

## **1 Purpose of Diversity Policy**

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- 1.1 The purpose of this Policy is to outline the Company's commitment to fostering a corporate culture that embraces Diversity with a particular focus on the composition of its Board and senior management. This Policy also provides a process for the Board to determine measurable objectives and procedures which the Company will implement and report against to achieve its Diversity goals.

## **2 What is diversity**

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- 2.1 Diversity includes, but is not limited to, diversity in respect of gender, age, ethnicity, disability, marital or family status, religious or cultural background, sexual orientation and gender identity.

## **3 Company's commitment to diversity**

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### **3.1 Commitments**

- (a) The Company is committed to:
- (i) complying with the diversity recommendations published by ASX by establishing measurable objectives for achieving gender diversity;
  - (ii) promoting Diversity among employees, consultants and senior management throughout the Company; and
  - (iii) keeping shareholders informed of the Company's progress towards implementing and achieving its Diversity objectives.

### **3.2 Corporate culture**

- (a) The Company aims to actively promote a corporate culture that supports Diversity in the workplace, in the composition of its Board and senior management and throughout the Company as a whole.
- (b) A corporate culture that embraces Diversity seeks to encourage and facilitate opportunities for the employment of women and people from different backgrounds, provide skills and career development initiatives, increase workforce participation and create an inclusive environment where employees feel they are valued. In building a corporate culture where Diversity is encouraged, the Company also recognises that employees at all levels have responsibilities outside of the workplace.
- (c) The Company acknowledges the known corporate benefits that flow from advancing employee and Board diversity, in particular gender Diversity, including identification and rectification of gaps in the skills and experience of employees, enhanced employee retention, greater innovation and maximisation of available talent to achieve corporate goals and better financial performance.
- (d) The Company acknowledges that in order to have a properly functioning diverse workplace, discrimination, harassment, vilification and victimisation cannot and will not be tolerated.
- (e) By focusing on Diversity, the Company aims to promote an environment that is conducive to the appointment of suitably qualified employees, senior management and Board candidates so that there is appropriate Diversity to maximise the corporate goals of the Company.

**3.3 Diversity commitments**

- (a) In order to foster a corporate environment where employee and Board Diversity are achievable and maintainable, the Company will implement the following Diversity commitments:
- (i) the Board will review and determine, as frequently as required, a Diversity profile that meets the particular needs of the Company, including identifying the skill, experience and expertise requirements set for the Board and senior management necessary to effectively oversee its business and achieve its corporate goals;
  - (ii) through the Nomination Committee, the Board will seek to ensure that the Diversity profile is a factor that is taken into account in the selection and appointment of qualified employees, senior management and Board candidates and will consider options in order to expand the pool of qualified candidates to select from, including through the use of a professional intermediary to assess candidates to promote appointments in accordance with the Diversity profile, and as deemed appropriate; and
  - (iii) the Board will seek to identify and consider programs and initiatives that assist:
    - (A) in the development of a broader pool of skilled and experienced Board candidates, in particular women, including initiatives focused on skills development, such as executive mentoring programs or more targeted practices relating to career advancement including those that develop skills and experience that prepare employees for senior management or Board positions;
    - (B) with enhancing employee retention, in particular that of women from middle management, including programs that foster career development and personal skills and, where possible, initiatives that address competing demands between work and other obligations;
    - (C) with minimizing career disruption when employees take time out of the workplace to meet other obligations and attempt to re-enter the workforce,and, where reasonable, possible and in line with the needs and objectives identified by the Diversity profile, facilitate or permit employees to access such programs or initiatives.
- (b) While the key focus of this Policy and the ASX recommendations is on promoting the role of women within organisations, the Company recognises that other forms of Diversity are also important and will seek to promote and facilitate a range of Diversity initiatives throughout the Company beyond simply gender Diversity.

**3.4 Implementing the Company's Diversity commitments**

The Board will aim to ensure that appropriate procedures and measures are introduced and responsibilities delegated to the Nomination Committee (if a Nomination Committee has been established) to ensure that the Company's Diversity commitments are implemented appropriately.

## **4 Measurable objectives**

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### **4.1 Setting measurable objectives**

- (a) The Board, in consultation with the Nomination Committee (if established), will set measurable objectives for achieving Diversity, in particular gender Diversity, in accordance with this Policy and the Diversity profile set by the Board from time to time. The Board will review the effectiveness and relevance of these measurable objectives on an annual basis.
- (b) The measurable objectives should identify ways and, where applicable, specify benchmarks against which the achievement of Diversity is measured, in order for the Board to assess and report annually on the Company's progress towards achieving its Diversity goals.

### **4.2 How will the measurable objectives be determined?**

To set meaningful objectives, the Board (in consultation with the Nomination Committee, if established) will assess its current Diversity levels and identify where gaps exist. Measurable objectives will then be developed which are tailored towards improving Diversity in areas where most improvement is needed.

### **4.3 Types of measurable objectives**

The Company acknowledges that there are a number of different types of measurable objectives which may be implemented to assist in meeting its Diversity goals, including:

- (a) procedural and structural objectives – for example, implementing internal review and reporting procedures or ensuring that candidates are interviewed by a diverse selection/interview panel;
- (b) Diversity targets – setting targets for the number of women throughout the Company or to increase the proportion of women within senior management positions and implementing timeframes for this to occur by;
- (c) initiatives and programs – for example, identifying appropriate initiatives and programs and determining how the initiative will operate, who will be responsible for implementing it and setting a timetable for its introduction; and
- (d) periodic review - as part of the commitment to achieving and maintaining effective Diversity policies, the Board and the Nomination Committee (if established) will perform regular reviews of the changes in Diversity throughout the organisation.

### **4.4 Measurable objectives as key performance indicators**

The Board, in consultation with the Nomination Committee (if established), will consider the extent to which the achievement of these measurable objectives should be tied to key performance indicators for the Board, the CEO and other senior management.

## **5 Annual disclosure to Shareholders**

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### **5.1 Purpose of reporting**

- (a) The Company acknowledges that reporting to shareholders on its Diversity profile and Diversity objectives facilitates greater transparency and accountability in relation to Diversity matters and that such reporting and transparency has been endorsed by the Board.

- (b) It is anticipated that shareholders will have greater confidence in the Company and the Board if they are fully informed of the policies and the measurable objectives which have been implemented to facilitate the performance of the Company.

**5.2 What will be reported?**

- (a) As part of its annual reporting requirements to shareholders, the Company will disclose the measurable objectives set by the Board for achieving Diversity in accordance with the Diversity profile and will report on its progress against those objectives. A copy of these measurable objectives may also be published on the Company's website from time to time.
- (b) A component of the Company's disclosure on Diversity in its annual report should also include information about:
  - (i) the proportion of women employees in the Company;
  - (ii) the number of women in senior management positions;
  - (iii) the number of women on the Board; and
  - (iv) if the Company is a relevant employer under the Workplace Gender Equality Act, the Company's most recent gender equality indicators, as defined in and published under that Act.
- (c) The Board will determine the most appropriate method to present this information to ensure that it is accurate and does not falsely represent the participation of women and men within the Company both in terms of members and types of roles, in terms of fulltime, part-time and casual with full-time equivalent categories of employees.

**5.3 Board selection process**

The Company is also committed towards achieving greater transparency of the Board candidate selection and nomination process and may include in its annual report the information about the mix of skills and Diversity which the Board is looking to achieve in membership of the Board as set out in the Company's Corporate Governance Charter or Nomination Committee Charter (if a Nomination Committee is established).

**5.4 Responsibility**

The Board may delegate these obligations to a committee, including a Nomination Committee if established, but the Board retains ultimate responsibility for ensuring that these reporting benchmarks are met.

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**6 Nomination Committee**

**6.1 Role of the Nomination Committee**

- (a) If a Nomination Committee is established, it will be responsible for implementing the Company's Diversity Policy, profile and measurable objectives and for ensuring compliance with this Policy. The Nomination Committee will report to the Board as necessary to facilitate compliance.
- (b) The Nomination Committee will also be responsible for reviewing and reporting to the Board, at least annually, the proportion of women employees in the whole of the Company, women in senior executive positions and women on the Board.
- (c) Additionally, the Nomination Committee will liaise with the Remuneration Committee to assist the Remuneration Committee with its review of gender remuneration for making recommendations to the Board regarding remuneration by gender.

- (d) The Nomination Committee will, at the direction of the Board, implement the recommendations of the Remuneration Committee with respect to remuneration by gender, as part of the Nomination Committee's administration of the Diversity Policy. The Nomination Committee will report to the Board as necessary to facilitate compliance.
- (e) To the extent that a Nomination Committee is not established, the role and responsibilities imposed by this Policy will be held by the Board until such time as a Nomination Committee is established.

### **6.2 Internal review by Nomination Committee**

An internal review will be undertaken by the Nomination Committee as required to ensure that this Policy remains relevant and appropriate to the Company, to determine the effectiveness of this Policy and to recommend changes to correct any identified deficiencies.

## **7 Remuneration Committee**

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### **7.1 Remuneration Committee**

To the extent a Remuneration Committee is not established, the role and responsibilities imposed by this Policy will be held by the Board until such time as a Remuneration Committee is established.

### **7.2 Role of the Remuneration Committee**

- (a) If a Remuneration Committee is established, as part of its core role and responsibility for formulating and implementing the Company's Remuneration Policy, the Remuneration Committee will be responsible for reviewing and making recommendations to the Board regarding remuneration by gender.
- (b) The Remuneration Committee will report to the Board as necessary to facilitate compliance.
- (c) The Remuneration Committee will also be responsible for reviewing and reporting to the Board, at least annually, the proportion of women and men in the workforce at all levels of the Company and their relative levels of remuneration.

### **7.3 Internal review by Remuneration Committee**

An internal review will be undertaken by the Remuneration Committee as required to ensure that this Policy remains relevant and appropriate to the Company to determine the effectiveness of this Policy with regards to remuneration and to recommend changes to correct any identified deficiencies.

## **8 Miscellaneous**

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### **8.1 Review of policy**

- (a) External reviews of this Policy may be undertaken at the request of the Board.
- (b) A copy of this Policy (or a summary of it) may be made available on the Company's website and to ASX to the extent necessary.

### **8.2 Endorsement**

- (a) The Company is committed to this Policy and its implementation and to ensuring that Diversity is achieved throughout the Company.
- (b) This Policy was adopted by the Board on **22<sup>nd</sup> May 2015**.

## **9 Definitions**

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### **9.1 Interpretation**

Concepts not defined in this Policy which are given a meaning in the Corporations Act have the same meaning as in the Corporations Act.

### **9.2 Definitions**

In this Policy:

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| <b>ASX</b>                    | means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires). |
| <b>Board</b>                  | means the board of the Company.   |
| <b>Company</b>                | means National Veterinary Care Ltd ACN 166 200 059.   |
| <b>Corporations Act</b>       | means the <i>Corporations Act 2001</i> (Cth).   |
| <b>Director</b>               | means a director of the Company.  |
| <b>Diversity</b>              | has the meaning given to that term in paragraph 2.1   |
| <b>Nomination Committee</b>   | means the nomination committee established by the Board (if any).                                   |
| <b>Remuneration Committee</b> | means the remuneration committee established by the Board (if any).                                 |