



Diversity Policy

1300SMILES and its subsidiaries

(the “Company”)

Adopted 1 July 2016

Introduction

The Company is committed to workplace diversity at all levels and recognises the value of a diverse workforce.

The Company is listed on the Australian Securities Exchange (ASX), and through the implementation of this Policy and to the extent practicable, the Company aims to comply with both the requirements and spirit of the ASX Corporate Governance Council's Principles and Recommendations on Diversity.

The Company recognises the corporate benefits of diversity of its workforce and Board, and realises the importance of being able to attract, retain and motivate employees from the widest possible pool of available talent.

Responsibility

The Board of Directors of the Company has adopted this Diversity Policy.

This Policy requires the Board to establish measurable objectives for achieving gender diversity and to assess annually both the objectives and progress in achieving them.

Whilst the objectives relate to gender diversity, the Board recognises the importance of broader diversity.

It involves a commitment to equality and to treating all individuals with respect, and a workplace where discrimination, harassment, vilification and victimisation is not tolerated.

Framework and Focus

The Board values the level of diversity already present within the organisation and believes that continuing to promote diversity is in the best interests of the Company, its employees and its shareholders. The Company has adopted a Code of Conduct which reflects the core values of the Company and sets out standards of behaviour in matters including equal employment opportunity and best practice in recruitment, career progression and retention, and this Policy is intended to operate alongside that Code, providing a framework for the Company to achieve a number of diversity objectives.

Objectives

At the time of reviewing this Policy there is a reasonable gender balance across the Company and therefore the focus remains on the career development of women rather than increasing recruitment of female employees. Particular emphasis will continue to be directed towards improving the representation of women in leadership roles. Initiatives may address objectives including, but not limited to, the following:

- Continuing to promote a corporate culture that embraces diversity within the Company;
- Providing career development opportunities for women at the middle management and senior management levels;
- Encouraging and providing opportunities for female networking and role models;
- Initiatives to smooth transitions before, during and after parental leave;

- Flexible work practices for both male and female employees with domestic responsibilities, where possible.

Board Selection

The Company's Board Charter requires the Company to seek to maintain a mix of directors on the board from different backgrounds with complementary skills and experience.

Reporting

Management will monitor, review and report to the Board as appropriate on the Company's progress towards achieving the measurable objectives on an annual basis.

In its annual report, the Company will disclose:

- the measurable objectives set by the Board in accordance with the diversity policy
- progress against these objectives, and
- the proportion of women employees in the whole organization, in senior executive positions and on the Board.

The Company will also disclose in its annual report a summary of the compliance of the Company with any other diversity objectives set by the Board from time to time.

Review

This Policy will be reviewed periodically to ensure it continues to comply with the law and remains relevant and effective.

This Policy does not form part of an employee's contract of employment with the Company nor give 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 sets out a direction for the Company with which all employees are expected to comply.

This Policy does not impose on the Company its directors, officers, agents or employees any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any anti-discrimination or equal employment opportunity legislation or laws in any State or Territory of Australia or of any foreign jurisdiction.