

VELOCITY PROPERTY GROUP LIMITED DIVERSITY POLICY

Velocity Property Group Limited (“Velocity” or “the Company”) supports the ASX Corporate Governance Principles and Recommendation 1.5 for addressing Diversity and is committed to delivering improved performance in this area.

We believe that our shareholders will also benefit from improved Diversity due to the widened talent pool and an enriched environment for new ideas. The principles outlined in this Policy apply to all employees and contractors, including the Board and Senior Management, and must be supported at all times.

This document provides a set of principles to use to support Velocity in achieving its Diversity goals as well as goals that specifically relate to the Board and Senior Management in this area.

All employees and contractors have a responsibility to:

- ❖ Follow Equal Employment Opportunity (EEO) principles;
- ❖ Treat others with respect; and
- ❖ Value the benefits resulting from a diverse workforce.

Directors and senior management are responsible and accountable for:

- ❖ Ensuring the processes of recruitment and the action of promotions are fair and transparent and that the best person for the role is recruited;
- ❖ Ensuring that remuneration levels and benefits are equal for persons performing the same role at the same performance level, in accordance with EEO principles;
- ❖ Reviewing current practices and preparing annual goals for improvements in Diversity within the Velocity businesses to the extent of their responsibility;
- ❖ Demonstrating leadership in advocating for change where it might be needed; and
- ❖ Reporting progress against objectives publicly in the Company’s Annual Report.

Application of the Policy

This Diversity Policy applies to all Directors, Senior Management and all employees of Velocity and its related legal entities.

Failure to comply with the principles and the spirit of the Policy will be considered a serious breach of the Company policy and may result in disciplinary action. If you are unsure regarding your obligations it is important that you discuss your concerns with Senior Management.

The Policy will be reviewed by Velocity’s Audit & Risk Management Committee and presented to the Board annually for approval. Progress information will be provided to the Board via the Audit & Risk Management Committee.

Key Terms

Diversity

Diversity means the inherent differences between individuals. Diversity occurs in areas such as gender, gender identity, race religion, sexual preference, age, impairment or disability, family responsibilities, marital status and status as a parent or carer. However, it is not limited to these examples. Diversity also exists between individuals in the roles they perform, where they are from, and their socio-economic status.

Equal Opportunity

The principles of Equal Employment Opportunity (EEO) apply in the workplace.

Equal Opportunity means applying the principles of fairness, merit and respect for individual differences. For Velocity this means that decisions relating to our employees, the roles they perform, their access to training, career advancement, equipment and support, and treatment they receive whilst involved with Velocity will be based on the following principles.

The Main Principles

This policy reflects the ASX Corporate Governance Principles and Recommendations for addressing Diversity. The Diversity Policy is based on the following principles:

1. Treat others with respect, value differences and maintain privacy;
2. Value diversity and it will bring opportunities to enhance our business;
3. Women and minority cultural groups will not be disadvantaged in gaining employment, career advancement and training nor will they be impeded from accessing the benefits and privileges that other persons in the Company enjoy;
4. Transparency will be exercised in recruitment, promotion and internal staffing decisions from Board level to entry level;
5. Senior Management will work toward gender balance and a diverse workforce.
6. Workforce composition statistics will be reviewed annually to determine if there are any areas that warrant an increased focus on diversity; and
7. Public reporting of progress against Velocity's diversity objectives.

1. Treat others with respect, value differences and maintain privacy

Discrimination, Harassment, and Bullying

No individual will harass or discriminate against colleagues or business stakeholders for any reason including gender, gender identity, physical appearance, pregnancy, age, race, sexual preference, ethnicity, or national origin, religious or political conviction, marital status, physical or intellectual disability.

Bullying is the repeated less favourable treatment of a person by another in the workplace and can include verbal abuse, sarcasm, criticising people in front of others or in private and creating unreasonable work demands. The use of obscenities or offensive language is unacceptable in the workplace. Velocity does not tolerate bullying.

Persons observing discrimination, harassment or bullying should do something to stop it if possible and report it to Senior Management. Direct intervention by Senior Management may be used to resolve the issue.

2. Value diversity and it will bring opportunities to enhance our businesses

The case for Gender Diversity:

Financial Performance - It has been shown that companies that have greater gender diversity (ie. those in the top quartile) were 15% more likely to have financial performance above the national industry average compared to less diverse organisations (ie. bottom quartile),

Improved overall performance – Gender balance brings effects such as increased recruiting rates among women, decreased employee turnover, or shorter parental leaves. Qualitative benefits also apply—such as improved employee motivation and satisfaction, the company's enhanced attractiveness among applicants, and better branding and public image. Another advantage is the greater “innovation power” of mixed-gender teams.

Attracting the Best – An organisation that is attractive to women will have access to the entire talent pool and is more likely to have a competitive advantage in attracting the best talent available.

Better Decision making – there are a range of reasons why company performance and gender diversity may be linked. One factor is that well managed diversity brings together varied perspectives, produces a more holistic analysis of the issues a company faces and spurs greater effort, leading to improved decision making.

Reducing inappropriate behaviours – sexual harassment at work is experienced more by women than men but increasingly it is recognised that men face sexual harassment too. Inclusive and respectful workplaces where gender diversity is valued reduces the risk of inappropriate behaviours. They also avoid the negative impact sexual harassment has on absenteeism, team conflict and morale at work.

3. Women and minority cultural groups will not be disadvantaged

Policies and Programs

Women and minority cultural groups will not be disadvantaged in gaining employment, accessing training and career advancement opportunities or in accessing the benefits and privileges that other persons enjoy in their employment with Velocity. To ensure that the most appropriate policies and programs are implemented throughout the company, all key policies and programs will be reviewed by Senior Management to ensure they do not hamper Diversity within the organisation.

The Audit & Risk Management Committee will be charged with designing processes, metrics and review mechanisms for Board approval that progress the goals of this policy.

4. Transparency in recruitment and promotion decisions

Fair Recruitment and Promotion Processes

To ensure transparency is exercised in recruitment, promotion and other internal staffing decisions, fair and rigorous processes will be used. These processes will be applicable for all positions from non-executive directors to senior management, professionals and administration roles.

To ensure unconscious bias is eradicated from these processes all Senior Management will be trained in professional recruitment techniques including the avoidance of bias.

Board Selection & Succession

Velocity will ensure that greater transparency is also achieved on the processes which the Board adopts in Board member selection and succession planning. This will ensure that a key criteria for selection as a non-executive director is that a diverse range of candidates, and the appropriate skill mix on the Board, is considered.

5. All Leaders advocating for gender balance and a diverse workforce

Creating a positive environment for female leaders and leaders from minority groups

It is recognised that our talented male leadership team has an important role in supporting the growth of leadership capability and confidence in emerging and current female leaders and minority group leaders. Active leaders look for opportunities to inspire, mentor and assist their subordinates and colleagues in their development into higher roles.

Disrupting the status quo

All our leaders recognise and work to challenge the status quo, if required, to ensure that our Company creates thriving communities of capabilities, ideas and programs.

Removing career barriers

Recognising that carer responsibilities may provide an impediment to opportunity and career growth, our leaders work to ensure balance can be created for carers, where possible, and that systemic biases may be obliterated.

6. Improve our performance against measurable objectives

Review Current Environment

The Audit & Risk Management Committee will be responsible to lead an annual review of Diversity practises. This review will include statistics and internal processes to gain a greater understanding of where improvements may be achieved.

Remuneration – Gender Equity

The Board will also ensure that equity is sought at all levels between genders on remuneration and benefits for equal work. Oversight of remuneration will be conducted annually and the Board will seek confirmation that gender equity is achieved or being worked towards, at all levels in the Company.

Annual Progress Review

The Board will have oversight of the statistics measured across the business and will review performance in Board and Executive Management composition annually.

7. Provide Public Progress Report

Disclose in the annual report

Velocity will disclose in its annual report its objectives for achieving gender diversity, together with a summary of the diversity policy and the proportion of women employees in senior management positions and on the Board.

This Policy does not stand alone nor take the place of any legislative or regulatory requirement.

This Policy was adopted by the Board of Velocity on 21 August 2017.

Appendix 1

Statistics Collection Template

	Board		Management		Other Employees		Total	
	Number	%	Number	%	Number	%	Number	%
Female								
Male								

Category Definitions

Board	Includes all Directors being executive or non-executive, independent or non-independent.
Management	Includes CFO, all other senior executives who have the responsibility for planning, directing and controlling the activities of Velocity.
Other Employees	All other staff. Staff may be degree qualified professionals, administrative staff or sales agents.