

QUICKSTEP HOLDINGS LIMITED

DIVERSITY REPORT 2022 FINANCIAL YEAR

ACN 096 268 156

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Quickstep's Diversity Policy was reviewed in November 2021 and has been adopted by the Board of Quickstep Holdings. It is upheld by management and reviewed regularly to ensure compliance with legislation and relevance both to the business and the marketplace. 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 four key areas, and measurable objectives aligned to these are adopted by the Board:

- **Gender diversity.** Increasing the female representation across all levels within the business, which is currently 19 percent, through conscious actions such as policy development and specific initiatives that enable Quickstep to become an employer of choice for women.
- **Mature aged workers** (defined as anyone over 55 years of age). Quickstep has an average age of 48 across the workforce and by 2023, one third of the workforce will be over 60. This creates a challenge for the retention of the skills and transfer of knowledge that the organisation requires to support growth, particularly in our Aerostructures business. In FY23 Quickstep will launch a formal program that sets out the mechanisms by which mature aged workers are supported to remain as part of the workforce, whilst transitioning to their retirement.
- **Younger workers** (defined as anyone up to 25 years of age). Quickstep had increased the workforce in this category from 5 percent to 12 percent over the last three years, although this reduced to 10 percent in the second half of FY22. The focus is on attracting, retaining and developing the skills of younger workers to effectively manage the replenishment of those who plan to transition to retirement. 15 percent of the workforce is under 30 years of age. Through our Quickstep Learning Academy we are able to support those entering the workforce for the first time through training and mentoring without the production pressures of the shop floor.
- **Ethnic groups** (defined as a grouping of people with shared attributes including traditions, ancestry, culture, religion, nation, language). At Quickstep our workforce consists of a wide and varied ethnic group of people. Although Quickstep is governed by International Trading In Arms Regulations (ITAR), this has not restricted our diversity. Over half of our workforce were born in a country other than Australia including a proportion of our workforce who are nationals from various Asian countries, in particular the Philippines, India as well as South America countries. We are conscious of providing a workplace that is inclusive for those from various cultures and religions.

The Strategy is supported by detailed initiatives that challenge all levels staff to consider diversity, inclusion and belonging in everything they do, positively impacting the delivery of business outcomes.

Key programs of work include:

- The regular review of the Diversity and Inclusion policy ensuring it is relevant, up-to-date and adopted by the Board.
- Ensuring alignment to the Equal Employment Opportunity policy.
- Review of the Harassment and Bullying Prevention policy on a regular basis ensuring prevention is our focus.

- Increasing the awareness of staff of unintended bias through training, building diverse and inclusive teams and discussing unconscious bias in the workplace.
- Adapting and refining our employment engagements through transition to retirement programs, knowledge management transfers, mentoring and training.
- Providing internship and apprenticeship/traineeship opportunities and supporting career and development opportunities through our investment in the Quickstep Learning Academy with structured theory, practical and on the job training, as well as structured individual development plans.
- Identifying and partnering with relevant training and education institutions to support individual professional development and to promote career opportunities.
- Ongoing development of policies and practices that support employees with other life responsibilities and enable Quickstep as an Employer of Choice.
- Monitoring and ensuring pay equity through annual and adhoc reviews; and
- Actioning areas of opportunity identified from annual workplace diversity and inclusion reports including the Workplace Gender Equality Act report.

ATTRACT	RECRUIT	DEVELOP	RETAIN
Raise the profile of Quickstep as an 'employer of choice' across all diversity segments and partner with relevant networks to attract a diverse workforce	Implement targeted programs to support recruitment that is linked to our cultural vision, and that is an integral part of our values and the way we do business	Provide equal developmental and career opportunities to ensure we provide innovative solutions to customer requirements at the highest quality levels	Provide a supportive approach to workforce conditions, career management and career pathways. Creating a fair, respectful and inclusive work environment

2022 Measurable Objectives

Inclusiveness and Diversity targets were agreed in FY22 for a three-year period to FY24, the key area of focus being gender diversity. Key measures and results for FY22 tracked against FY21 are detailed in the table below.

Inclusiveness and Diversity Statistics					
Measure	Actual FY21	Target FY22	Actual FY22	Target FY23	Target FY24
HEADCOUNT - DEMOGRAPHICS					
% of female	20%	21%	19%	23%	25%
% of female board members	40%	40%	40%	40%	40%
% of female senior executives	17%	25%	25%	38%	38%
% of female leaders	6.9%	6%	8%	8%	10%
% of employees under 25	8.8%	-	10%		
RECRUITMENT/TURNOVER (cumulative)					
% of females interviewed as a % of all interviewees	25%	25%	19%	30%	35%
% of new recruits < 25 years of age	9%	-	17%	-	-
% of female new hires	28%	-	27%	-	-
WORKING ARRANGEMENTS					
% of employees working part-time/job share	7%	-	9%	-	-
% of staff on transition to retirement plans > 55 years of age	10%	-	15%	-	-
% of employees on a flexible working arrangement	14.2%	-	21%	-	-

Summary

Quickstep continues to work on progressing the four key strategic focus areas. Quickstep has experienced a higher rate of turnover in Q3/Q4 of FY22 which resulted in a slight change in gender diversity. We have increased the number of mature age workers on transition to retirement plans, a crucial step to retain and/or transfer important knowledge and skills.

Quickstep launched a revised Parental Leave Policy which allows for 16 weeks paid leave for primary carers, improving our position as an Employer of Choice. The average age of the workforce is reducing, with new recruits completely supported on and off the job by our industry leading Quickstep Learning Academy.

FY22 has been a challenging year where we were impacted by high turnover and limited labour pools, some of which was attributable to the COVID-19 pandemic. Despite these challenges, Quickstep continues to implement initiatives which aim to improve its diversity, given our industry sector and geographical location. These include:

- Revised our Employee Value Proposition, inviting star players to join our diverse and growing business.
- Strengthening relationships with local schools, TAFE, and universities to heighten the awareness of Quickstep as an Employer of Choice in the advanced manufacturing industry in South Western Sydney.
- Participation in virtual and face to face careers fairs; partnering with universities and schools on projects and/or for site tours; and supporting work experience students to build a pipeline of future talent.
- Providing an engineering internship program and targeting graduates in key roles
- Supporting flexible work arrangements that are considerate of family and lifestyle commitments
- Embedding of a mentoring program through a partnership with iSTEM
- Encouraging our referral program which is particularly successful for the attraction and retention of younger workers

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 2021-2022 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 2022](https://www.quickstep.com.au/corporate-governance/Reports/QHL%20Workplace%20Gender%20Equality%20Public%20Report%202022).