taking place within The Exeter to promote gender and other forms of diversity. It will also report annually on the outcome of the Board evaluation, the composition and structure of the Board as well as any issues and challenges the Board is facing when considering the diverse make-up of The Exeter. A summary of this policy, and of the progress made in achieving its objectives, will be disclosed in the Annual Report & Accounts.

Review and approved by the Board September 2019