



DIVERSITY POLICY

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Armour Energy Limited (“COMPANY”)

1. General Purpose and Principle

- (a) The Company respects and values the competitive advantage of diversity (which includes but is not limited to gender, age, ethnicity and cultural background), and the benefit of its integration throughout the Company in order to enrich the Company’s perspective, improve corporate performance, increase shareholder value and maximise the probability of achievement of the Company’s goals (Principle).
- (b) In furtherance of the Company’s commitment to the Principle, the Board wishes to give effect to the Recommendations of the ASX Corporate Governance Principles and Recommendations.
- (c) When the Board considers the Company to be of sufficient size having regard to the nature and scale of its operations, it will put the Principle into practice in the following manner:
 - (1) Strategically and operationally, by:
 - (A) Being attuned to diverse strategies to deliver the Company’s objectives with respect to diversity;
 - (B) Being attuned to diverse corporate, business and market opportunities; and
 - (C) Being attuned to diverse tactics and means to achieve those strategies in (A) and to take advantage of those opportunities in (B) above.
 - (2) Through management, by:
 - (A) Adding to, nurturing and developing the collective relevant skills, and diverse experience and attributes of personnel within the Company;
 - (B) Ensuring that the Company’s culture and management systems are aligned with and promote the attainment of the Principle.
- (d) When the Board considers the Company to be of sufficient size having regard to the nature and scale of its operations, it will develop strategies, initiatives and programs to promote the Principle, including the achievement of gender diversity with respect to the matters referred to in paragraph (c)(2).
- (e) When the Board considers the Company to be of sufficient size having regard to the nature and scale of its operations, it will set measurable objectives, and targets or key performance indicators (KPIs), for the strategies, initiatives and programs to achieve gender diversity with respect to the matters referred to in paragraph (c)(2)(B).
- (f) When the Board considers the Company to be of sufficient size having regard to the nature and scale of its operations, it will implement the strategies, initiatives, programs and measurable objectives referred to in paragraphs (d) and (e).
- (g) Management will monitor, review and report to the Board (including via the Remuneration and Nominations Committee) on the achievement of gender diversity with respect to the matters referred to in paragraph (c)(2)(B), the Company’s progress under this Policy.

2. Responsibility for Policy

- (h) Although the Board retains ultimate accountability for this Policy, the Board has delegated responsibility for implementation of this Policy to the Remuneration and Nominations Committee.

Measurable Objectives, Targets and Key Performance Indicators – Gender Diversity

- (i) With respect to gender diversity, management will:
 - (1) Develop, for approval by the Board or its relevant sub-committee, as appropriate:
 - (A) Measurable objectives concerning the strategies, initiatives and programs referred to in paragraph (d);
 - (B) Targets or KPIs to verify progress towards attainment of those measurable objectives;
 - (2) Measure performance against those targets and KPIs;
 - (3) Report from time to time on the progress of the matters referred to in (1) and (2) above.

Compliance Requirements

- (j) When the Board considers the Company to be of sufficient size having regard to the nature and scale of its operations, it will meet its obligations with respect to the issue of diversity, as may be required under the ASX Principles and other regulatory requirements (if any), including by:
 - (1) Establishing this Policy as a compliant policy under ASX Principles Recommendation 1.5 (a) by:
 - (A) Establishing measurable objectives for achieving gender diversity;
 - (B) The Board assessing annually the measurable objectives for achieving gender diversity and the progress towards achieving them.
 - (2) Disclosing this Policy or a summary of it under ASX Principles Recommendation 1.5 (b);
 - (3) In its annual report, and in the terms of ASX Principles Recommendation 1.5(c), disclosing the processes the Board adopts and the criteria the Board takes into consideration in its selection of prospective new Board members;
 - (A) The measurable objectives for achieving gender diversity set by the Board in the terms of this Policy;
 - (B) The progress from time to time towards achieving them;
 - (C) The proportion in the Company (relative to their male counterparts) of:
 - female employees;
 - females in senior executive positions;
 - females on the Board;
 - (4) Incorporating in the corporate governance statement, a statement will disclose as to the mix of skills, knowledge, experience, independent and diversity that the Board is looking to achieve in membership of the Board, in accordance with ASX Principles Recommendation 2.1 (b) & 2.2.
- (k) The Company Secretary will assume line responsibility to ensure that the Company meets its compliance and reporting obligations including by collecting and collating all relevant data and ensuring that management processes and systems are adequate and effective for such reporting obligations to be met.

3. Communication

- (l) The Company commits to the communication of this Policy within the Company and to its shareholders and the market, including via its website:
 - (1) By way of transparency and accountability; and
 - (2) To better promote the prospects of attainment of the Principle.

4. Accountability

- (m) Reporting and accountability in the terms of this Policy will be a periodic item on the Board Agenda.
- (n) At least annually the Nominations and Remuneration Committee (if formed) will report to the Board on progress towards attainment of the Principle, and otherwise to facilitate the Board in meeting its Compliance Requirements.

5. Addenda to this Policy

When the Board considers the Company to be of sufficient size having regard to the nature and scale of its operations, the following shall constitute addenda to this Policy (as they are adopted by the Board from time to time) as if set out in this Policy:

- (o) Approved strategies, initiatives and programs and measurable objectives referred to in paragraph (d); and
- (p) Approved measurable objectives, targets and KPIs referred to in paragraph (e) as may apply from time to time.

6. Overriding Caveat

- (q) Nothing in this Policy shall be interpreted so as to endorse any of the following matters:
 - (1) The principal criteria for selection and promotion of people to work within the Company being other than their overall relative prospect of adding value to the Company and enhancing the probability of achievement of the Company's objectives, taking into account matters such as the nature of the industry in which the Company operates;
 - (2) Any discriminatory behaviour by or within the Company contrary to the law, or any applicable codes of conduct or behaviour for the Company and its personnel; and
 - (3) Any existing person within the Company in any way feeling threatened or prejudiced by this Policy in their career development or otherwise, merely because their diversity attributes at any time may be more, rather than less, common with others.