

Board Diversity Policy – January 2017

1.0 Purpose

The Board Diversity Policy sets out the approach to diversity on the Board of Directors of Alliance Trust Savings Ltd (ATS).

2.0 Scope

The Policy applies to the ATS Board. It does not apply to diversity in relation to employees of ATS, which is covered by the ATS Employee Handbook.

3.0 Policy Statement

ATS recognises the benefits of having a diverse Board, and sees diversity at Board level as important in maintaining good corporate governance and Board effectiveness. The Board members should include different skills, industry experience, background, race, sexual orientation and gender. These differences will be considered in determining the composition of the Board and when possible should be balanced appropriately.

All Board appointments must be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Nomination Committee ('the Committee') will review and assess Board composition on behalf of the Board and recommend the appointment of new Directors. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board. As part of the selection process, where search agents are used, they will be required in preparing their long list to include female candidates of at least 25% of the number submitted for consideration. Over time the Board intends to achieve at least 25% female representation on the Board.

As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the experience, independence and knowledge of the Directors and the diversity representation of the Board, how the Board works together, and other factors relevant to its effectiveness will be considered.

4.0 Measurement

The Committee will discuss and agree annually the relevant measures for achieving diversity on the Board and recommend them to the Board for implementation. The Committee will report annually on the process it has used in relation to Board appointments. This will include commentary on the progress made in achieving stated diversity aspirations across the Board and Board Committees.

5.0 Review of the Policy

The Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.