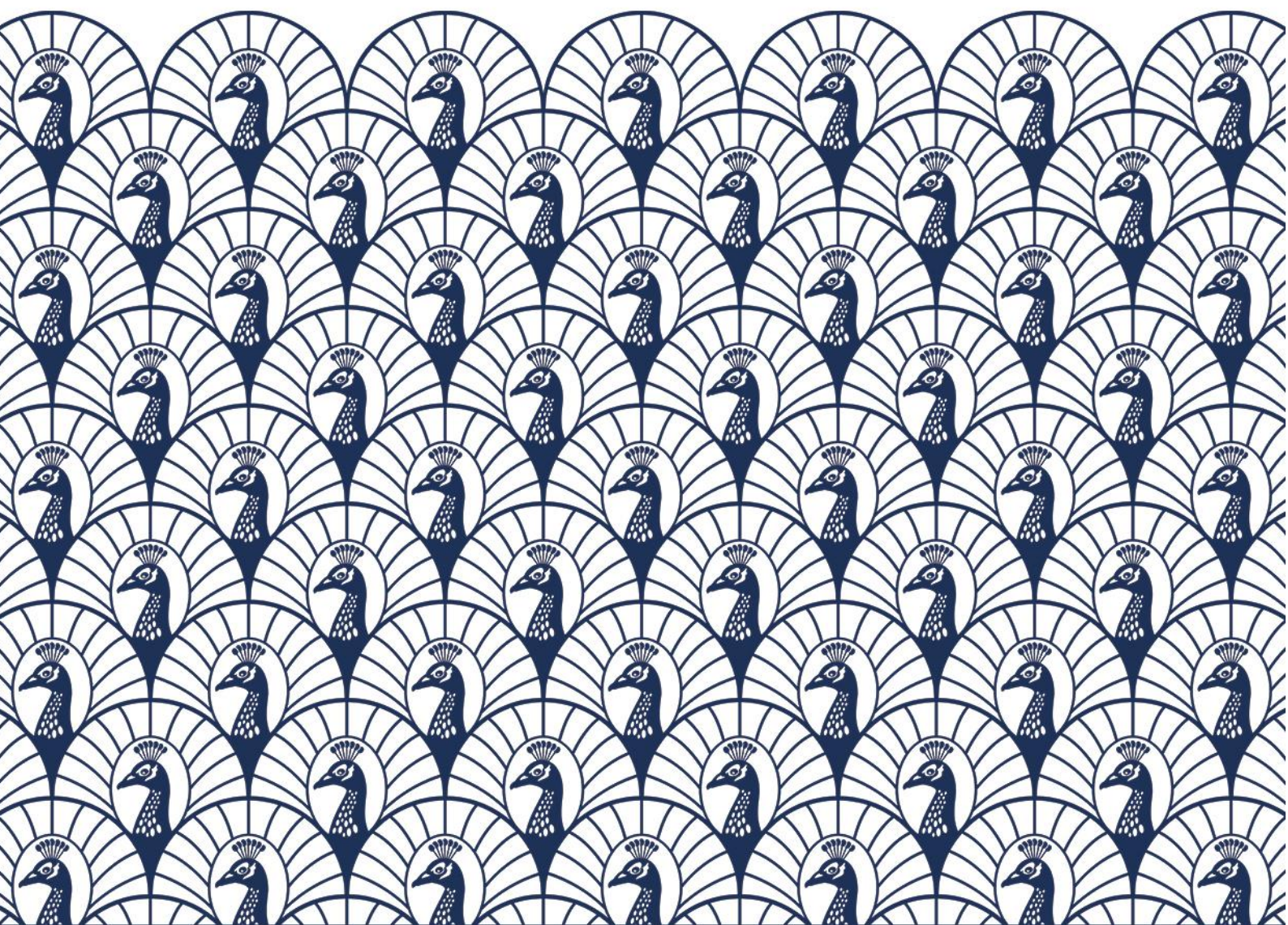




ARBUTHNOT LATHAM

Bankers since 1833



## Board Suitability & Diversity Policy

November 2025

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## 1. Introduction

### 1.1 Purpose and Scope of Policy

The purpose of this Policy is to set out the approach of Arbuthnot Latham & Co., Limited (AL) to maintain the individual and collective suitability and diversity on the Board. This Board Suitability and Diversity Policy should be read in conjunction with the wider Inclusivity and Respect Policy of AL which applies to all employees.

The application of this Policy is limited to members of the Board of AL.

### 1.2 Regulatory Requirements

The requirement to assess the suitability of members of the Board, taking into account diversity, is founded on applicable financial services legislation and governance standards. In particular, the regulatory obligation derived from the Markets in Financial Instruments Directive (MiFID II), which, inter alia, obliges an authorised firm's management body to define, oversee and take accountability for the implementation of governance arrangements. This should be in a manner that promotes the integrity of the market and the interest of clients, including the maintenance of a policy for the assessment of the suitability of members of the Board, which should align with the firm's general approach to corporate governance.

### 1.3 Approval and Distribution

This Policy requires approval by the Policy Committee on behalf of the Board for noting by the Nomination Committee. It is distributed to all new Board members as part of the Board Induction Pack and is available for review by all Directors in the document library on Convene.

## 2. Individual Suitability

### 2.1 Initial Assessment of Individual Suitability

As part of its consideration of any proposed Board appointment, the Nomination Committee will consider whether or not that individual is a suitable candidate to be a director of AL. This taking into account, inter alia, the following:

- a. knowledge and understanding of the banking sector or other relevant experience;
- b. experience and performance in the banking sector or other relevant experience;
- c. the capacity and willingness to devote sufficient time to AL;
- d. references, including regulatory references;
- e. third party checks, including financial soundness, criminal records and online checks; and
- f. reputation in the context of the Arbuthnot Principles and Values and the culture deriving therefrom.

## 2.2 Ongoing Review of Individual Suitability

### Performance Assessment

The performance of all directors is considered informally at all times, with an annual assessment completed during the course of each calendar year. Each is then individually reviewed by the Nomination Committee. Any issues arising should be addressed contemporaneously with the individual director by the Chair of the Board.

### Annual 'Fit and Proper' Review

A 'Fit and Proper' Review deriving from the Senior Managers' Regime is carried out on an annual basis. This formalises a wider review process incorporating the following:

- a. confirmation that individual assessments have been completed and documented; and
- b. a review of third-party checks, including financial soundness, criminal records and a check of an individual's online profile.

This information is collated and objectively assessed by the HR Team who confirm whether all requirements have been met. In the event that any are not met, this information should be escalated to the Chair of the Board for resolution.

## 3. Collective Suitability

The Nomination Committee considers on an annual basis, or more frequently upon the appointment, resignation or retirement of a director, the suitability of the Board as a unit. This is done with a view to ensuring, inter alia, the following:

- a. The collective capabilities of the Board align with the Arbuthnot Principles and Values;
- b. The Board as a collective has a strength and depth of knowledge, understanding and insight in respect of risk management as well as individual key risk elements to a bank of AL's nature; this includes the ability to challenge the expertise and output of the Executive in relation to prudential and conduct-related regulatory matters;
- c. Board diversity, as set out in the Board Diversity Policy, is maintained as appropriate;
- d. That, notwithstanding the departure (whether planned or unexpected) of any director, the Board's collective capability is not weakened in any material respect; and that the Board Succession Plan from time to time can be implemented thereafter to ensure, to the extent reasonably practicable, a continuance of this status quo.

As part of this process, the Committee reviews and updates as appropriate the individual and collective skills and experience of the Board on an annual basis and otherwise upon the appointment or retirement of a director.

In the event that the Nomination Committee considers that there are any shortfalls, it should raise these with the Board forthwith.

## 4. Diversity Considerations

AL is committed to providing equal opportunities.

Appointments to the Board will be made on merit, against objective criteria and with due regard for the benefits of diversity and inclusion on the Board, including gender. Appointments to the Board will be made having regard to the balance of knowledge, skills, diversity and experience of the Board at the time of the appointment and having regard to long-term planning in relation to Board composition.

Each member of the Board of AL and the Board collectively shall have sufficient knowledge and skills, together with an appropriate mix of background and experience. This includes long-term and recent experience of the UK financial services sector as well as taking into account gender diversity.

The Board does not wish to set any measurable targets for gender or other representation on the Board.

## 5. Review

The Board appointment process and composition of the Board is overseen by the Nomination Committee, which shall review the effectiveness of this Policy and make recommendations to the Board in relation to any proposed changes.

## 6. Governance

This Policy is reviewed biennially and any amendments to it are to be approved by the Policy Committee on behalf of the Board for noting by the Nomination Committee.