

CO-OP INSURANCE

Board Diversity Policy

This policy applies to the Board of Co-op Insurance. The policy in relation to Co-op Insurance colleagues is covered by the Co-op's Diversity and Inclusion Policy.

The Board recognises the importance of a diverse board that is representative of its Membership now and in the future and which promotes diversity of thought.

Diversity is key in ensuring we have the right talent, contribution and commitment to achieve our aims, make high quality deliberations and decisions, as well as effective engagement with Members and other key stakeholders. We believe embracing diversity will give us a commercial advantage as well as being the right thing to do. The Board recognises that by embracing diversity, it will:

- i. help the Board represent the views of our changing and growing Membership;
- ii. bring a broad range of skills, knowledge, thoughts and experience to the Board;
- iii. support good governance through challenge and discussion from a diverse range of viewpoints;
- iv. uphold the Co-operative Values and Principles of honesty, openness, equality and equity; and
- v. uphold the highest standards of good governance and board composition.

GOAL

Our aim is to ensure the Board composition is reflective of the communities which Co-op Insurance serves. The Board will therefore seek to ensure appropriate balance and diversity in its broadest sense including (but not limited to) diversity of gender, ethnicity, sexual orientation, age, religion, and geography.

This will be achieved in the following ways:

- In the process for identifying candidates for appointment to the Board, the Nomination Committee will seek to ensure that it selects from a diverse pool of candidates in the broadest sense.
- Monitoring the composition of the Board.

- Regularly reviewing Board policies and practices to ensure they are supportive of all Board members and do not create barriers to participation.
- Considering diversity when making all Director appointments (Board appointments will continue to be based on merit and candidates will be considered against objective criteria).
- Challenging management to ensure the management population can support the unique and diverse needs of our customers and communities.
- Setting a culture that is values driven and inclusive.
- Through Board effectiveness evaluation programmes, ensuring that there is the balance of skills and knowledge needed to run a regulated co-operative business.
- Only engaging executive search firms which have signed up to the voluntary Code of Conduct on gender diversity and best practice (the Board supports the 9 principles of the Executive Search Firms Voluntary Code of Conduct).
- Undertaking appropriate training to support the delivery of this policy.
- Making reference to the Diversity Policy in the annual report
- A separate section of the annual report to describe the work of the Nomination Committee, including the process it has used in relation to board appointments. This section will include a description of the Board's policy on diversity, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives including an explanation given if neither an external search consultancy nor open advertising has been used in the appointment of a Chair or a Non-Executive Director.

Approved by the Co-op Insurance Board on 23 March 2017.