

## **Council Diversity Policy (October 2020)**

### **Purpose**

The Council of Lloyd's (Council) is the governing body of the Society of Lloyd's (Lloyd's) and has overall responsibility for the overall management of the market. Lloyd's success is integrally linked to the diverse composition of its people and the promotion of an inclusive culture. The basis of this premise also applies to Lloyd's governing bodies as much as it does to any other area of its business.

The Council Diversity Policy (the Policy) sets out Lloyd's approach to achieving a diverse and inclusive governing body.

### **Relevant legislation**

The Prudential Regulation Authority (PRA) requires Solvency II insurers to have a policy to consider a broad set of qualities and competencies when recruiting board members and have a policy to promote diversity among board members. The Policy will also capture the requirements of the UK Corporate Governance Code, so far as they can be applied to the governance of a Society of members and a market of separate competing entities.

### **Scope of application**

The Policy applies to the Council. Lloyd's Diversity and Inclusion Policy applies to diversity in respect of employees of Lloyd's, which is governed in greater detail, through Lloyd's internal policies.

### **Policy Statement**

The Council believes in the value and importance of diversity in the boardroom and throughout Lloyd's. The Council, with the support of the Lloyd's Nominations & Governance Committee (the Committee) has established the following target:

- By the end of 2023, a minimum of 33% of the Council should be female and/or from a non-white background. This will be demonstrated by December 2023 with:
  - A minimum of two of the six elected market representatives and two of the six independent nominated members of Council being female; and
  - At least one member of Council will be from a non-white background.

The Council places great emphasis on ensuring that its membership reflects diversity in its broadest sense. New appointments of nominated members will be made on merit by assessing candidates against measurable objective criteria. On behalf of the Council the Committee regularly reviews and assesses Council composition and recommends new appointments. The Committee also oversees the evaluation of the performance and effectiveness of the Council. As part of this evaluation, and when considering new appointments, the Committee will consider diversity, including the balance of skills, experience, independence, knowledge and protected characteristics (as set out in the Equality Act 2010) amongst other

factors. The Committee will report annually in the corporate governance section of the Annual Report on progress.

### **Monitoring and Reporting**

The Committee will keep this Policy under regular review and will report annually, in the corporate governance section of Lloyd's Annual Report, on progress.

### **Training**

To reinforce the Policy training shall be provided at induction and at regular intervals.