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# Diversity Policy

NSX Limited

(ABN 33 089 447 058)

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# 1. Introduction

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## Background

NSX Limited (“**NSXL**”) is committed to conducting its business in a way that is open and accountable to shareholders, its stakeholders, customers and the wider marketplace. NSXL believes that its corporate governance practices as a public company should be of a high and rigorous standard.

NSXL is the parent company of the National Stock Exchange of Australia Ltd (“**NSXA**”). NSXA holds an Australian Market Licence enabling NSXA to operate a Stock Exchange within Australia.

As a market licensee, NSXA has the statutory obligation to operate a market that is fair, orderly and transparent (“**FOT obligations**”)<sup>1</sup>. Responsibility for NSXA meeting its statutory obligations as a market licensee rests with the board of NSXA and supported by the Board of NSXL.

This requirement is enshrined in the constitutions of NSX Limited and National Stock Exchange of Australia Limited.

If you are in doubt about the standards that are set by the Policy or your obligations under the Policy, you should speak to your manager.

## Governance Standards and Requirements

The policy is reflective of the following governance standards:

- (a) The Constitution of NSX Limited;
- (b) The Corporations Act;
- (c) ASIC Regulatory Guides as varied from time to time;
- (d) While NSXL is the holding company of NSXA, reflect the requirements and conditions of the National Stock Exchange of Australia Australian Market Licence and published variations; and
- (e) While NSXL is listed on ASX, the ASX Corporate Governance Council Principles and Recommendations (the fourth edition), the ASX Listing Rules and Guidance Notes.

A summary of the ASX Corporate Governance Council Principles and Recommendations related to diversity are summarised in **Annexure A**.

# 2. Purpose and scope

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The NSXL is committed to actively managing diversity as a means of enhancing the NSXL’s performance by recognising and utilising the contribution of diverse skills and talent from its Directors, officers and employees.

Diversity involves recognising and valuing the unique contribution people can make because of their individual background and different skills, experiences and perspectives, including persons with co-existing domestic responsibilities. Diversity may result from a range of factors including age, gender, ethnicity, cultural background or other personal factors. NSXL values the differences between its people and the contribution these differences make to the company.

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<sup>1</sup> Subsection 792A of the Corporations Act (2001) Cth



## 3. Objectives

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NSXL encourages diversity in employment, and in the composition of its Board, as a means of ensuring that the company has an appropriate mix of skills and talent to conduct its business and achieve the company's goals.

Specifically, NSXL will provide equal opportunities in respect to employment and employment conditions, including:

### Hiring

The Board will ensure appropriate selection criteria based on diverse skills, experience and perspectives is used when hiring new staff, including Board members. Job specifications, advertisements, application forms and contracts will not contain any direct or inferred discrimination. The Board is empowered to engage professional consultants to assist in the hiring process by presenting diverse candidates for consideration.

### Training

All internal and external training opportunities will be based on merit and in light NSXL and individual needs. The Board will consider senior management training and executive mentoring programs to develop skills and experience to prepare employees for senior management and Board positions.

### Career Advancement

All decisions associated with career advancement, including promotions, transfers, and other assignments, will meet NSXL's needs and be determined on skill and merit.

## 4. Achieving diversity

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NSXL currently has a small number of employees, and given this, the application of measurable objectives in relation to gender diversity, at various levels of the NSXL's business, is not considered to be appropriate nor practical.

The Board will review this position on an annual basis and will implement measurable objectives as and when they deem appropriate to require them. The future implementation of any measurable objectives will be disclosed to Shareholders via the website and outcomes following the implementation of measurable objectives will be disclosed in its annual report.

In lieu of the application of measurable objectives to the Diversity Policy, the Board will be active in its implementation of the objectives, and the results of implementing such objectives will be highlighted in the NSXL annual report.

It is expected that the Board will reference the following principles in relation to achieving diversity.

### Strategic and operational considerations

- (a) being attuned to diverse strategies to deliver the NSXL's objectives;
- (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.



## Management considerations

- (a) adding to, nurturing and developing the collective relevant skills, and diverse experience and attributes of personnel within NSXL;
- (b) ensuring NSXL's culture and management systems are aligned with and promote the attainment of the Principle.

[Note: in the context of this paragraph "Diversity" constitutes people at relevant levels within NSXL (including board, senior executive, management and otherwise) with a diverse blend of skills, experiences, perspectives, styles and attributes gained from life's journey, including on account of their culture, gender, age or otherwise.]

## Program development

NSXL will develop strategies, initiatives and programs to promote the Principle, including the achievement of gender diversity.

## Setting appropriate and measurable objectives

- (a) In particular, NSXL will set measurable objectives, and targets or key performance indicators (KPIs), for the strategies, initiatives and programs to achieve gender diversity.
- (b) NSXL will implement the strategies, initiatives, programs and measurable objectives
- (c) Management will monitor, review and report to the Board (including via the Remuneration and Nomination Committee on the achievement of gender diversity and NSXL's progress under this Policy.

**Annexure B** outlines specific targets or strategies.

# 5. Work environment

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NSXL will ensure that all officers, employees and contractors have access to a work environment that is free from harassment. NSXL will not permit unwanted conduct based on an officer, employee or contractor's personal circumstances or characteristics.

The Board and senior managers are required to ensure that the work environment is harassment free, and to ensure that complaints or reports of sexual, racial or other harassment are treated seriously, confidentially, and sympathetically by NSXL.



## 6. Reporting

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It is the responsibility of all directors, officers and employees to comply with the Diversity Policy and report violations or suspected violations in accordance with this Diversity Policy.

The Board will proactively monitor performance in meeting the standards and policies outlined in this Policy. This will include an annual review of diversity objectives set by the Board, and progress in achieving them.

The Board will consider setting key performance indicators for the Board, the Managing Director, where applicable, and senior executives that are linked to the achievement of diversity objectives set by the Board.

## 7. Compliance

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Any breach of compliance with this Diversity Policy is to be reported directly to the Head of Compliance, the Company Secretary or the Chair. Anyone breaching this Diversity Policy may be subject to disciplinary action, including suspension or termination.

## 8. Diversity committee

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The Board performs the function of the Diversity Committee.

## 9. Communication

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NSXL commits to the communication of this Policy to employees and to its shareholders and the market, including via its website:

- (a) by way of transparency and accountability; and
- (b) to better promote the prospects of attainment of the Principle.

## 10. Overriding caveat

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Nothing in this Policy shall be taken, interpreted or construed so as to endorse:

- (a) the principal criteria for selection and promotion of people to work within NSXL being other than their overall relative prospect of adding value to NSXL and enhancing the probability of achievement of NSXL's objectives;
- (b) any discriminatory behaviour by or within NSXL contrary to the law, or any applicable codes of conduct or behaviour for NSXL and its personnel;
- (c) any existing person within NSXL 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.



## Annexure A: ASX Corporate Governance Council<sup>2</sup>

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### Requirements for disclosure based on the ASX Corporate Governance Council Standards.

*4<sup>th</sup> Edition released 27 February 2019, effective 1 January 2020.*

The ASX Corporate Governance Council states that a company should “*Lay solid foundations for management and oversight*”. (Principle 1).

The following table outlines the recommendations from the ASX Corporate Governance Council for the disclosure, content and measurability of a diversity policy.

<b>Recommendation</b>	<b>NSXL must report against an “if not why not” basis in its annual report and corporate governance statement.</b>
<b>1.5</b>	<p>NSXL should:</p> <ul style="list-style-type: none"><li>(a) have and disclose a diversity policy;</li><li>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li><li>(c) disclose in relation to each reporting period:<ul style="list-style-type: none"><li>(i) the measurable objectives set for that period to achieve gender diversity;</li><li>(ii) the entity’s progress towards achieving those objectives; and</li><li>(iii) either:<ul style="list-style-type: none"><li>A. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</li><li>B. (B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.<sup>31</sup></li></ul></li></ul></li></ul>

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<sup>2</sup> <https://www.asx.com.au/regulation/corporate-governance-council.htm>



# Annexure B: Strategies and Targets

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## Specific Gender Diversity Targets

Note: having regard to the Overriding Caveat of the Policy, and also the historically gender skewed “pipeline” of qualified and experienced personnel in the industry sector in which the NSXL operates, these targets must be regarded as “soft” and subject to the Overriding Caveat.

Target	By When
(1) at Board level: at least one of the next 2 Board appointments desirably should be female with appropriate skills and attributes.	(1) when it is appropriate to expand or refresh the Board.
(2) at Executive level: at least one of the next 2 executive appointments desirably should be female with appropriate skills and attributes.	(2) when it is appropriate to expand or refresh the executive team.
(3) generally: subject to the qualifying note under “Achieving Diversity” not less than 33% of new appointments should be male and not less than 33% of new appointments should be female.	(3) review annually around 30 June each year