

BOARD DIVERSITY POLICY

Adopted by the Board on 15 June 2017
Reviewed and approved by the Board on 1 August 2022

Morgan Sindall Group plc and its subsidiary companies ('the Group') are committed to diversity and nurturing an engaged and inclusive team. Our aim is to ensure that every one of our colleagues is given the opportunity to use their abilities, skills and experience to help us deliver excellence in the built environment.

Policy

To maintain an effective Board, our policy is to attract and retain a talented and diverse mix of expertise, experience, skills, backgrounds and perspectives. The chair leads the Board diversity agenda, with the aim to continuously improve the diversity of the Board which ultimately leads to better debate and decisions.

Diversity and inclusion are embraced at all levels across the Group and are reflected in our culture and values which help us achieve our strategic objectives.

This policy applies to the Group's senior management team which includes the Board, Board committees, the Group management team (GMT) and their direct reports. It does not apply directly to diversity in relation to the remaining employees of the Group as this is covered by other policies.

We want our board diversity to be exemplary within our industry. To this end, we are working towards:

- women making up at least 40% of the board (including those self-identifying as women).
- at least one of the senior board positions (Chair, Chief Executive Officer, Senior Independent Director or Finance Director) being a woman (including those self-identifying as a woman); and
- women making up at least one third of the GMT.

We will continue to ensure that at least one member of the Board is from a minority ethnic background.

We will:

- consider diversity in its broadest sense¹ when reviewing the composition and balance of the Board and when conducting the annual Board effectiveness review;
- encourage and monitor the development of internal high-calibre employees considering all aspects of diversity to help support the internal talent pipeline for succession to both the Board and the GMT;
- ensure that the policies adopted by the Group will over time promote diversity and inclusion among the GMT and their direct reports and within the development pipeline;
- adopt measurable objectives from time to time for achieving diversity at both the Board and GMT level;
- oversee succession plans to ensure that they meet both current and future needs of the Group;
- only use the services of those executive search firms who have signed up to the Enhanced Code of Conduct 2019 for Executive Search Firms;
- ensure non-executive shortlists include female and people from BAME background candidates; and
- ensure the non-executive search pool is compiled by drawing from a broad and diverse range of candidates and includes individuals who are female, from BAME backgrounds and with a wide range of expertise, skills and backgrounds including those who may not have previous listed company experience but who possess suitable skills or qualities.

Notwithstanding the above, all Board and GMT appointments will be made on merit in the context of the skills and experience needed.

As required by the UK Corporate Governance Code and Listing Rules, we will report on Board diversity in our Annual Report including how we are meeting our objectives to promote diversity on the Board and within the wider business.

¹ For instance, aspects such as age, gender, ethnicity, sexual orientation, disability, or educational, professional, and socio-economic backgrounds.