

Board Diversity and Recruitment Policy

1.1 Introduction

Not only is it against the law to treat someone less favourably than someone else because of a personal characteristic, e.g. religion or age or sex, but such treatment can have a detrimental effect to the success of any organisation.

The Firm believes that there is a strong business case for increasing boardroom diversity, which helps to promote good governance and challenge "group think" mentality. Diverse boards also act as a powerful driver for innovation and creativity, and provide a better reflection of a firm's customer base. The Firm also believes an open and transparent recruitment policy is essential in remaining compliant with the relevant equality legislation within the UK and is ultimately fair for all applicants who wish to sit on the governing body of the Firm.

1.2 Purpose

Increased diversity in the composition of management bodies can facilitate independent opinions and critical challenge and therefore the Firm has implemented the following policy to ensure our management structure is sufficiently diverse as regards:

- Age;
- Gender;
- Race;
- Educational and professional background;
- Religion or belief;
- Disability;
- Regional background.

Gender balance is of particular importance to ensure adequate representation of population. Whilst there is no legal requirement to review the governing structure of the Board when considering diversity, the Firm is aware of the recommendations made by the UK Corporate Governance Code and the CBI (Confederation of British Industry).

The Firm is also aware of the rules in the Systems and Controls Sourcebook (SYSC) 4.3A.R and the relevant requirements contained in MiFID Art.9 the Capital Requirements Directive (CRD) and Capital Requirements Regulation (CRR) including those only applicable to significant organisations. Whilst some of these rules do not apply to the Firm, we have ensured that our diversity policy follows the spirit of these requirements but have disapplied the specific requirements (such as setting quota's or ratios for gender diversity) as this would not be proportionate for a Firm of the Firm's size and structure. For the avoidance of doubt, this is the Firm's diversity and recruitment policy required by SYSC 4.3A.10R and CRR article 435(2)(b) and (c).

When appointing members of the management body, the Firm will consider whether the candidates have the knowledge, qualifications and skills necessary to safeguard proper and prudent management of the institution. These principles will be exercised and manifested through our transparent and open recruitment procedures.

1.3 Policy Statement

The Firm recognises and embraces the benefits of having a diverse Board, and sees increasing diversity within our managing structure as boosting our competitive advantage. A truly diverse governing structure will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of those within the governing body responsible for the management of the Firm. Whilst these differences will be considered in determining the optimum composition of the Board all appointments are made on merit against objective criteria, within the context of the skills, background and experience the management team as a whole requires to be effective. We will ensure that we adequately set out and describe the role and capabilities required for any given appointment to the governing body.

The selection procedure and recruitment process will remain independent in nature, in so far as this is possible given the size and structure of the Firm and in consideration as to who ultimately has the necessary authority to make decisions regarding recruitment into the governing body of the Firm. Adequate notes and records will be maintained throughout the process so compliance with this policy can be reviewed.

It would not be proportionate for a Firm with the size and structure of the Firm to have an independent body to review and assess the composition of the governing structure of the Firm; nor would it be proportionate to create an independent body to review applicants within this context. The Firm have therefore implemented the following relevant processes and procedures in order to ensure compliance with this diversity and recruitment policy:

- Considering the benefits of all aspects of diversity including, but not limited to, those described above, in order to maintain an appropriate range and balance of skills, experience and background on the Board.
- In identifying suitable candidates the Firm will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- Create or update a job description which is concise and includes: the title of the job, the aim of the job, and the main tasks as part of these criteria.
- A person specification will link the job description and state the skills, experience and knowledge a person needs to satisfy the role.
- Job adverts will state that we welcome applications from all sections of the community and we will actively encourage candidates to apply who will enhance the diversity of the governing body.
- Ensure the Firm operates a transparent and open recruitment process by disclosing our recruitment and diversity policy, and clearly stating the purpose of the recruitment undertaken and the role to be undertaken.
- Adequate records of the process will be kept (including advertisements, job descriptions and specifications, the selection process and decision making process in so far as certain details will be required to remain confidential).

At least annually the governing body of the Firm will consider the diversity of its governing arrangements within the Firm, and determine whether the make-up of the Board satisfies our diversity and recruitment policy. The Firm will determine if any changes need to take place within the processes and procedures laid down within this policy to ensure we meet our objectives.

1.4 Disclosing this policy

This Policy will be published on the Firm's website.