

DIVERSITY POLICY

MANALTO LIMITED

[ACN 098 640 352]

("the Company")

1. BACKGROUND AND PURPOSE

- 1.1. The Company is admitted to the official list of the Australian Securities Exchange ("ASX").
- 1.2. This Diversity Policy ("this Policy") is a corporate governance policy of the Company adopted by the Board with the express intention and purpose of seeking to implement good corporate governance practices and to achieve good governance outcomes.
- 1.3. This Policy sets out the Company's beliefs with respect to diversity within the Company and outlines the processes through which the Company will actively promote diversity across its operations.
- 1.4. Definitions and meanings of abbreviated terms are set out in a glossary at the end of this document.

2. POLICY STATEMENT

- 2.1. The Company believes that the promotion of diversity within the organisation generally:
 - (a) enlarges the pool for recruitment of high quality employees;
 - (b) is likely to encourage employee retention; and
 - (c) is likely to encourage greater innovation through the inclusion of different perspectives.
- 2.2. The Company is committed to providing a diversity inclusive workplace in which all employees regardless of gender, age, ethnicity, religious or cultural background, marital status and sexual orientation have the opportunity to fully participate and are valued for their individual skills, experience and perspectives. The Company will not tolerate discrimination, harassment, vilification and victimisation in the workplace.
- 2.3. Diversity will be promoted by creating a culture of empowering people to act in accordance with this Policy, through appropriate recruitment practices, appropriate training of employees and the implementation of internal mentoring and leadership programs.
- 2.4. It is noted that in terms of appointments, the Company's policy will be to appoint the best available candidate for any role or position in the Company or on its Board as this is in the best interests of the Company and its shareholders.

3. PROGRAMS AND INITIATIVES TO INCREASE DIVERSITY

To assist with improving diversity within the organisation, the Company will develop and introduce programs and initiatives which include:

- (a) mentoring programs;
- (b) networking opportunities;
- (c) supporting promotion of talented women into management positions; and
- (d) provide opportunities for male and female employees to balance their work, life and family responsibilities including flexible work options and return to work programs.

4. MEASURABLE OBJECTIVES

- 4.1. The Board will develop and establish measurable objectives for achieving diversity in the Company, as follows:
 - (a) aim to increase the proportion of women on the Board as vacancies and circumstances allow; and
 - (b) aim to increase the proportion of women in Senior Management roles as vacancies and circumstances permit.
- 4.2. Senior Management will be responsible for assessing and reporting to the Board in relation to the Company's progress towards achieving the measurable objectives on an annual basis.

5. REPORTING COMPLIANCE WITH MEASURABLE OBJECTIVES

- 5.1. In its annual report, the Company will disclose:
 - (a) the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy; and
 - (b) the progress towards achieving them.
- 5.2. As part of this disclosure the Company will disclose in its annual report, the proportion of:
 - (a) women employees in the whole organisation;
 - (b) women in senior executive positions; and
 - (c) women on the Board.
- 5.3. The Board will develop a Board skills matrix which sets out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

6. POLICY REVIEW

- 6.1. This Policy will be reviewed on an annual basis.
- 6.2. Any changes to this Policy require approval of the Board. The Board will review the effectiveness of this Policy as required.

7. ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

- 7.1. In the compilation of this Policy, the Company had regard to the recommendations of the *ASX Corporate Governance Principles and Recommendations (Third edition) (2014)* ("the Principles and Recommendations"). If the Company has not followed a particular recommendation it has sought to explain why it has not.
- 7.2. The Company intends to adopt the relevant recommendations. However, given the size of the Company and its current operations as at the date of adoption of this Policy, the Company is not currently in a position to fully implement the recommendations and statements as set out in this Policy. As the Company grows, it will implement the recommendations and statements as set out in this Policy.

8. INTERPETATION AND APPLICATION

- 8.1. This Policy is to be interpreted, applied and given effect in a manner which advances the spirit and intention of this Policy, with particular regard to recognising the objectives of the *Principles and Recommendations*. If the Principles and Recommendations are amended, the Board shall take into account the amendments when interpreting, applying and giving effect to this Policy.
- 8.2. This Policy will apply to subsidiaries of the Company with such modifications as the context requires and permits.

9. GLOSSARY

In this Policy:

Board means the Board of the Company;

Diversity is recognising and valuing the unique contribution people can make because of their individual background and different skills, experiences and perspectives. This includes gender, ethnicity, age, marital status, sexual orientation, religious background and culture and involves a commitment to equality and to the treating of one another with respect;

Policy means this Diversity Policy as amended from time to time; and

Senior Management means employees or consultants of the Company who manage the Company pursuant to the directions and delegations of the Board.