

Board Diversity Policy

1. Purpose

- 1.1 This policy sets out the approach to diversity in respect of the Board of Directors of Avon Protection plc ('Avon Protection'). The Committee shall comprise at least three Directors. A majority of the members of the Committee shall be independent Non-Executive Directors.
- 1.2 The broad principles of diversity contained in this policy apply to all employees of Avon Protection. The Avon Protection Code of Conduct contains provisions regarding diversity and inclusion in respect of Avon Protection employees generally. This policy has been prepared to extend these provisions to the Avon Protection Board.

2. Policy statement

- 2.1 The Avon Protection Board recognises the benefits of diversity. Diversity of skills, background, knowledge, international and industry experience, and gender, amongst many other factors, will be taken into consideration when seeking to appoint a new director to the Board. Notwithstanding the foregoing, all Board appointments will always be made on merit.

3. Objectives

- 3.1 The Board should ensure an appropriate mix of skills and experience to ensure an optimum Board and efficient stewardship.
- 3.2 The Board should ensure that it comprises directors who are sufficiently experienced and independent of character and judgment.
- 3.3 The Board will not impose a quota regarding gender balance, although the Nominations Committee and Board will remain fully cognisant of the need to ensure that the business reflects a diverse workforce, at all levels of seniority, when considering Board appointments and internal promotions, whilst always seeking to ensure that each post is offered strictly on merit to the best available candidate.

4. Duties and responsibilities

- 4.1 Board appointments must always be made on merit against objective criteria.
- 4.2 When looking to engage an executive search firm, priority must be given to those firms who have signed up to the Voluntary Code of Conduct for Executive Search Firms with regard to Board diversity. The Board should ensure that it comprises directors who are sufficiently experienced and independent of character and judgment.
- 4.3 The Nominations Committee should develop a clear understanding of the qualities needed for overall Board effectiveness, in addition to profiling individual Board member competencies.
- 4.4 To facilitate the provision of a broad and diverse range of candidates, consideration should be given to intrinsic capabilities; candidate lists should be drawn up following consideration of candidates from both the corporate mainstream and from outside the corporate mainstream.
- 4.5 Board succession planning processes should include the identification of individuals within the organisation with Board-level qualities and the provision of initiatives for those individuals to progress.

4.6 Board appointment terms should be limited (within the terms of the U.K. Corporate Governance Code) such that there is a regular requirement to recruit new people with fresh perspectives.

5. **Monitoring and reporting**

5.1 This policy and progress against its objectives will be reviewed periodically.

5.2 The Nominations Committee is responsible for the implementation of this policy and for monitoring progress towards the achievement of its objectives.

5.3 A summary of this policy, and of the progress made in achieving its objectives, will be disclosed in the Company's annual report and accounts.

This policy has effect from 1 October 2014 and will continue in force unless varied or revoked by the Board of Directors of Avon Protection plc.