



## **DIVERSITY POLICY**

### **Commitment to Diversity**

The Board and management of Karoon Gas Australia Ltd (**Karoon** or **Company**) are dedicated to delivering outstanding performance for investors and employees of Karoon. Karoon aspires to be a leader in its field while operating openly, with honesty, integrity and responsibility and maintaining a strong sense of corporate social responsibility in accordance with the values set out in its Code of Conduct. This Diversity Policy has been developed to support Karoon's commitment to these values in relation to diversity, and to comply with the Corporate Governance Principles and Recommendations published by ASX Limited.

### **Responsibilities to Shareholders and Employees generally**

Karoon is committed to delivering value to its shareholders and to endeavouring to provide a safe and inclusive place of work for its employees. Karoon acknowledges that workplace diversity will benefit both of these aims. Workplace diversity enables Karoon to recruit the best people from a diverse pool of capable and qualified candidates. Organisational strength and problem solving is enhanced when the Company make decisions with reference to a broader range of ideas, values and experiences of its employees. A truly diverse workplace will better reflect the diverse makeup of our Shareholders.

### **Promotion of Diversity**

Karoon aims to:

- Promote equal opportunity for all employees and officers at all levels.
- Provide equal opportunity to all qualified individuals, regardless of factors such as gender, domestic responsibilities, religion, race, ethnicity, language, sexual orientation, disability or age.
- Provide such opportunity with respect to recruitment, compensation and promotion, including promotion to management or board positions.
- Consider employees personal circumstances, including domestic responsibilities, and how the Company can support employees in managing these circumstances.
- Educate all staff of their rights and responsibilities with regard to diversity and promote this Diversity Policy and the Company's commitment to diversity, including by publication of this policy on the Company's website.
- Take into account this Diversity Policy when conducting board, management, and employee annual performance evaluations.

## **How Karoon Monitors and Ensures Compliance with this Diversity Policy**

Karoon is committed to implementing this Diversity Policy, both in Australia and internationally. Each individual in the Company is required to comply with this Diversity Policy. Where an employee is concerned that there has been a violation of this policy, he or she may report the concern in good faith to his or her superior. Any such report will be addressed, and no one making such a report will be subject to any form of retribution.

Management will monitor the Company's achievements in promoting diversity and will report to the Board. The Board will review such reports informally at least each half year and more fully annually, and will set measurable objectives for achieving gender diversity. The review will consider progress of the aims set out in this policy and any areas for improvement. The Board will appoint an external party to determine and address areas requiring future change and improvement if the need is identified.

The Company will report on its achievements in promoting gender diversity and objectives for the future in each annual report and welcomes commentary on its progress.

A handwritten signature in cursive script, appearing to read 'S Hosking'.

Scott Hosking  
Company Secretary  
June 2011