



Patties Foods Ltd
ACN 007 157 182

Diversity Policy

June 2011

1 Defined Terms and Interpretation

1.1 Defined Terms

In this document:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or, depending on the context, the financial market it operates.

ASX Corporate Governance Council means the Corporate Governance Council convened by the ASX.

ASX Corporate Governance Principles and Recommendations means the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council, as amended or replaced from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Patties Foods means Patties Foods Limited ABN 62 007 157 182 and its controlled entities.

1.2 Interpretation

Where relevant, words used in this policy have the same meaning as in the Corporations Act.

2 Introduction

- (a) The securities of Patties Foods are listed for quotation on the ASX under the code PFL.
- (b) As a listed entity, Patties Foods is committed to compliance with the ASX Corporate Governance Principles and Recommendations. Relevantly, Recommendation 3.2 provides that companies should establish a policy concerning diversity.
- (c) This Diversity Policy is designed to support Patties Foods commitment to diversity and to compliance with the ASX Corporate Governance Principles and Recommendations.

3 Benefits of Diversity

Workplace diversity refers to the variety of differences between people in an organisation. Diversity encompasses gender, race, ethnicity, age, disability, cultural background among other matters. Patties Foods believes that embracing diversity in its workforce contributes to the achievement of its corporate objectives and enhances its reputation. It enables Patties Foods to:

- (a) recruit the right people from a diverse pool of talented candidates;

- (b) make more informed and innovative decisions, drawing on the wide range of ideas, experiences, approaches and perspectives that employees from diverse backgrounds, and with differing skill sets, bring to their roles; and
- (c) better represent the diversity of all our stakeholders.

4 Commitment to Diversity

Patties Foods is committed to achieving the goals of:

- (a) providing access to equal opportunities at work based on merit; and
- (b) fostering a corporate culture that embraces and values diversity.

Patties Foods is an equal opportunity employer and welcomes people from a diverse range of backgrounds.

5 Board Selection Process

- (a) The Board Charter of Patties Foods provides that the Board should comprise directors with a broad range of skills, expertise and experience from a diverse range of backgrounds.
- (b) The Board has established a Remuneration & Nomination Committee, which is responsible for (among other things) ensuring that Board selection processes effectively implement the requirements of the Board Charter.
- (c) As part of that process, the Remuneration & Nomination Committee undertakes the following tasks, among others:
 - (i) Ensuring regular review of the performance and effectiveness of the Board and considering any gaps in the skills, experience and diversity on the Board;
 - (ii) before recommending the re-appointment of an existing director or the appointment of a new director, reviewing that director's skill, experience and background within the context of the matrix of desired skills, experience and diversity;
 - (iii) assisting in identifying, interviewing and recruiting candidates for the Board and utilising professional assistance where necessary.

6 Objectives for Achieving Diversity

- (a) Commencing in the financial year starting 1 July 2011 the Board will:
 - (i) establish measurable objectives for achieving gender diversity; and
 - (ii) review and assess, at least annually, both the measurable objectives for achieving gender diversity and Patties Foods' progress in achieving them.

- (b) The Board proposes to disclose in the Annual Report for each relevant financial year both its objectives for achieving gender diversity and its progress in achieving those objectives.
- (c) To assist the Board to fulfil its responsibilities, the Remuneration & Nomination Committee shall:
 - (i) regularly oversee a review of the relative proportion of men and women across the whole of Patties Foods' organisation, in senior management positions and the Board, respectively;
 - (ii) report to the Board on the findings of such reviews and its recommendations for the objectives to be set by the Board for achieving gender diversity, having regard to any gaps identified by such reviews; and
 - (iii) report to the Board, at least annually, on Patties Foods' progress in achieving the objectives set by the Board for achieving gender diversity;
 - (iv) consider other initiatives to promote diversity in the workplace.

7 Roles and Responsibilities

- (a) Every employee within Patties Foods is responsible for supporting and maintaining Patties Foods corporate culture, including its commitment to diversity in the workplace.
- (b) In particular, managers have responsibility for the maintenance and promotion of an equal opportunity workplace.

8 Review of Policy

- (a) The Board will review this policy periodically to ensure it complies with applicable legal requirements and remains relevant and effective.
- (b) This policy is not intended to be contractual in nature.
- (c) The Board may change this policy by resolution.