



Xref Limited

A. Board Charter

The Board of Xref Limited (**Company**) is responsible for guiding and monitoring the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board seeks to meet the legitimate expectations of shareholders, while discharging its regulatory obligations and ethical responsibilities. In addition, the Board is responsible for identifying areas of significant business risk and ensuring policies and procedures are in place to adequately manage those risks.

The Board has established an audit committee which acts within its charter set by the Board

The responsibility for the operation and administration of the Company is delegated by the Board to the senior management team. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the senior management team.

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board.

The Board's role includes the following:

- Setting and reviewing the vision, goals and strategy;
- Approving the annual strategic plan and major operating plans;
- Approving budgets
- Reviewing and providing feedback on the performance of the CEO / Managing Director
- Reviewing the performance of the Board and individual directors
- Reviewing the half-year and full year financial statements and reports and quarterly cash-flow statements
- Determining policies and ensuring adequate procedures are in place to manage the Identified risks
- Having regard to the size of the company the full Board will carry out the functions sometimes delegated to a nominations committee and remuneration committee.

Appointment of Directors

If the Board determines that there is a need to appoint another Director for any reason they will:

- Determine the skills, experience, qualifications appropriate, having regard to those of the existing Directors;
- Agree the process to seek such a person
- Set a timetable to appoint, having regards to the timing of the AGM and requirements of the Constitution;
- Prepare a short list and meet the candidates.

Conflicts of Interest

As a general principle each director must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes to be in the best interests of the Company as a whole, free of any actual or possible conflict of interest.

If a director believes that he or she may have a conflict of interest or duty in relation to a particular matter, the director should immediately consult with the Chairman.

B. The Role of the Chairman

The Chairman is considered the 'lead' director and utilises experience, skills and leadership abilities to provide the overall strategic direction of the Company and facilitate the governance processes.

Election of Chairman

In accordance with general business practice and the Company's Constitution, the Chairman will be a Non-Executive Director, elected by the Board. The Chairman is selected on the basis of their achievements and record as a leader.

Specific Roles of the Chairman

The role of the Chairman includes:

- Vision/Strategy. Ensures leadership in setting and reviewing vision;
- Board meetings. Setting agenda with the Managing Director / Company Secretary, ensures directors receive all relevant information, chairs meetings and deals with conflicts;
- AGM. Chairs the AGM and ensures shareholders as a whole have an opportunity to speak on relevant matters, ensures audit partner attends;
- External. Spokesperson with the CEO / Managing Director, on company matters;
- CEO / Managing Director. Primary point of contact between the Board and External.
- CEO / Managing Director. kept fully informed on major matters by the Managing Director, chairs the performance appraisal of the CEO / Managing Director and provides mentoring;
- Board. Initiates Board and committee performance appraisal, ensures agreed composition is maintained and director induction plans are in place.

All expenses of the Chairman will be ratified by the CEO. The Chairman of the Remuneration Committee has the right to review of any expenses of the Chairman. The Chairman will ratify the expenses of all the other directors and the CEO.

Removal of Chairman

In accordance with the Constitution, the Chairman may be removed from office by a resolution of the directors.

C. The Role of the Chief Executive Officer

The CEO is appointed by the Board and is responsible for implementing the programs and meeting the objectives established by the Board and for the ongoing management of the Company in accordance with the strategy, policies and programs approved by the Board. The Company shall be managed with the aim of achieving the goals agreed and endorsed by the Board.

The CEO's responsibilities and duties include:

- Vision/Strategy. Formulating with the Board the vision and strategy, developing action plans to achieve the vision and reporting regularly to the Board on progress;
- Management team and employees. Providing leadership, appointing and negotiating terms of employment of senior executives (with the Board approval where necessary). developing a succession plan, ensuring procedures are in place for education and training to ensure compliance with laws and policies;
- Successful implementation of the Company's R&D and business development programmes;
- Board. Responsible for bringing all matters requiring review/approval to the Board. advising on the changes in risk profile, providing certification regarding the financial statements for the half-year and full year, reporting to the Board on a monthly basis the performance of the Company and for ensuring education of Directors on relevant matters.

The CEO is formally delegated by the Board to authorise all expenditures approved in the budget, except that:

- all expenditures in excess of authority limits set by the Board from time to time must be authorised by a resolution of the Board;
- all CEO compensation, outside normal monthly remuneration, must be authorised by the Chairman; and
- all business-related expenses paid to the CEO must be authorised or ratified by the Chairman.

D. Remuneration Committee Charter

The Board of Xref Limited (**Company**) has established a Remuneration Committee (**Committee**). The purpose of the Committee and the powers of the Committee are set out below.

1 Membership of the Committee

- It is the Board's intention that the Committee comprise at least two members and that one of the Committee members be an independent non-executive director;
- A quorum for a meeting of the Committee is two members;
- A decision is made by the Committee if it is unanimously supported by members who are present at the meeting;
- It is intended that the Chairman of the Committee be the Chairman of the Board;
- The CEO, executives and members of management may attend meetings of the Committee by invitation.

2 Administrative Matters

It is intended that the Committee will normally meet annually or as otherwise required. The Committee may, upon notifying the Board or the Chairman of the Board:

- seek advice of the Company's auditors and solicitors; and
- engage or procure the engagement of independent advisers, as determined by the Committee.

All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

3 Reporting

It is intended that a report of the actions of the Committee and/or a copy of the minutes of the Committee meetings will be included in the papers for the Board meeting next following a meeting of the Committee.

The Committee Chair will, if requested, provide a brief oral report to the Board as to any material matters arising out of the Committee meeting. All directors may, within a Board meeting, request information of members of the Committee.

4 Responsibilities and functions

4.1 Remuneration

The role of the Committee in relation to remuneration is to advise the Board on matters relating to the remuneration of the directors and senior executives and employees of the Company.

4.2 CEO Evaluation

The CEO is the key employee of the Company in general and of the Board in particular. As such a special relationship exists between the CEO and the Board. A detailed CEO evaluation is undertaken annually by the Remuneration Committee, with the process co-ordinated by the Chairman.

CEO evaluation will utilize both quantitative and qualitative measures. Evaluation will be judged against the approved strategic plan.

The Chairman of the Remuneration Committee will provide a brief report for the full Board after discussion with the CEO. However, the performance of the CEO is a matter for full Board deliberation.

E. Nomination Policy

Skills required on the Board

The Board shall contain the relevant blend of expertise in:

- the software / human relations industry;
- finance;
- business; and
- CEO-level experience.

Appointment of Non-executive Directors

Directors are appointed under the terms of the Company's Constitution.

The number of directors allowed under the Constitution is a minimum of 3 and a maximum of 7. A director may be elected by an ordinary resolution of the Company in general meeting. In the situation of a vacancy occurring between such election, the Board will appoint a replacement director. Such a director will only hold office until the next general meeting of the Company.

Rotation of Non-executive Directors

As contained in the Company's Constitution, a director may be elected for a term of a maximum of three years. To ensure a gradual and controlled movement of directors, the longest serving one-third of all directors (rounded down to the nearest whole number) is expected to retire at each AGM, but shall be eligible for re-election.

F. Independent Advice

Directors may obtain independent experts' advice to enable them to fulfil their obligations at the expense of the company and after obtaining approval of the Chairman.

G. Securities Trading and Trading Windows

Directors, employees and key consultants must consult with the Chairman of the Board or the CEO / Managing Director before dealing in shares of the Company. Purchases or sales in the Company's shares by Directors, employees and key consultants may not be carried out other than in the "window", being the period commencing two days and ending 30 days following the date of announcement of the Company's annual or half yearly results, its quarterly reports or a major announcement leading, in the opinion of the Board, to an informed market. However, Directors, employees and key consultants are prohibited from buying or selling Xref shares at any time if they are aware of price sensitive information that has not been made public.

H. Audit Committee Charter

The Board of Xref Limited (**Company**) has established an Audit Committee (**Committee**). The purpose for which the Committee has been established and the powers of the Committee are set out in this document.

1. Membership

The Committee shall be members of, and appointed by, the Board of directors and shall comprise at least three directors that have diverse, complementary backgrounds, and are independent of management and the Company. It is the Board's intention that the Committee comprise at least three directors and that all members be non-executive directors of the Company, with a majority of members classed as independent directors. The Committee chair shall be an independent director and shall not be the Chairman of the Board of Directors. Also, the Committee chair shall have leadership experience and a strong finance, accounting and/or business background or understanding. All Committee members shall be financially literate, or become financially literate within a reasonable period of time after appointment. Furthermore, at least one member shall have accounting and/or related financial management expertise as determined by the Board of Directors.

Members of the Committee shall be considered independent so long as they do not have any relationship with the Company that may interfere with the exercise of independent judgment. This means they shall not accept any consulting, advisory, or other compensatory fee from the Company and are not an affiliated person of the Company or its related entities. They should also meet the definition of what constitutes an 'independent director' as set out in the Australian Stock Exchange Corporate Governance Council's definition described in its publication "Principles of Good Corporate Governance and Best Practice Recommendations". The only compensation shall be directors' fees for services provided to the Committee.

2. Meetings

The Committee shall meet at least two times each year.

The purpose of these meetings shall be to:

- Review and approve audit plans;
- Review and approve the half-year financial report;
- Update the audit plans; and
- Review and approve the annual financial report.

3. Purpose

The Committee shall provide assistance to the Board of directors in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting, internal control structure, risk management systems, and audit functions. In doing so, it is the responsibility of the Committee to maintain free and open communication between the Committee the auditors (if applicable), and management of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the authority to engage independent counsel and other advisers as it determines necessary to carry out its duties.

4. Duties and Responsibilities

4.1 Understanding the business

The Committee shall ensure it understands the Company's structure, controls, and types of transactions in order to adequately assess the significant risks faced by the Company in the current environment.

4.2 Financial reporting

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board and report the results of its activities to the Board.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits.

The Board of directors is responsible for the Company's financial reports including the appropriateness of the accounting policies and principles that are used by the Company. The auditors are responsible for auditing the Company's financial reports and for reviewing the Company's unaudited interim financial reports.

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee will take

appropriate actions to set the overall corporate 'tone' for quality financial reporting, sound business risk practices, and ethical behavior. The following shall be the principal duties and responsibilities of the Committee. These are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

4.3 Assessment of accounting, financial and internal controls

The Committee shall discuss with management and the auditors, the adequacy and effectiveness of the accounting and financial controls, including the Company's policies and procedures to assess, monitor, and manage business risk, and legal and ethical compliance programs (including the Company's Code of Conduct). Any opinion obtained from the auditors on the Company's choice of accounting policies or methods should include an opinion on the appropriateness and not just the acceptability of that choice or method.

The Committee shall periodically meet separately with management and the auditors to discuss issues and concerns warranting Committee attention, including but not limited to its assessments of the effectiveness of internal controls and the process for improvement. The Committee shall provide sufficient opportunity for the auditors to meet privately with the members of the Committee. The Committee shall review with the auditor any audit problems or difficulties and management's response.

The Committee shall review all representation letters signed by management to ensure that the information provided is complete and appropriate. Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the auditors under generally accepted auditing standards.

The Committee shall review the declaration by the CEO and CFO required under the Corporations Act in relation to the accounts to ensure it is complete.

The Committee shall receive regular reports from the auditor on the critical policies and practices of the Company, and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management.

4.4 Appointment of auditors

The Committee shall be directly responsible for making recommendations to the Board of directors on the appointment, reappointment or replacement (subject, if applicable, to shareholder ratification), remuneration, monitoring of the effectiveness, and independence of the auditors, including resolution of disagreements between management and the auditor regarding financial reporting. The Committee shall pre-approve all audit and non-audit services provided by the auditors and shall not engage the auditors to perform any non-audit/ assurance services that may impair or appear to impair the auditor's judgment or independence in respect of the Company. The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the full Committee at its next scheduled meeting.

4.5 Assessment of the audit

The Committee, at least on an annual basis, shall obtain and review a report by the auditors describing (or meet, discuss and document the following with them):

- The audit firm's internal quality control procedures;
- Any material issues raised by the most recent internal quality control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
- All relationships between the auditor and the Company (to assess the auditor's independence). In addition, the Committee shall set clear hiring policies for employees or former employees of the auditor in order to prevent the impairment or perceived impairment of the auditor's judgment or independence in respect of the Company.

4.6 Independence of the auditors

The Committee shall review and assess the independence of the auditor, including but not limited to any relationships with the Company or any other entity that may impair or appear to impair the auditor's judgment or independence in respect of the Company. Furthermore, the Committee shall draft an annual statement for inclusion in the Company's annual report of whether the Committee is satisfied the provision of non-audit services is compatible with auditor independence.

4.7 Scope of the audit

The Committee shall discuss with the auditors the overall scope of the audit, including identified risk areas and any additional agreed-upon procedures. In addition, the Committee shall also review the auditor's compensation to ensure that an effective, comprehensive and complete audit can be conducted for the agreed compensation level.

4.8 Communications with stakeholders

The Committee shall review the full year financial report and Appendix 4E, and half-year financial report and Appendix 4D, prior to the lodgment of these with ASX. Also, the Committee shall discuss the results of the half-year review and any other matters required to be communicated to the Committee by the auditors under generally accepted auditing standards. The chair of the Committee may represent the entire Committee for the purposes of this review.

The Committee shall establish procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee shall receive corporate legal reports of evidence of a material violation of the Corporations Act, the ASX Listing Rules or breaches of fiduciary duty.

I. Continuous Disclosure Policy

Continuous Disclosure obligations require the Company to keep the market fully informed of information that may have a material effect on the price or value of the Company's securities **and** to correct any material mistake or misinformation in the market. The Company discharges these obligations by releasing information to the ASX in the form of an ASX release or disclosure in other relevant documents (for example, the Company's Annual Report).

1 Procedures

1.1 Standing Obligations of Directors, Executives and Senior Managers

As soon as a Director, executive or senior manager becomes aware of information that:

- is not generally available (i.e. the information in question has not been included in any Annual Report, ASX Release or other publication of the Company); and
- may be price sensitive (i.e. it is likely to have a financial impact or impact on the reputation of the Company that may be considered material), the Director, executive or Senior Manager must provide to the CEO the following information:
 - a general description of the matter;
 - details of the parties involved;
 - the relevant date of the event or transaction;
 - the status of the matter (for example, final/negotiations still in progress/preliminary negotiations only);

1.2 Further Obligations of Executives and Senior Managers

The following procedures will apply at all times to safeguard against inadvertent breaches of the Company's continuous disclosure obligations:

- (a) each member of the Company's senior management team must: **IMMEDIATELY** notify the CEO as soon as they become aware of potential material information that should be considered for release to the market.
- (b) The CEO will:
 - (1) review the possibly material information reported by senior management;
 - (2) consult with the Chairman and, where appropriate the Directors, to determine what action, if any, is appropriate;
 - (3) determine whether any of the information is required to be disclosed to the ASX.

2 Analyst/Media Briefings

Information provided to, and discussions with, analysts or the media are also subject to the Continuous Disclosure Policy.

Material information must not be selectively disclosed (i.e. to analysts or the media) prior to being announced to the ASX.

All inquiries from analysts must be referred to the CEO. All material to be presented at an analyst briefing or released to the media must be approved by or referred through the CEO prior to briefing.

All inquiries from the media must be referred to the CEO.

3 The Role of the Company Secretary

The Company has nominated the Company Secretary as the person with primary responsibility for all communication with the ASX.

The Company Secretary, with assistance as requested from the Executive Director, is specifically responsible for:

- (a) liaising with the ASX in relation to continuous disclosure issues;
- (b) ensuring that the system for the disclosure of all material information to the ASX in a timely fashion is operating;
- (c) co-ordinating the actual form of disclosure, including reviewing proposed announcements by the Company to the ASX and liaising with the CEO, the Chairman of the Board and the Board in relation to the form of any ASX releases;
- (d) liaising with the CEO, the Board of Directors or senior management as appropriate, in relation to the disclosure of information;
- (e) keeping a record of all ASX and other releases that have been made;
- (f) periodically reviewing the Company's disclosure procedures in light of changes to the ASX Listing Rules or Corporations Act 2001 and recommending any necessary changes to the procedures to the Board; and
- (g) preparing regular disclosure reports to the Board which advise of:
 - (1) material matters considered and the form of disclosure (if any); and
 - (2) any material changes to the Company's continuous disclosure processes or policy.

J. Board Performance Review Policy

The Board of Directors of the Company believes it is important that it review its own performance and that of its committees, with a view to achieving a high level of performance by the Board.

The Board meets periodically for the purpose of reviewing and evaluating the performance of the Board and that of its committees as a whole in meeting its responsibilities, strategies and objectives.

Directors may at any time discuss with the Chairman any issue concerning Board performance. All one-on-one discussions are confidential, unless otherwise agreed by the director concerned.

The Board may engage external consultants to:

- (a) evaluate its performance in accordance with this policy;
- (b) implement recommendations made by the Board as a result of any evaluation; and
- (c) suggest or provide appropriate training or courses for the Board or certain directors.

K. Code of Conduct

1. Mission and Objective

The Company aims to maximise the returns to its security holders from the Xref business.

In striving to do this, the Company will:

- pursue its goals without injury through safe work practices;
- conduct its activities honestly and ethically; and
- treat people with respect and dignity.

The Company expects:

- that all employees be accountable for their actions and decisions; and
- that all employees deliver quality work.

The Company values:

- the community and environment in which it operates; and
- innovation and reliability from all employees.

This Code of Conduct reflects the Company's core values and documents the ethical standards and conduct by which the Company and its employees will undertake business dealings.

2. Policies, Standards and Guidelines

2.1 Compliance with the law

Company employees must comply with all laws and regulations in the conduct of the Company's business. This includes understanding the laws and regulations relevant to their work and complying with the legal requirements of the jurisdiction in which they operate. The laws that govern the Company's activities are complex. Employees should seek advice from an Executive Director if they are unclear about laws or regulations relating to their work.

2.2 Occupational Health and Safety

The Company acknowledges that the health, safety and welfare of its employees and the community is of paramount importance and the Company is committed to pursue its goals without injury, through safe work practices.

2.3 Environment

The Company is committed to the management and safeguarding of the environment in which it operates.

Wherever possible the Company prevents, or otherwise minimises, mitigates and remedies, harmful effects on the environment of its operations.

Excellence in environmental performance is essential to business success. Compliance with all environmental laws and regulations is the foundation on which the Company builds its environmental performance. .

2.4 Equal Employment Opportunity

As a team-based organisation, the Company is committed to providing a work environment in which all employees are treated fairly and with respect. Employees can expect to have their dignity honoured and rights protected. Employment with the Company must be offered and provided based on merit. All employees and applicants for employment should be treated and evaluated according to their job-related skills, qualifications, abilities and aptitudes only.

Discrimination is not permitted at any level of the Company or in any part of the employment relationship. This includes the areas of recruitment, promotion, training opportunities, rewards and terminations.

Decisions relating to choice of service providers should also be based on merit.

2.5 Employee Harassment & Discrimination

The Company is committed to providing a workplace free from harassment, discrimination, bullying and intimidation. It is recognised that harassment and discrimination can have a serious negative impact on morale, productivity and the physical and emotional health and well-being of employees.

The Company will not permit discrimination, intimidation or harassment of, or by, employees on the basis of race, gender, marital status, political affiliations, sexual preference or any other personal characteristic protected by law.

2.6 Confidentiality

Employees are required to protect proprietary, commercial and other information that is confidential to the Company. These obligations of confidentiality continue after an individual's employment with the Company ends.

Information that is not generally available concerning the activities, results or plans of the Company or an associated entity (i.e. inside information) must be used for authorised purposes only. Such information should be handled and communicated with responsibility and must not be disclosed without authority.

Confidentiality provisions are included in contracts with consultants and other parties who provide services to the Company.

2.7 Insider Trading

If anybody is in possession of information concerning the Company that is not generally available, and which a reasonable person would expect to have a material effect on the Company's security price, that person may not buy, sell or otherwise deal in the Company's securities. It is also not permitted in those circumstances to encourage someone else to deal in the Company securities or to pass the information to someone that the person knows may use the information to buy or sell the Company securities.

There are serious penalties for violations of these provisions.

While the Company keeps the market informed, in accordance with its continuous disclosure obligations under the Australian Stock Exchange [ASX] Listing Rules, of material developments concerning its business, individuals working for the Company may have access to potentially price sensitive information concerning the Company (for example, agreement with a major new customer or negotiation of a major acquisition which has not yet been finalised) before it is disclosed to the market.

Accordingly, individuals with access to such information must ensure that they do not deal in Company securities (or communicate that information to others) at a time when it would be a breach of the insider trading provisions. If in doubt, advice should be sought from the Managing Director.

2.8 Personal Information and Privacy

The Company will only collect personal information from its employees ethically and legally in accordance with laws applicable in any jurisdiction in which it operates or, in default thereof, the Australian *Privacy Act 1988*, as amended on 12 March 2014, and formerly the *Privacy Act 1993* (New Zealand). Steps must be taken to ensure that data is accurate and current and that data is stored no longer than necessary.

Employees must strictly maintain confidentiality of personal information contained in Company records.

2.9 Continuous Disclosure

The Company is obliged to inform the ASX on a continuous basis of any information concerning the Company that is likely to affect the price of the Company's securities. The CEO and Chairman will coordinate disclosure in accordance with these obligations. The CEO and Chairman should be alerted to developments that may call for disclosure and their advice sought in case of doubt.

Any internally produced documents, such as analyst briefings or presentations, must be reviewed and approved by the CEO (or his delegate) prior to presentation. Employees should direct all media inquiries to the CEO or Chairman.

2.10 Use of Company Resources and Fraud Prevention

Employees must not use Company funds, property, equipment, or other resources for personal benefit. In addition, employees are responsible for safeguarding the Company's resources under their control, including information, and for maintaining accurate records regarding the use of these resources. Expenditures must be reported accurately and in a timely manner. Instances of fraud (e.g. submission of a fraudulent expense report), by their very nature, represent unacceptable behavior within the Company.

An accurate and auditable record of all financial transactions relating to the Company must be maintained in accordance with generally accepted accounting principles. No entry should be made in the Company's records that distorts or disguises the true nature of any transaction.

Unauthorised removal of Company equipment, supplies, or other resources will be regarded as theft.

If employees become aware of any evidence of theft or that the Company's funds or property may have been used in a fraudulent or improper manner, they should immediately and confidentially advise their manager, the CEO or a Director.

2.11 Information Systems

Company employees use a wide range of information systems to conduct business (for example, voice mail, facsimile, internet, intranet and e-mail). Employees are responsible for protecting Company information communicated or stored using these systems. Use, duplication, or sale of proprietary software, except as described in the manufacturer's/owner's licence agreement or conditions applicable to use, is an infringement of copyright law and is strictly prohibited.

The Company's electronic communications systems are Company resources and all electronic communications are regarded as Company records. Offensive material (for example, pornography) is not permitted on Company systems in any form.

The Company reserves the right to monitor employee use of its information systems. Subject to approval from the CEO, the Company may access and disclose the contents of e-mail and files.

Employees have access to Company information systems to assist them in performing their jobs. Personal use must be approved by management.

2.12 Financial Inducements

The Company does not countenance the making of payments or payments in kind (gifts, favours, etc.) to influence individuals to make a business decision in the Company's favour.

2.13 Travel, Entertainment and Gifts

Travel

Employees are to conduct travel in accordance with Company policy. Safety and security standards should be adhered to at all times and employees should familiarise themselves with the Company's policy.

Any private travel attached to business travel is to be approved prior to bookings being made.

Entertainment

Occasionally employees will be required to entertain business associates. Valid entertainment expenses include meals and events such as theatre and sporting events taken with potential or actual business associates whereby a business discussion takes place during, immediately before or immediately after the event.

Gifts

Employees must exercise the utmost care about giving or receiving business-related gifts. This applies to direct payments and payments in kind, including the provision of goods or services, personal favours, and entertainment (for example, meals, travel, etc.).

Accepting or offering gifts of moderate value is acceptable in situations where it is legal and in accordance with business practice and should not affect business decision making.

2.14 Conflicts of Interest

Employees should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the Company.

Employees should not take additional employment with outside organisations or operate their own business if such employment or activity will create an actual or perceived conflict of interest.

Employees must advise their manager of situations that could involve an actual or perceived conflict of interest and, as appropriate and/or required, remove themselves from any discussion or activity involving the conflict.

2.15 Outside Activities

The Company encourages employees to be active in the local community. However, conflicts of interest that would affect the employee's ability to exercise independent judgement in the best interests of the Company should be avoided. Employees should avoid situations where a perception of a conflict of interest may arise.

Accordingly, employees must receive Company approval before accepting a directorship with another company, statutory authority or similar body.

2.16 Political Support

No Company contributions will be made to political parties or candidates for any public office. The Company recognises employees' rights to personal participation in the political process and will not influence such activity provided there is no disruption to workplace activities. Individuals must take care that their views are not identified as those of the Company.

2.17 Violations of the Company's Policies and Procedures and Disciplinary Process

All employees and directors are expected to be familiar with this Code and to have a detailed understanding of Company policies. It is every employee's responsibility to comply with the policies and standards relating to their work and to seek assistance if they do not fully understand a policy or how that policy should be applied.

All employees are expected to adhere to the policies and procedures described in this Code.

Any violation of the Code will be investigated and dealt with in accordance with Company policy. The nature of the disciplinary action will depend on the seriousness of the violation and other relevant circumstances.

2.18 Responsibilities of Management

Managers must take all reasonable steps to ensure that the Company's employees and, where appropriate, consultants, are aware of and comply with the policies and standards in this Code.

Managers must also:

- ensure that all employees, and where appropriate consultants, have access to Company policies and procedures;
- respond promptly and seriously to employees' concerns and questions about business ethics issues and seek further assistance if required; and
- demonstrate exemplary behavior for other employees to follow.

2.19 Responsibilities of the Board and Members of Senior Management

Management is responsible to the Board, through the CEO, for the Company's adherence to this Code.

Under the CEO, senior management have operational responsibility for ensuring compliance with the Code including:

- promoting a workplace environment that encourages honest and open communication about business ethics issues, emphasises the importance of operating in accordance with the Company's Code of Conduct, policies and standards and avoids placing pressure on employees to deviate from these standards and policies;
- establishing internal reporting and approval processes that address high risk areas in relation to business ethics and ensure that breaches are appropriately investigated and appropriately handled;
- undertaking business ethics awareness training consistent with this Code and tailored to operational needs of the business; and
- incorporating the values, standards and policies outlined under this Code into the Company's performance management processes, employment contracts, induction procedures, third party agreements and similar systems.

L. Diversity Policy

The Board of Directors of the Company is responsible for the overall management of the Company, including guidance as to strategic direction, ensuring best practice corporate governance and oversight of management. The Company recognises that people are its most important asset, and is committed to the maintenance and promotion of workplace diversity.

The Company believes that the pursuit of diversity in the workplace increases its ability to attract, retain and develop the best talent available, creates an engaged workforce, delivers the highest quality services to its customers, enhances individual work-life balance, encourages personal achievement, improves co-operation and assists in the optimisation of organisational performance. Diversity in the workplace mirrors the diversity of the broader community, encompassing age, gender, ethnicity, cultural and other personal factors. The Company respects the diversity of all employees, consultants and contractors, and cultivates an environment of fairness, respect and equal opportunity.

The Nomination Committee has developed, and the Board has formally approved, a Diversity Policy which describes the Company's commitment to ensuring a diverse mix of skills and talent exists amongst its directors, officers and employees, to enhance Company performance. The Diversity Policy addresses equal opportunities in the hiring, training and career advancement of directors, officers and employees. It outlines the process by which the Board will set measurable objectives to achieve the aims of its Diversity Policy, with particular focus on gender diversity, within the Company. The Board is responsible for monitoring Company performance in meeting the Diversity Policy requirements, including the achievement of diversity objectives.

Scope

The Company's vision for diversity incorporates a number of different factors, including gender, ethnicity, disability, age and educational experience. At a Board and senior management level, gender has been identified as a key area of focus for the Company. Accordingly, the primary focus of this Policy is achieving, over a reasonable transition period, adequate representation of women in senior management positions and on the Board.

The strategies outlined below aim to achieve the objectives of this Policy by:

- setting measurable objectives relating to gender at all senior management and leadership levels;
- broadening the field of potential candidates for senior management and Board appointments;
- increasing the transparency of the Board appointment process; and
- embedding the extent to which the Board has achieved the objective of this Policy in the evaluation criteria for the annual Board performance evaluation.

Promoting Diversity

In order to facilitate greater diversity in management and leadership roles, the Company will:

- introduce and supplement the measures outlined in this Policy;
- implement policies that address impediments to diversity in the workplace (including parental leave and flexible working arrangements that assist employees to fulfil their domestic responsibilities), and review these policies to ensure that they are available to, and utilised at, senior management levels; and
- monitor the effectiveness of, and continue to expand on, existing initiatives designed to identify, support and develop talented women / employees from a diverse range of backgrounds.

It is the responsibility of the Board to foster an environment where:

- individual differences are respected;
- access to employment, rewards and training opportunities is based on performance, skill and merit; and
- inappropriate attitudes, behaviours and stereotypes are confronted and eliminated.

Measurable Objectives

It is the Company's objective to provide a fair and equitable workplace, free from discrimination related to age, gender, ethnic, cultural or other personal factors, in which diversity enhances Company performance and shareholder value. The Company encourages diversity at all levels of the organisation as a means of facilitating an appropriate mix of skills and talent to conduct its business. Active management of diversity in the workplace involves recognising and valuing the unique contribution people can make because of their individual backgrounds, different skills, experiences and perspectives.

Each year the Board will set measurable objectives with a view to progressing towards a balanced representation of women at a Board and senior management level. Performance against these objectives will be reviewed annually by the Nomination Committee, as part of its annual review of the effectiveness of this Policy.

Subject to the size and operations of the Company, the Board is committed to setting measurable objectives for the long-term goal of improving gender representation across all levels of the organisation. The Board will include in the Annual Report each year:

- a summary of the Company's progress towards achieving the measurable objectives set under this Policy for the year to which the Annual Report relates; and
- details of the measurable objectives set under this Policy for the subsequent financial year.

Gender Representation Review

On an annual basis, the Nomination Committee will review the proportion of women who are employed by the Company as a whole in senior management positions and who are on the Board. The Nomination Committee will submit a report to the Board outlining its findings. The Company will disclose in its Annual Report the proportion of women employees in the Company as a whole, in senior management and on the Board.

Recruitment, Selection and Succession Planning

The Company will provide equal opportunities in respect to employment and employment conditions, including:

- **Hiring:** The Board will ensure that appropriate selection criteria, based on diverse skills, experience and perspectives, are used when recruiting new staff and Directors. Job specifications, advertisements, application forms and contracts will not contain any direct or inferred discrimination.
- **Training:** All internal and external training opportunities will be based on merit, and Company and individual needs. The Board will consider senior management training and executive mentoring programmes to develop skills and experience to prepare employees for senior management and Board positions.
- **Career Advancement:** All decisions associated with career advancement, including promotions, transfers, and other assignments, will meet the Company's needs, and be determined on skill and merit.
- **Work Environment:** The Company will ensure that all officers, employees, consultants and contractors have access to a work environment that is free from harassment and unwanted conduct in relation to personal circumstances or characteristics. Directors, managers and supervisors will ensure that complainants or reports of sexual, racial or other harassment are treated seriously, confidentially and sympathetically by the Company.

The Nomination Committee is responsible for the development and succession planning process for the Managing Director and the Managing Director's direct reports. In discharging this responsibility, the Nomination Committee will have regard to diversity criteria.

Whilst skills such as leadership and previous experience as a chief executive, chair or board member of a large organisation with international operations have traditionally been prerequisites to appointment as a director, the Board recognises that other skills gained from experience in the following areas are key skills and experience that the Board as a whole should comprise:

- marketing and sales;
- policy and regulatory development and reform;
- health, safety and environment and social responsibility; and
- human resources.

The Board will develop and disclose a board appointment process, which includes selection criteria having regard to the skills and experience outlined above, and the selection process for senior management positions.

The Nomination Committee is responsible for identifying qualified individuals for appointment to the Board. In identifying candidates, the Nomination Committee will have regard to the selection criteria set out in the board appointment process, which will include:

- skills, expertise and background that add to and complement the range of skills, expertise and background of the existing Directors;
- diversity; and
- the extent to which the candidate would fill a present need on the Board.

Compliance with Policy

The Board will proactively monitor Company performance in meeting the standards and policies outlined in this Policy. This will include an annual review of the diversity objectives set by the Board, and its progress in achieving them. The Board will consider setting key performance indicators for the Board, the Managing

Director and senior executives that are linked to the achievement of the diversity objectives set by the Board.

It is the responsibility of all Directors, officers, employees, consultants and contractors to comply with the Company's Diversity Policy, and report violations or suspected violations. Any breach of compliance with this Diversity Policy is to be reported directly to the Managing Director, Chairman or to the Report and Investigation Officer, as appropriate. Anyone breaching this Diversity Policy may be subject to disciplinary action, including termination.

Disclosure of Policy

A summary of this Policy and the Company's achievement of the Policy's objectives will be disclosed in the Annual Report and / or Corporate Governance Statement.

Review of Policy

The Nomination Committee is responsible for the review and oversight of this Policy. In executing this role, the Nomination Committee will, with the appropriate support and input from management review on an annual basis:

- the effectiveness of this Policy, its objective and the strategies outlined above, which aim to achieve the objective; and
- the division of responsibilities and accountability for developing and implementing diversity initiatives across the organisation; and report to the Board on the outcomes of its review, including any recommendations for changes to those strategies or the way in which they are implemented.