

Smiths supports the principles and recommendations of the FTSE Women Leaders Review and Parker reports on gender and ethnic diversity and maintains a diverse Board and, just as importantly, diverse management teams. Members of the Board and senior management will collectively possess diversity of gender, national birthplace, social and ethnic backgrounds, cognitive and personal strengths, along with a combination of skills, experience and knowledge. This is important for the effective operation of the Board and oversight of the Group. Diversity of thought and background is essential and will remain one of the key criteria by which candidates are selected for the Board and the pipeline for senior leadership positions.

The Nomination & Governance Committee is responsible for recommending appointments to the Board following its regular assessment of the Board's and its Committees' composition, whilst also considering the Group's strategic objectives. The Committee has a formal, rigorous and transparent appointment process involving all Board Members and considers the balance of skills, experience, independence and knowledge of candidates. The Committee makes recommendations based on the merit of the individual candidates, having due regard for the benefits of diversity in the broadest sense, including gender and ethnicity and also the need to ensure the effective functioning of the Board at all times, especially as membership of the Board is refreshed.

As a multinational Group with operations in more than 50 countries and over 95% of the revenues originating outside the UK, the Board seeks to ensure that:

- 1) at least 50% of its members have a birthplace or background outside the UK;
- 2) at least 40% of its members are comprised of female Directors;
- 3) at least one Director is from an historically under-represented ethnic group; and
- 4) at least one of the Chair, Senior Independent Director, Chief Executive or Chief Financial Officer positions will be held by a female by 2025.

In order to help achieve these aspirations, the Nomination & Governance Committee endeavour to only use the services of executive search firms who have signed up to the Voluntary Code of Conduct on Gender Diversity. Executive search firms will also be required to ensure non-UK nationals, women and candidates from historically under-represented ethnic groups are represented on the shortlist for all Board positions.

The Board will always seek to appoint the best qualified candidate, but between two candidates of equal merit the Board, when making an appointment, will give preference to a candidate who supports the Board in achieving its diversity aspirations.

The Board, through the Nomination & Governance Committee, has extended its work on diversity through oversight of the Group's activities in ensuring diversity in senior leadership positions across the business.

This policy was approved by the Board on 23 March 2022.