

QUICKSTEP HOLDINGS LIMITED

DIVERSITY REPORT 2023 FINANCIAL YEAR

ACN 096 268 156

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Quickstep's Diversity Policy was last updated 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 have been 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 2024, one quarter 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, however an opportunity for other members of staff to upskill.
- **Younger workers** (defined as anyone up to 25 years of age). Quickstep has increased the workforce in this category from an initial starting point of 5 percent to 12 percent over the past 5 years, although this has stabilised to 9 percent in the last 12 months. 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. Through programs delivered by our Quickstep Learning Academy we are able to support those entering the workforce for the first time, training and mentoring individuals 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 the International Trading In Arms Regulations (ITAR), this has not restricted our diversity. Over half of our workforce were born in a county other than Australia including a proportion 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 of staff to consider diversity, equity and inclusion in everything they do, positively impacting the delivery of business outcomes.

Key programmes of work include:

- The regular review of the Diversity and Inclusion policy ensuring it is relevant, up to date, adopted by the Board and readily available to staff.
- Ensuring ongoing alignment to the Equal Employment Opportunity policy.
- Regular reviews of the Harassment and Bullying Prevention policy ensuring it is kept up to date with current legislation and supported by staff training.

- 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 micro-credentials, internships and apprenticeship/traineeship opportunities, 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 then partnering with relevant training and education institutions to support individual's professional development and to promote career opportunities.
- Ongoing development of policies and practices that support employees with other life responsibilities and enable Quickstep to become an Employer of Choice.
- Monitoring and ensuring pay equity through a structured pay banding approach and 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

2023 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 FY23 tracked against FY22 are detailed in the table below.

Inclusiveness and Diversity Statistics				
Measure		Actual FY22	Target FY23	Actual FY23
HEADCOUNT - DEMOGRAPHICS				
%	of female	19%	23%	19%
%	of female board members	40%	40%	40%
%	of female senior executives	25%	38%	25%
%	of female leaders	8%	8%	16%
%	of employees under 25	10%		9%
RECRUITMENT/TURNOVER (cumulative)				
%	of females interviewed as a % of all interviewees	19%	30%	21%
%	of new recruits < 25 years of age	17%	-	18%
%	of female new hires	27%	-	18%
WORKING ARRANGEMENTS				
%	of employees working part-time/job share	9%	-	7%
%	of staff on transition to retirement plans > 55 years of age	15%	-	11%
%	of employees on a flexible working arrangement	21%	-	14%

Summary

Quickstep continues to progress the four key strategic focus areas.

In FY23 Quickstep launched a Transition to Retirement Program that sets out the mechanisms by which mature aged workers are supported to remain as part of the workforce, whilst they transition to their retirement. This crucial program allows Quickstep to retain and/or transfer important knowledge and skills.

The average age of the workforce continues to reduce year on year, with new recruits completely supported both on and off the job by our industry leading Quickstep Learning Academy. This program has been strengthened during the year through our partnership with NETM and Western Sydney University and the development and implementation of the 'Introduction to Composites' micro credential.

FY23 presented Quickstep with another challenging year impacted by high turnover and limited labour pools, attributable to the longer term COVID-19 pandemic effects and the resultant economic labour market. Despite these challenges, Quickstep continues to implement initiatives which aim to improve diversity within a traditional industrial manufacturing sector. These initiatives include:

- Adoption of a strong Employee Value Proposition in our attraction activities, inviting star players to join our diverse and growing business.
- Formal Engineering Intern and Graduate programs with clear pathways to grow our next generation of Engineering capability.
- Implementation of a market leading Transition to Retirement Program which provides information allowing employees to proactively prepare and manage their own retirement plans.
- Creating opportunities for women in non-traditional roles (Engineering and Operational)
- Challenging existing paradigms to create opportunities for Employees with caring responsibilities.
- 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 careers fairs; partnering with universities and schools on projects and/or for site tours; and supporting work experience students, building a pipeline of future talent.
- Encouraging staff to use our referral program which is particularly successful for the attraction and retention of younger workers.

Quickstep continues to measure and report to the Board 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 2022-2023 reporting period, and a copy of the public report can be accessed via <https://www.quickstep.com.au/wp-content/uploads/2023/05/WGEA-Quickstep-2023.pdf>