

DIVERSITY POLICY

PURPOSE

The purpose of this Diversity Policy (Policy) is to outline Abano Healthcare Group's commitment to providing an inclusive and diverse environment throughout the company and the practical application of the Policy across the organisation.

OBJECTIVES

- Promote equal employment opportunities in recruitment and selection processes, with a diverse range of candidates considered in the recruitment process.
- Provide an environment where all employees are treated fairly and with respect, and where diversity is embraced and supported.
- Provide opportunities for our employees to develop their skills and talents.
- Recognise individual talent and capabilities and reward our employees based on the merits of their performance.
- Take diversity into account when conducting Board selection and appointment processes.

DEFINITION

Diversity is defined as a variety of characteristics that make individuals unique. The key aspects that we are seeking are diversity of thinking and skills as these attributes are most likely to assist Abano in delivering better outcomes for our stakeholders. Diversity of thinking and skills can arise through a number of different characteristics including but not limited to the following; gender, ethnic background, religion, marital status, culture, disability, economic background, education, language, physical appearance and sexual orientation. Different backgrounds, communication styles, lifeskills and interpersonal skills are also considered of value in building diverse teams.

POLICY OVERVIEW

The Abano Board is committed to promoting inclusiveness and diversity of thinking and skills across the company.

Abano has a diverse workforce and we recognise that everyone has individual differences which can be leveraged to create stronger teams and which will ultimately drive stronger business performance.

The value in different viewpoints and perspectives offered by people of different backgrounds, age, experience, race and gender is considered to lead to more informed decision making, greater innovation and better outcomes for our stakeholders.

Diversity within our organisation enables us to better understand the needs of our customers and stakeholders and to respond effectively to them.

We believe that recognising and embracing diversity makes our company stronger, leads to increased morale and is an essential element in the long term success of Abano.

At Board level, directors are appointed who broaden the Board's expertise and provide skills and knowledge that complement the other directors. Industry experience, commercial experience and diversity of thinking are considered when assessing the appointment of new directors to the Board. This policy complements other Abano policies including the Ethical Conduct Policy, the Flexible Working Arrangements Policy and the Board Charter.

This policy provides guidance on implementing Abano's diversity philosophy within the organisation and specifically offers guidance on the following areas:

- Recruitment
- Working Environment
- People Development
- Recognition and Reward
- Board Appointments

POLICY GUIDANCE

Recruitment: All people involved in HR, recruitment and development processes at Abano must uphold the principles in this Policy and take into consideration the value of diversity within a team and the work environment when considering candidates for roles. Candidates are selected based on their merits and the value they can bring to Abano. People involved in selecting and recruiting candidates are encouraged to actively seek out people with diverse skills, backgrounds and capabilities when considering candidates for roles within the organisation.

Working Environment: Employees are treated equally and with respect at Abano and diversity is embraced and recognised as adding value to our company. Abano's leadership and HR personnel are encouraged to consider policies which support diversity within their businesses, such as flexible working hours.

People Development: Abano has People Development strategies in place for each of its businesses. We invest into our employees to challenge them and help grow their talents. Internal succession planning is undertaken for leadership roles to provide Abano employees with career development opportunities. Opportunities are offered based on merit, unhindered by individual differences.

Recognition and Reward: Abano's remuneration practices are based on merit with employees rewarded based on their achievements and performance. We recognise the contributions and talent of individuals and teams in our organisation and encourage participation.

Board Appointments: The Board regularly reviews the mix of skills, capabilities and diversity on the Board to ensure effective governance and oversight of Abano.

MEASUREMENT AND REPORTING

The Board will set measurable objectives designed to adhere to the objectives and guidance in this Policy.

Management will measure progress against the objectives in this Diversity Policy on an annual basis and report to the Board. The annual review will consider if diversity has been appropriately considered and implemented in each of the areas identified in the guidance above.

The outcomes and key metrics required by stock exchange listing rules will be published in the company's Annual Report. The NZX Listing Rules may change from time to time and the reporting will reflect those changes. The current rules require the following;

NZX Main Board Listing Rule 10.4.5(j): a quantitative breakdown, as to the gender composition of the issuer's Directors and Officers as at the issuer's balance date and including comparative figures for the prior balance date of the issuer. Comparative figures are not required to be provided in respect of balance dates falling in periods before the effective date of this rule.

NZX Main Board Listing Rule 10.4.5(k): a statement from the Board of the issuer providing its evaluation of the issuer's performance with respect to its diversity policy (if applicable);...

1. An issuer may choose to disclose in its annual report any diversity policy or any other matter relating to its diversity practices or position (including in particular in relation to diversity other than gender).

The Board will review the Diversity Policy on an annual basis to ensure it continues to promote a holistic approach to diversity within the company, and will make any appropriate changes at this time.

RESPONSIBILITY

All Abano board directors, executives and employees (and contractors or any other person who represents Abano) are responsible for carrying out their day to day duties in a manner which is consistent with the intent of this Policy.

Management, including Abano's CEO and individual business managers, are responsible for ensuring compliance with and understanding of the diversity policy across the organisation and within their businesses.

The CFO is responsible for managing an annual review of compliance with this Policy across the organisation including the implementation of diversity initiatives and practices and their effectiveness, and will report to the Board on the effectiveness of the Policy on an annual basis.

The Board is responsible for reviewing the Diversity Policy on an annual basis and determining how the company measures and reports on progress against the Policy.

Review and Approval

Reviewed and approved	By the Board	28 July 2015
Next review date		July 2018