

GENERA BIOSYSTEMS LIMITED

DIVERSITY POLICY

Version: 1 **Effective date: 1 July 2011**

Version history:

Version no.	Approved by Board	Effective date	Comments
1	24 May 2011	1 July 2011	Reflects contents of ASX Corporate Governance Recommendation 3.2

1. INTRODUCTION

Genera Biosystems Limited (the **Company**) is committed to diversity in the workplace and recognises that many corporate benefits arise from employee and board diversity. These benefits include:

- maximised potential for recruiting talented and well-qualified employees, senior management and directors;
- supporting employee productivity, motivation and retention;
- greater perspectives, viewpoints and abilities within the Company, and therefore increased potential to advance innovation;
- promoting a congenial and constructive work environment; and
- maximising the Company's ability to achieve its corporate goals.

The Company has corporate culture which not only supports workplace diversity but also recognises that employees at all levels of the company may have domestic responsibilities.

"Diversity" includes, but is not limited to, gender, age, ethnicity and cultural background.

This document sets out the Company's policies and applicable processes in relation to diversity.

The Company's Board of Directors (**Board**) is responsible for:

- approving, periodically reviewing and amending as necessary this policy document;
- monitoring compliance with this policy.

2. SELECTION AND APPOINTMENT OF DIRECTORS AND EMPLOYEES

The Company is committed to promoting a corporate culture which embraces diversity when determining the composition of employees, senior management and the board, including recruitment of employees and directors from a diverse pool of qualified candidates.

(a) Selection of Directors

The Board, assisted by the Nomination Committee as appropriate, should take into account a number of relevant factors, including diversity, in identifying suitable Board candidates.

To take into account gender diversity in the Board position selection process, the Company shall have regard to this Policy and, as and when appropriate, undertake the following:

- engage professional intermediaries to identify or assess candidates. Consider engaging professional search firms known to have previously placed female Board members and/or which are known to have suitable contacts;
- select candidates from a diverse pool of qualified persons;
- endeavour to secure at least one female candidate on every shortlist;
- seek at least one female to form part of the interview and selection panel for Board appointments;
- if, at the end of a Board selection process, a female candidate is not selected, the Board/Nomination Committee must be satisfied that there are objective reasons, in particular reference to satisfaction of the sought skills/experience, to support its decision.

(b) Selection of Employees

The Company should take into account a number of relevant factors, including diversity, in identifying suitable employees.

To take into account gender diversity in the employee selection process, the Company shall have regard to this Policy and, as and when appropriate, undertake the following:

- for senior positions, engage professional intermediaries to identify or assess candidates. Consider engaging professional search firms known to have previously placed female candidates to corresponding positions and/or which are known to have suitable contacts;
- advertise the position as widely as practicable;
- select candidates from a diverse pool of qualified persons;
- where possible, include a mix of both male and female candidates on the short-list.

3. PROGRAMS AND INITIATIVES

To assist in developing a broader pool of skilled and experienced staff, including potential Board candidates, and to promote diversity within the Company, the Company shall seek to develop and introduce programs and initiatives. In the case of gender diversity, such initiatives may include:

- mentoring programs;
- targeted professional development programs aimed at helping all employees to develop skills and experience that prepare them for senior management and Board positions;
- supporting promotion of talented women into management positions;
- providing a suite of policies to help women and men balance their work, life and family responsibilities including flexible work options and return to work programs; and
- networking opportunities.

The implementation of such programs and initiatives shall be subject to ongoing cost/benefit assessment.

4. MEASUREABLE OBJECTIVES

The Board shall establish appropriate, measurable objectives for achieving diversity, in particular gender diversity. The objectives should take into account industry benchmarks and experience, the Company's size and resources, timetable/date targets and any other relevant factors.

The Remuneration Committee shall:

- assess and report annually to the Board regarding the Company's progress in achieving these objectives; and
- periodically review the objectives and, as appropriate, make recommendations to the Board for amendment.

The Board recognises that, at this stage of the Company's development, and given the Company's relatively small size:

- the Company's ability to achieve measurable objectives may be limited; and
- it is not currently practicable to tie achievement of measurable objectives to Key Performance Indicators for the Board, the CEO or senior executives, however the Remuneration Committee shall have regard to this matter when conducting its review of these objectives.

5. REPORTING

In order to support transparency of the Company's diversity-related processes, the Company shall disclose in its annual report:

- measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy; and
- the progress towards achieving such measurable objectives.
- the proportion of:
 - women employees in the whole organisation;
 - women in senior executive positions; and
 - women on the Board.

In addition, this policy, or a summary of its main provisions, shall be placed in the "Corporate Governance" section of the Company's website.