

# Board Diversity Policy

## INTRODUCTION

### Purpose

The purpose of this policy is to set out the approach required in order to achieve appropriate diversity on the Board. Specifically, this must be achieved in accordance with the JSE Listings Requirements by stating the manner in which the Board has considered and applied the policy of gender, race, culture, age, field of knowledge, skills and experience diversity in the nomination and appointment of directors. Additionally, the Board should, if applicable, report progress in respect of agreed upon voluntary targets.

The Company is committed to gender, race, culture, age, field of knowledge, skills and experience diversity and is aware of its importance in order to achieve its business objectives through an informed understanding of the diverse environments in which the Company operates.

### Scope of Application

The policy applies to any appointment of executive, non-executive and/or alternate directors to the Board.

## POLICY STATEMENT

Italtile recognises and embraces the benefits of having a diverse Board, and believes that appropriate diversity in all aspects is an essential element of successful and sustainable business. The Board also believes that the selection of board members should be made on merit, and include and make good use of differences in skills, experience, independence and knowledge, which the Board as a whole requires to be effective.

The Board believes that a plethora of factors contribute to the diversity and subsequent strength of a company, and that these factors need to be balanced appropriately in order to attain an optimal composition.

## RESPONSIBILITY AND MANDATE

In order to attain the most efficient strategy and to enable the Board to discharge its duties and responsibilities effectively, the Company's Nominations Committee (the Committee) reviews and assesses the Board composition, and recommends the appointment of new directors. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity specifically including, but not limited to gender, race, culture, age, field of knowledge, skills and experience, in order to enable it to discharge its duties and responsibilities effectively. In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard to the benefits of diversity on the Board.

Accordingly, the Committee is responsible for implementation of this policy and is mandated to assist the Board in managing this policy.

In terms of the annual performance evaluation of the effectiveness of the Board, the directors will consider the balance of gender, race, culture, age, field of knowledge, skills and experience, together with other factors that may contribute to a truly diverse Board, relevant to its effectiveness.

## MEASURABLE OBJECTIVES

Annually, the Committee will discuss and agree proposed objectives, including, without limitation, the setting of voluntary targets, for achieving diversity on the Board and recommend the same to the Board for approval and adoption.

## MONITORING AND REPORTING

The Board will report annually, in the corporate governance section of the Company's Integrated Annual Report, on the progress and process it has used in relation to board appointments. If applicable, the Board will also report progress on any voluntary targets set.

## REVIEW OF THE POLICY

The Committee will review the policy annually, which will include an assessment of the effectiveness of such policy, and make recommendations to the Board for approval as necessary.