

Diversity and Inclusion Policy

Prospa Group Limited
ACN 625 648 722

ADOPTED BY THE BOARD ON 17 MAY 2018

1. OVERVIEW

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 an inclusive and diverse workplace. The Company's vision for inclusion and diversity incorporates a number of different factors, including gender, ethnicity, physical abilities, age, family status, sexual orientation, religious beliefs and educational experience.

Diversity drives the Company's ability to attract, retain, motivate and develop the best talent, create an engaged workforce, deliver the highest quality services to its customers and continue to grow the business.

The Board has formally approved this Diversity and Inclusion Policy (**Policy**) in order to address the representation of women in senior management positions and on the Board, and to actively facilitate a more diverse and representative management and leadership structure.

2. SCOPE

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 adequate representation of women in senior management and leadership roles (including on the Board).

The Company aims to achieve greater gender diversity by:

- setting measurable objectives to achieve gender diversity;
- broadening the field of potential candidates for senior management and Board appointments;
- ensuring appropriate transparency with respect to 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.

3. PROMOTING GENDER DIVERSITY

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

- introduce and monitor the measures outlined in this Policy; and
- implement and monitor 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.

4. MEASURABLE OBJECTIVES

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.

These objectives and performance against the objectives will be reviewed annually by the Remuneration and Nomination Committee, as part of its annual review of the effectiveness of this Policy.

The Board will include in the Corporate Governance Statement each year the measurable objectives set under this Policy for the year to which the Corporate Governance Statement relates and a summary of the Company's progress towards achieving them.

5. GENDER REPRESENTATION REVIEW

On an annual basis, the Remuneration and 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 Remuneration and Nomination Committee will submit a report to the Board outlining its findings.

The Company will disclose in its Corporate Governance Statement the proportion of men and women employees in the Company as a whole, in senior management and on the Board or, if applicable, the Company's most recent 'Gender Equality Indicators' as defined by the *Workplace Gender Equality Act 2012* (Cth).

6. RECRUITMENT, SELECTION AND SUCCESSION PLANNING

6.1 Succession planning

The Board, in conjunction with the Remuneration and Nomination Committee, is responsible for the development and succession planning process for the CEOs and the CEOs' direct reports. In making recommendations to the Board, the Remuneration and Nomination Committee will have regard to diversity criteria.

6.2 Board appointment process

The Remuneration and Nomination Committee is responsible for reviewing and making recommendations to the Board on the criteria for nomination as a Director. Selection criteria 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.

In identifying qualified individuals for appointment to the Board, the Remuneration and Nomination Committee will have regard to these selection criteria.

7. REVIEW OF POLICY

The Remuneration and Nomination Committee is responsible for the review and oversight of this Policy. In executing this role, the Remuneration and Nomination 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.