

## **Board Diversity**

NFU Mutual is committed to providing an inclusive environment at all levels of the organisation, including our Board of Directors.

NFU Mutual believes that employees and workers have the right to be treated with equality, dignity and respect, and is committed to creating a supportive environment in line with our long-term objective of being a 'Great Place to Work'.

We are committed to providing a working environment which is free from bullying, harassment and discrimination, and to promoting inclusion and equality of opportunities. Any form of bullying, harassment and/or discrimination is unacceptable, and NFU Mutual takes a zero-tolerance stance against these behaviours. A separate policy exists internally which provides more details, and commits to addressing any instances of bullying, harassment or discrimination, whether internally or by a third party.

As a Board, we recognise the benefits of having a range of backgrounds and experience in senior positions, including on the Board. Diversity of experience, background and thinking supports independent challenge and increases the breadth and quality of debate, thus improving the overall effectiveness of decision-making.

Existing skills and Board composition are regularly reviewed to ensure that new appointments provide a complementary skill set that effectively contributes to the critical role the Board plays in ensuring the successful running of the business. When seeking to make a new Board appointment, we engage with independent Executive Search firms who are asked to consider the widest possible pool of candidates, recognising the importance of Diversity to us.

## **Board Diversity Policy**

### **1.0 Purpose**

The Board Diversity Policy sets out the approach to diversity of the Board of Directors of The National Farmers Union Mutual Insurance Society Limited ("the Board of NFU Mutual").

### **2.0 Scope**

This Policy applies to all members of the Board of NFU Mutual. It does not apply to diversity in relation to other employees of NFU Mutual, who are covered by the Anti-Discrimination, Bullying & Harassment Policy.

### **3.0 Policy Statement**

In NFU Mutual, we recognise the value a diverse Board brings. Diversity at Board level increases the breadth and quality of debate thus improving the overall effectiveness of decision-making and ultimately providing better protection for our

policyholders. In NFU Mutual, we recognise that diversity is a wide principle, and we value aspects such as skills, experience or diversity of approach as well as diversity of employees across the nine protected characteristics of:

- age,
- disability,
- gender reassignment,
- marriage and civil partnership,
- pregnancy and maternity,
- race,
- religion or belief,
- sex,
- sexual orientation.

All aspects of diversity are equally valuable in enhancing the quality of collective decision-making.

The Nomination Committee has responsibility for leading the process for Board appointments, and for identifying and nominating, for approval by the Board, candidates for appointment to the Board. New appointments are made based on objective selection criteria highlighting the specific skills and experience needed to oversee the running of a complex and significant Financial Services company.

Selection of candidates will take into account the extent to which their skills, experience and diversity could strengthen the Board and enable it to be fully effective.

In respect of this Policy, the Nomination Committee is responsible for monitoring the diversity of the Board on an ongoing basis, reviewing adherence to the Policy when recruiting to the Board, and reviewing the Policy at least every two years to assess its effectiveness.

### **3.1 Targets**

NFU Mutual, as a mutual, is not required to comply with the FCA's Listing Rules on Diversity and Inclusion for Boards. However, in recognising the value of Board diversity, we have chosen to voluntarily align with the diversity targets set out in the FCA's Listing rules. We have therefore set the following targets:

- i) At least 40% of the Board are women.
- ii) At least one of the senior Board positions (Chair, CEO, SID, CFO or, for NFU Mutual, Vice Chair, if one is appointed) is held by a woman.
- iii) At least one member of the Board is from a minority ethnic background.

In addition, NFU Mutual is committed to balanced gender representation and will also target that at least 40% of the Board are men.

**We aim to meet these targets by 2030. Progress against the targets will be reported in NFU Mutual's report and accounts as part of the Nomination Committee report.**