



## *Diversity Policy*

Approved by the Board on 22 June 2017

# Diversity Policy

## 1 Overview

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The Board of Directors of Melbana Energy Limited (**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 its success depends strongly upon the quality of its people and is therefore committed to the maintenance and promotion of workplace diversity.

Workforce diversity supports the Company's ability to attract, retain and develop the best talent, create an engaged workforce, deliver the highest quality outcomes and continue to grow the business.

The Remuneration & Nomination Committee has developed, and the Board has formally approved, the Diversity Policy (**Policy**) which includes advancing the presence of women in senior management positions and on the Board, and to actively facilitate a more diverse and representative management and leadership structure.

Notwithstanding the above, the Board is also cognisant that due to the small size of the Company following downsizing during FY2016, the Company may not be able to achieve its diversity objectives.

## 2 Scope

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The Company seeks to attract people with the skills and experience most appropriate to their role and to build a team with diverse backgrounds. At a Board and senior management level, gender has been identified as an area of focus for the Company. Accordingly, the primary focus of this Policy is achieving, over time, greater 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 objectives relating to diversity;

- ensuring a broad field of potential candidates for senior management and board appointments; 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.

### 3 Promoting gender diversity

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

- introduce and supplement the measures outlined in this policy;
- continue to implement policies which address impediments to gender 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 by both men and women at all levels; and monitor the effectiveness of, and continue to expand on, existing initiatives designed to identify, support and develop talented women.

### 4 Measurable objectives

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Each year the Board will set measurable objectives with a view to progressing towards a greater representation of women at a Board and senior management level.

Performance against these objectives will be reviewed annually by the Remuneration & Nomination Committee, as part of its annual review of the effectiveness of this Policy.

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. The Company will disclose in its Annual Report the proportion of women employees in the Company in senior management and on the Board.

### 5 Recruitment development and succession planning

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#### 5.1 Executive recruitment, development and succession planning

The Remuneration & Nomination Committee is responsible for the recruitment, development and succession planning process for the Chief Executive Officer (**CEO**) and reviews recruitment, development and succession plans for the CEO's direct reports. In discharging this responsibility, the Committee will have regard to diversity criteria.

## **5.2 Director appointment process**

The Remuneration & Nomination Committee is responsible for identifying qualified individuals for appointment to the Board of directors. In identifying candidates, the Committee will have regard to criteria 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.

## **6 Disclosure of Policy**

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A summary of this Policy and the Company's achievement of the Policy's objectives will be disclosed in the Annual Report.

## **7 Review of Policy**

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

review on an annual basis:

1. The effectiveness of this Policy, its objective and the strategies outlined above, which aim to achieve the objective; and
2. 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.