



DIVERSITY POLICY

Hills Limited

ABN 35 007 573 417

Policy Name	Diversity Policy
Policy Manager	Company Secretary
Policy Department	Corporate Services
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1 Diversity at Hills

1.1 Our commitment

This policy sets out Hills Limited ("**Hills**") commitment to diversity and inclusion in the workplace and provides a framework to achieve Hills' diversity goals.

We are committed to creating and ensuring a diverse work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of Hills. The Board of Directors of Hills ("**Board**") and management believe that Hills' commitment to this policy contributes to achieving Hills' corporate objectives and embeds the importance and value of diversity within the culture of Hills.

1.2 Who this policy applies to

This policy applies to all directors of the Board, as well as all other officers, employees, contractors, consultants and associates of Hills. It is essential that you are familiar with this policy, which is available on Hills' website.

1.3 Implementation

The Board has delegated to the Nomination and Remuneration Committee the role of overseeing the implementation of this policy and assessing progress in achieving its objectives. See paragraph 3.2 below.

2 What diversity means to us

2.1 What is diversity?

Diversity refers to characteristics that make individuals different from each other. Diversity encompasses differences in backgrounds, qualifications and experiences, and also differences in approach and viewpoints. It includes factors such as gender, age, ethnicity, cultural background, language, disability and other areas of potential difference.

2.2 The Diversity Officer

Hills has established the role of Diversity Officer. This position will be occupied by the most senior human resources executive.

The role of the Diversity Officer is to reflect Hills commitment to a diversified workforce. In particular, focusing on diversity of gender, age, culture, religion and ethnicity.

2.3 Gender diversity

The role of the Diversity Officer includes a commitment to gender diversity and the fundamental principle that gender is not a barrier to participation in our workforce, management, senior executive and on our Board. Our leaders are committed to providing opportunities that allow women to reach their full potential.

To achieve greater diversity, it is important to ensure where possible that the pool of potential available talent is nurtured and developed effectively. Early identification and development of female talent is clearly of significant importance in ensuring that there are

appropriately qualified and experienced women for consideration when positions become available. Hills aims to grow the number of women performing senior roles and to create programs that prepare women to assume senior roles within the business.

2.4 Board and senior executive diversity

At Hills, diversity of gender and background are two important criteria we take into account in developing our succession plans and appointment processes for our Board and senior executive positions. However, other selection criteria, in particular business acumen and industry experience, are also fundamentally important. The Nomination and Remuneration Committee will report to the Board regarding our succession plans and appointment processes with the aim of achieving our diversity objectives, in particular regarding the number of women in senior executive positions and on the Board.

2.5 Work and life balance

Hills believes in assisting employees to maintain a healthy and holistic balance between work, family and other commitments, activities and interests. Hills has a number of policies and programs which support these objectives.

2.6 Ability not disability

When we employ and promote people, we consider ability and not disability. We aim to create an inclusive environment that supports people and removes artificial barriers from the workplace.

3 Responsibility for Implementation, Compliance Monitoring, Measuring and Continual Improvement

3.1 Steps we are taking and measurable objectives

Hills is committed to an inclusive workplace that embraces and promotes diversity as part of our corporate culture. This involves providing supportive and inclusive diversity-related workplace policies, programs and practices within our business.

3.2 Our Diversity Officer

Hills has appointed a Diversity Officer to:

- promote diversity as an important strategic and cultural factor to achieve business objectives across the organisation;
- in consultation with the heads of business units and the Nomination and Remuneration Committee;
 - propose measurable diversity objectives to the Board to achieve gender diversity;
 - identify ways in which achievement is to be measured; and
 - report to the Board on the progress in achieving these objectives,

- report to the Board on diversity issues within Hills, legislative changes and industry trends and make appropriate recommendations;
- provide information to the Board about the proportion of women in the whole organisation and women in senior executive positions;
- together with the Manager People, Performance and Culture Programs, supported by our human resources team, identify ways to promote a culture supportive of diversity, including developing policies, programs and guidelines;
- together with our Nomination and Remuneration Committee, the Manager People, Performance and Culture Programs, supported by our human resources team, identify programs and initiatives designed to achieve greater gender diversity on the Board and in senior management;
- develop a Diversity and Inclusion Plan to ensure the successful implementation of this policy and a review mechanism to assess its effectiveness; and
- ensure the timely submission of Hills Workplace Gender Equality Agency (WGEA) annual report to achieve compliance with the WGEA Act 2012.

3.3 The Board's role

The Board will:

- review and approve measurable objectives for achieving diversity, including gender diversity across, and at various levels of, our organisation;
- annually meet to assess these objectives and the progress in achieving; and
- review and monitor the effectiveness of this diversity policy, including in relation to Board diversity.

4 Publication of this policy and reporting our progress

This policy will be made available to all directors and employees and will be available on Hills' website.

We will provide information in Hills' Annual Report or on our website regarding:

- key features of this policy;
- our measurable objectives for achieving gender diversity and our progress towards achieving them; and
- disclosure of the percentage of women:
 - in our organisation,
 - in executive positions; and
 - on the Board.