

QUICKSTEP HOLDINGS LIMITED

DIVERSITY REPORT 2020 FINANCIAL YEAR

ACN 096 268 156

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A culture of inclusion and diversity of thought

Quickstep's Diversity Policy has been adopted by the Board of Quickstep Holdings, is upheld by management and is reviewed annually to ensure its relevance to the business, market and compliance with legislation. Quickstep's Diversity and Inclusion Strategy (the Strategy) details the company's commitment to a workplace culture that builds respect, fosters inclusiveness, promotes diversity and embraces the unique skills and qualities of all employees.

The Strategy focuses on three key areas, and measureable objectives aligned to these will be adopted by the Board:

- **Gender diversity** whereby increasing the female representation across all levels within the business which is currently 19.6 percent through conscious actions such as policy development to become an employer of choice for women;
- **Mature aged workers** (defined as anyone over 55 years of age) whereby Quickstep has an average age of 46.8 across the workforce and by 2022 over 35 percent of the workforce will be over 60. This creates a challenge of retention for the skills and knowledge the organisation requires to support growth. The strategy sets out the mechanisms by which the mature aged workers are supported and to remain as part of the workforce; and
- **Younger workers** (defined as anyone up to 25 years of age) whereby Quickstep has increased the workforce in this category from 5 percent to 12 percent over the last three years and of those employed 21 percent were in this category. We need to support those entering the workforce for the first time and are still early on in their career. The Strategy is supported by detailed initiatives that challenge us to consider inclusion in everything we do, positively impacting the delivery of business outcomes.
 - Review, update and deployment of a Diversity Policy adopted by the Board;
 - Alignment to the Equal Employment Opportunity Policy;
 - Alignment to the Harassment and Bullying Prevention Policy;
 - Refreshing of key performance indicators to support the Strategy;
 - Unconscious bias training;
 - Adapting and refining our employment engagements through transition to retirement programs, knowledge management transfers, mentoring;
 - Providing apprenticeships and traineeship opportunities, support career and development opportunities by the investment in the Quickstep Learning Academy (QLA) with structured theory, practical and on the job training, as well as structured individual development plans;

- Identify and partner with relevant training and education institutions to support professional development and promote career opportunities;
- Develop policies and practices that support employees with other life responsibilities, offering flexibility and create Quickstep as an employer of choice for women;
- Monitor and ensure pay equity; and
- Clarity of accountability for achieving greater diversity for the Board, management and all employees requiring demonstration of this commitment through behaviours, inclusion actions within performance plans, progress on key target indicators and annual workplace diversity and inclusion reports including the Workplace Gender Equality Act report.

ATTRACT	RECRUIT	DEVELOP	RETAIN
Raising the profile of Quickstep as an 'employer of choice' across all diversity segments and partner with networks to attract a diverse workforce	Recruiting talented and skilled multi-generational, culturally and gender diverse workforce to deliver our vision through our Employer of Choice offerings and to ensure we mitigate the risk of our reliance on our mature workforce.	Promoting developmental and career opportunities to ensure we provide innovative solutions to customer requirements at the highest quality levels	Providing a supportive approach to workforce conditions, demonstrating agility and understanding our workforce needs. Creating a fairer, more respectful and inclusive work environment

2020 Measureable Objectives

In the reporting year 2018 the Board determined it was appropriate to introduce a more comprehensive suite of measurable objectives and the business has introduced supporting initiatives to drive the results for each measure. The specific measures and results for the last three financial years, including FY2020, are detailed in the table below.

Inclusiveness and Diversity Statistics							
Measure		Target FY18	Actual FY18	Target FY19	Actual FY19	Target FY20	Actual FY20
HEADCOUNT - DEMOGRAPHICS							
%	of female	19%	18%	20%	18%	20%	20%
%	of female senior executives	15%	14%	17%	14%	20%	17%
%	of female senior managers, manager and professionals	18%	16%	25%	14%	31%	21%
%	of female other staff	22%	18%	27%	20%	32%	19%
RECRUITMENT/TURNOVER (cumulative)							
%	of female total recruitment shortlist	20%	30%	30%	23%	30%	22%
%	of new recruits < 25 years of age	9%	7%	10%	17%	12%	21%
%	of female attrition (co. t/o% applied to % of females)	25%	28.6%	20%	13%	15%	18%
WORKING ARRANGEMENTS							
%	of employees working part-time/job share	3%	3%	6%	4%	9%	4%
%	of females returning to work in some form after having a child	80%	n/a	85%	100%	90%	n/a
%	of staff on transition to retirement plans > 55 years of age	5%	9%	10%	8%	15%	10%
TOTAL NUMBER OF STAFF (excl contract, casual, directors)			210				

Quickstep continues to make progress on the three key strategic focus areas with the female gender target being achieved; the retention of mature age workers on the transition to retirement plan; the slight reduction in the average age of the workforce; and the increase in numbers of younger workers.

We continue to be challenged with the shortlisting of qualified female candidates due to the number of eligible females applying. We maintain an unbiased / non-discriminatory approach to our recruitment processes. For all roles the most suitable candidate is selected.

The pool of suitable <25 years of age applicants has increased and as such new recruits under 25 years of age has increased. Quickstep utilises a 'referral program' and many of the younger workers are referring friends and associates. Quickstep continues to focus on supporting STEM initiatives and supporting our diversity and inclusion strategy through the following activities:

- Quickstep is continuing to build relationships with local schools, TAFE, and universities to heighten the awareness of this demographic of Quickstep's status as an employer of choice in the advanced manufacturing industry in South Western Sydney. Many of these activities needed to be put on hold due to COVID-19 restrictions.
- Quickstep had planned further tours from local schools, UNSW and UTS as well as participation in various career fairs. Quickstep also supported work experience students and provided an opportunity for a mechatronics engineer to complete an internship.
- Quickstep's partnership with TAFE NSW Padstow continued with 10 new manufacturing operators undertaking a 10 day induction program at TAFE.
- In house training will now be undertaken through the Quickstep Learning Academy (QLA) where both theory and practical skills will be provided for employees.
- The QLA is supported by two dedicated resources as well as skills manufacturing operators that have vast aerospace and manufacturing experience who have been trained as trainers and assessors.

The transition to retirement program continues to be effective with retention of skilled workers, with an additional update during the year.

Despite evident and sustained progress over the past three years, Quickstep has come to understand that there are a number of specific challenges to improving its diversity given our industry sector and geographical location.

Quickstep will continue to measure and report on a range of diversity objectives and initiatives each year, including those measurable objectives identified in the Corporate Governance Council Principles and Recommendations.

Gender Equality Indicators

Quickstep satisfies the criteria of an "eligible employer" for reporting purposes under the Workplace Gender Equality Act. Quickstep has submitted their report for the 2019-2020 reporting period, and a copy of the public report can be accessed via <https://www.quickstep.com.au/corporate-governance/> Reports/QHL Workplace Gender Equality Public Report 2020.