



DIVERSITY POLICY

Introduction

Quantum Graphite Limited recognises the benefits arising from employee, senior management and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.

Purpose

The purpose of the Diversity Policy is to outline the Company's commitment to fostering a corporate culture that embraces diversity and, in particular, focuses on the composition of its Board and senior management team. The policy also provides a process for the Board to determine measurable objective which the Company will implement and report to achieve its diversity goals.

Policy

Diversity Commitment

The Company is committed to encouraging diversity to assist the organisation in meeting its strategic goals by promoting workplace relationships and opportunities that are fair and equitable. To the extent practicable, this procedure applies to employees, consultants, agents and contractors of the organisation and extends to all places and functions that are work related, including the Board of Directors.

The Board is responsible for developing, where possible, measurable objectives and strategies to meet the Objectives of the Diversity Policy (**Measurable Objectives**) and is also responsible for monitoring the progress of the Measurable Objectives through various monitoring, evaluation and reporting mechanisms.

The Board will conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of suitable candidates and using external advisors where necessary.

While the key focus of the Diversity Policy and the ASX Corporate Governance Council's recommendations is on promoting the role of women within organisations, the Company recognises that other forms of diversity are also important and will seek to promote and facilitate a range of diversity initiatives throughout the Company beyond gender diversity. These differences can include gender, ethnicity, gender identity, sexual orientation, age, family status, religious beliefs, perspective, experience or other ideologies.

Strategies

The Company's strategies to help achieve its diversity objectives include:

- Facilitating a corporate culture that embraces diversity and recognises employees at all levels have responsibilities outside of the workplace;
- Ensuring that meaningful and varied development opportunities are available to all employees to enhance the retention of new employees and promotion of existing employees;
- Recruiting from a diverse pool of candidates for all positions, including Board and senior management appointments; and
- Reviewing succession plans to ensure an appropriate focus on diversity.

Measuring Objectives

The Board will set measurable objectives for achieving diversity in accordance with this policy and the diversity targets set by the Board from time to time and will review the effectiveness and relevance of these measurable objectives on an annual basis.

The Company offers a flexible and family friendly working environment and is therefore able to attract talented and experienced females into the organisation in senior positions.

Monitoring and Evaluation

The Board will monitor the scope and currency of this policy.

The Board is responsible for implementing, monitoring and reporting on the Measurable Objectives.

As required, Measurable Objectives set by the Board will be included in the annual key performance indicators for the Managing Director and senior executives.

In addition, the Board will review progress against the Objectives as a key performance indicator in its annual performance assessment.

Annual Disclosure

The Board will report annually on the progress and achievement of the Objectives and will ensure that the Policy is made publicly available on the Company's website, as recommended in Recommendation 1.5 of the ASX Corporate Governance Principles and Recommendations (ASX Principles).

Pursuant to the ASX Principles, the Board will include in the Company's Corporate Governance Statement each year:

- Measurable Objectives as set by the Board;
- Progress against achieving the Objectives; and
- Separately, the percentage of women and men employed within the entire Company, at the senior management level and at the Board level.