

RMG ALLOY STEEL LIMITED

POLICY, PROCEDURE AND CODE OF CONDUCT TO REGULATE INSIDER TRADING

Board Diversity Policy

Purpose

The Board Diversity Policy ('the Policy') sets out the approach to diversity on the Boards of Directors of RMG Alloy Steel Limited ('the Board').

Policy Statement

RMG Alloy Steel Limited recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Board Corporate Governance & Nominations Committee ('the Committee') reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. The Committee also oversees the conduct of the annual review of Board effectiveness.

□ 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 effectively.

- 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 annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Committee will consider the balance of skills, experience, independence and knowledge of textile industry, legal, accounts, finance, insurance, management capacity on the Board and the diversity representation of the Board, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness.

Measurable Objectives

The Committee will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for

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adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

At the date of adoption of this Policy, the Board's aim was to ensure that at least one woman director on the Board by the end of 31st March 2015.