



Diversity Policy and Measurable Objectives
July 2018

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1. Purpose

GUD is committed to being an inclusive workplace that values and promotes diversity. Diversity encompasses gender, race, ethnicity and cultural background, age, physical abilities and religious beliefs.

Encouraging and fostering diversity enables GUD to attract people with the best skills and attributes, and to develop a workforce which is best placed to deliver value to our shareholders, customers and the communities we serve. We believe there are additional benefits from diversity, being a broader pool of high quality candidates and employees, and improved employee retention.

This policy outlines GUD's commitment to improving diversity in the workplace and supplements our employment policies and standards, including as set out in the GUD Code of Conduct.

2. Objectives

GUD's approach to improving diversity within the Company will assist achieving the following objectives:

1. a diverse and skilled workforce, leading to improved in-service delivery and achievement of corporate goals;
2. a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
3. improved employment and career development practices and opportunities for all staff;
4. a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives;
5. rewarding and remunerating fairly; and
6. awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all.

GUD has developed practices, strategies and initiatives to support these objectives.

3. Responsibility and Measuring Progress

In accordance with the ASX Corporate Governance Principles and Recommendations, the Board through its Nominations Committee has established measurable objectives for achieving diversity that are in line with GUD's circumstances and the industries in which it participates. The progress in achieving the objectives are assessed and reviewed by the Board annually.

The measurable objectives adopted for the time being are attached.

Disclaimer

This Policy does not form part of an employee's contract of employment with GUD, nor gives rise to contractual obligations. However, to the extent that the Policy requires an employee to do or refrain from doing something and at all times subject to legal obligations, this Policy forms a direction of GUD with which an employee is expected to comply.

Reviewed and approved 16 April 2019

Measurable Objectives *(Revised 26 July 2018)*

In accordance with the Diversity Policy, these Measurable Objectives were reviewed and adopted by the Board of GUD Holdings Limited on 26 July 2018

Objective

1. As a general principle, the recruitment/selection process for Board candidates will:

- a. have as a primary focus getting the right person for the job;
- b. ensure that the candidate pool has no undue restrictions for representation; and
- c. ensure that, at both the initial candidate selection and the interview phase, a diverse pool of candidates is presented.

The measurable objective in this process will be (whether or not a recruitment consultant/executive search firm is engaged on a Board candidate search) that the Chairman of the Nominations Committee receives or establishes:

- i. a confidential listing of all candidates available for possible consideration applying the Board-mandated skills/experience criteria for the particular Board position to be filled – together with a statement of percentage female representation in the listing; and
- ii. a confidential listing of all candidates recommended to the Board for personal interview together with a statement of percentage female representation.

These listings are available to be shared with Board members.

2. To facilitate this process, the Board will maintain a skills matrix and profile of existing Board members in order to guide the development of the skills/experience criteria for any Board position to be filled.

3. The Board will, having regard to the profile and timing of the appointment and retirement of Directors, endeavour to have a number of female members on the Board that is in proportion to the female members represented in the workforce of GUD Holdings Limited, but in any event not less than one female member.

4. At the executive level, the recruitment/selection process will:

- have as a primary focus getting the right person for the job;
- ensure that the candidate pool has no undue restrictions for representation; and
- ensure that, at both the initial candidate selection and the interview phase, a diverse pool of candidates is presented.

A recruitment consultant / executive search firm will not necessarily be engaged for each role. However, where engaged, the recruitment consultant / executive search firm must be instructed to provide the Managing Director a confidential listing of all candidates recommended by the search firm for consideration for personal interview – together with a statement of percentage female representation.
