



LSM Board Diversity Policy



1. EXECUTIVE SUMMARY

1.1 Purpose of Policy

The Board Diversity Policy ('the Policy') sets out the approach to diversity on the Boards of applicable legal entities within LSM. The Policy, which is designed to promote a diverse Board composition, sets out commitment to promote diversity among board members and greater diversity in the future.

1.2 Application and Scope

The Policy applies to the Boards of Liberty Mutual Insurance SE, Liberty Managing Agency Limited and Wausau Limited. This Policy refers to these firms generically as Legal Entity.

1.3. Governance

Each Legal Entity Board ('the Board') or, when applicable, its Nomination Committee will review the Policy annually which will include an assessment of the effectiveness of the Policy. Revisions to the Policy will require Legal Entity Board approval. The Policy may be amended at any time.

2. POLICY DETAIL

The Board acknowledges the benefits of greater diversity including that a broader set of perspectives will help it to: effectively challenge; identify a wider range of risks; and be better positioned to understand its impact which in turn will provide greater protection for policy holders. The Board is committed to taking into account appropriate diversity of background, qualifications and skills, knowledge, values and relevant experience in determining its optimum composition.

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

2.1 Nominations Committee responsibilities

Where the Board has established a Nominations Committee its responsibilities include:

- ensuring that the Board remains balanced both in terms of skill and experience and between executive and non-executive directors;
- leading the process for Legal Entity Board appointments and succession planning and make recommendations to the Legal Entity Board ensuring there is a formal, rigorous and transparent procedure.

2.2 Chair responsibilities

The Legal Entity Chair will satisfy themselves that relevant regulatory Diversity requirements are being met and that remedial actions are taken where they are not. The Chair of the Board and Chair of the Nomination Committee will:

- Ensure that diversity is considered as part of the annual evaluation of the Board's effectiveness.
- Consider the extent to which the Policy is embedded in recruitment and succession planning for the Board, to support constructive debate and challenge on the range of issues facing the Company.