



Resource Generation Limited ACN 059 950 337

Diversity Policy

Policy Statement

1 Preamble

Human Capital and Talent Management are critical components of the Resource Generation Limited strategy in ensuring delivery of shareholder value and achievement of business objectives. Consequently, employee diversity which reflects both an adequate representation of the South African economically active population (EAP) and appropriate experience and qualifications of all staff is of prime concern.

2 Purpose

Resource Generation Ltd recognises its success will result from a talented and diverse workforce, and is committed to workplace diversity and inclusion. Diversity includes, but is not limited to, gender, age, race, religion, national origin, ethnicity, cultural background, marital status, sexual orientation or disability.

This policy defines the initiatives which assist Resource Generation with maintaining and improving the diversity of its workforce by accelerating organisational transformation through focused recruitment processes and ongoing skills development.

To the extent practicable, Resource Generation will address the recommendations and guidance provided in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles) through this policy. In addition, Resource Generation is committed to meeting its targets under the Employment Equity Act 95 of 1998 and the Mineral and Petroleum Resources Development Act with the associated Mining Charter Scorecard.

3 Resource Generation's Commitment to Workplace Diversity

Resource Generation is committed to providing a respectful environment where employees and others in the workplace are treated fairly and all decisions are based on merit, without regard to their gender, differences and/or similarities. Our actions and behaviours must demonstrate and confirm our respect for each other and each other's contributions. Resource Generation embraces diversity and believes in the richness that diversity brings to our organisation.

The Board is committed to diversity and promoting this policy to maximise the achievement of corporate goals.

At a Board and senior management level, gender and representation of Historically Disadvantaged South Africans (HDSA) have been identified as key areas of focus for the Resource Generation Group. Accordingly, one of the primary focuses of this Policy is achieving, over a reasonable transition period, an increased representation of black women and HDSA employees in middle and senior management positions and on the Board.

4 Benefits of Diversity

Resource Generation recognises the value of attracting and retaining employees with different backgrounds, knowledge, experiences and abilities.

The benefits arising from employee and board diversity include:

- a broader pool of high quality employees;
- promoting teamwork;
- improving employee productivity and retention;
- accessing different perspectives and ideas; and
- benefitting from all available talent.

5 Selection and Appointment of Directors and Employees

Resource Generation is committed to a corporate culture which embraces diversity when determining the composition of the Board, senior management and employees, including with its recruitment and selection processes.

The Company's hiring processes ensure that recruitment and selection decisions are based on the principle of merit and a person's skills and qualifications, regardless of their gender, age, race, religion, national origin, ethnicity, cultural background, marital status, sexual orientation or disability or any other factor not relevant to the position. These processes do however incorporate a bias to achieve the targets set out in 6 and 7 below where shortlisted candidates are of a similar caliber.

6 Selection and Appointment of New Directors

Resource Generation's Diversity Policy requires the Nomination Committee to take diversity of background into account (in addition to previous Board and leadership experience, candidates' skills and experience in a variety of specified fields) to fit and enhance the Board skills matrix.

In order to promote the specific objective of gender diversity, Resource Generation's Diversity Policy requires that the selection process for Board appointments will consider the following steps (including where the Company engages an external recruitment agency to identify and assess candidates):

- Director selection process and decision making to be formal and transparent as set out in the ASX Principles;
- candidates should be selected from a diverse pool of qualified candidates. A wider candidate pool can be established by engaging a professional search firm and by advertising board vacancies; and
- the Company aspires to a Board composition of at least 50% HDSAs and 25% women.

7 Selection and Appointment of Employees (including senior management roles)

The Board has adopted a management transformation plan that will be implemented post project funding. The Social, Ethics and Transformation Committee (SETCOM) will have oversight of progress in achieving this plan.

In accordance with its Diversity Policy, Resource Generation will seek to maintain diversity objectives by including the following steps:

- the Managing Director or CEO will have reference to the Diversity Policy in selecting and assessing candidates and in presenting recommendations to the SETCOM regarding appointments to the executive team. The Policy requires the SETCOM to also consider HDSAs and gender diversity and the objectives of the policy when considering those recommendations.
- candidates should be selected from a diverse pool of qualified candidates. A wider candidate pool has been established by engaging a professional search/recruitment firm(s), and/or by advertising vacancies.
- in accordance with the Mining Charter 2010 Scorecard, the following targets are applicable by level:
 - Executive Management: 40% HDSA
 - Senior Management: 40% HDSA
 - Middle Management: 40% HDSA
 - Junior Management: 40% HDSA
 - Core skills 40% HDSA
- a short-list identifying potential candidates for the appointment will include a mix of both male and female candidates wherever possible.

8 Diversity Strategies

In addition to recruitment protocols which promote diversity, Resource Generation is committed to a range of other strategies to assist with improving diversity including:

- Measuring performance based on agreed goals to remove bias and promote equity;
- As part of its annual remuneration review, assessing the gender pay parity across the business and implementing action plans to address any areas of concern;
- Maintaining a workplace culture that supports difference and that enables each staff member to fully contribute to the best of their ability;
- Promoting skills development through mentoring and structured training; and

- Identifying what may be an impediment of diversity success and taking action to address the issues.

9 Reporting of Measurable Objectives

While Resource Generation is committed to all aspects of workplace diversity, for the purposes of reporting on measurable objectives, Resource Generation's current focus is on HDSA and gender diversity.

The Board will include in the Annual Report each year:

- measurable gender diversity objectives set by the Board;
- progress towards achieving these objectives; and
- the proportion of HDSA and women employees in the whole organisation, at senior management level and at Board level in line with the Mining Charter 2010 Scorecard

Reviewed and approved by the Board: 21 November 2017