

## State Gas Diversity Policy

### 1. Introduction

State Gas Limited (“the Company”) believes that the promotion of diversity on the Board, in Senior Management and within the organisation generally:-

- broadens the pool for recruitment of high quality directors and employees;
- is likely to support employee retention;
- increases shareholder value and enhances the probability of achieving the Company’s objectives;
- is likely to encourage greater innovation; and
- is socially and economically responsible governance practice.

This Policy sets out the goals and strategies of the Company with respect to diversity and applies equally to all staff and contractors employed by the Company.

This Policy complies with the ASX Corporate Governance Council’s Principles & Recommendations on Diversity.

The Board of Directors is responsible for adopting and monitoring the Company’s Diversity Policy (“Policy”).

### 2. Purpose

This Policy provides guidance for the development and implementation of relevant plans, programmes and initiatives to recognise and promote diversity across all work areas of the Company.

### 3. Commitment

The Company is committed to diversity in order to maximise the achievement of corporate goals. The Company recognises the advantages of diversity and the benefit of its integration, including enriching the Company’s perspective, improving corporate performance, increasing shareholder value and enhancing the probability of the Company’s objectives.

### 4. Selection and Appointment of Directors and Employees

The Company employs new employees and promotes current employees on the basis of performance, ability and attitude.

The Company is committed to promoting a corporate culture which embraces diversity when determining the composition of the Board, management and employees.

Directors are selected by reference to their background and experience which is relevant to the business needs of the Company. New directors are invited to join the Board by the Chairperson, who makes the invitation based on recommendations made by the Board.

These measures allow the Company to achieve greater diversity.

### 5. Measurable Objectives

The Board will:-

- a) establish measurable objectives for achieving gender diversity; *and*
- b) assess annually both the gender objectives and the progress in achieving them.

The measurable objectives can be procedural or structural, targets, or initiatives and programs. They may include, but are not limited to:-

- a) ensuring directors and employees are selected from diverse candidate pools and are interviewed by a diverse interview pool;
- b) setting targets to improve the number of women in particular areas of the Company; and
- c) taking action against inappropriate workplace behaviour or behaviour that is not in line with the diversity objectives of the Company.

The Board will decide the manner in which the achievement of gender diversity should be measured, depending on the objective.

## **6. Reporting Compliance**

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;
- b) the progress towards achieving these objectives; and
- c) the proportion of women employees in the whole organisation; women in senior executive positions; and women on the board.

## **7. Review**

This policy will be reviewed periodically for the purposes of reviewing the appropriateness of measurable objectives under this Policy, general relevance, accuracy and consistency with other documented policies, procedures, charters and codes of the Company.

The Company will monitor compliance with the Policy by liaising with the Board, management and staff especially in relation to any areas of difficulty which arise from the Policy and any other ideas or suggestions for improvement of the Policy.

***Adopted by the Board of Directors on XXXX.***

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Tony Bellas

Chairman of the Board of Directors