

Diversity Policy

Simonds Group Limited
(ABN: 54 143 841 801)
Reviewed September 2019

1. Introduction

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of its people. This Policy is designed to support the Company's commitment to diversity and to compliance generally with the Principles and Recommendations.

To the extent practicable, Simonds will address the recommendations and guidance provided in the Principles and Recommendations.

2. Definitions

General terms and abbreviations used in this Policy have the following meaning set out below.

ASX	ASX Limited.
Principles and Recommendations	the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council, as amended or replaced from time to time.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Policy	This diversity policy.
Simonds or Company	Simonds Group Limited ACN 143 841 801.

3. Objectives

This Policy provides a framework for Simonds to achieve:

- (a) a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- (b) a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- (c) a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and

- (d) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity (**Objectives**).

4. Benefits of diversity

Workplace diversity refers to a variety of differences between people in an organisation, diversity encompasses, among a range of matters, differences in gender, age, ethnicity, race, disability and cultural background. Embracing diversity in the workforce contributes to the Company achieving its corporate objectives and enhances its reputation and enables the Company to:

- (a) recruit the right people from a diverse pool of talented candidates;
- (b) create a culture that embraces diversity and that rewards people to act in accordance with this Policy;
- (c) retain and develop an appropriate skills base in the Company;
- (d) make more informed and innovative decisions, drawing on the wide range of ideas, experiences, approaches and perspectives that employees from diverse backgrounds, and with differing skill sets, bring to their roles in the Company; and
- (e) better represent the diversity of all stakeholders.

5. Responsibilities

5.1 The Board's Commitment

The Board is committed to workplace diversity, with a particular focus on supporting the representation of women at a senior level of the Company and on the Board.

The Board is responsible for developing measurable objectives and strategies to meet the Objectives of this Policy (**Measurable Objectives**) and monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms listed below.

The Board will conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates

5.2 Strategies

Simonds' diversity strategies include:

- (a) recruiting from a diverse pool of candidates for all positions, including senior management and the Board;
- (b) reviewing succession plans to ensure an appropriate focus on diversity;

- (c) identifying specific factors to take account of in recruitment and selection processes to encourage diversity;
- (d) developing programs to develop a broader pool of skilled and experienced senior management and board candidates, including workplace development programs, mentoring programs and targeted training and development;
- (e) developing a culture which takes account of domestic responsibilities of employees; and
- (f) any other strategies the Board develops from time to time.

6. Monitoring and Evaluation

Measurable Objectives set by the Board will be included in the annual key performance indicators for the Managing Director and senior executives. In addition, the Board will review progress against the Objectives as a key performance indicator in its annual performance assessment.

7. Reporting

The Board will include in the Annual Report each year:

- (a) Measurable Objectives, if any, set by the Board;
- (b) progress against the Objectives; and
- (c) the respective proportions of men and women employees in the whole organisation, at senior management level and at Board level.

8. Publication

A copy of this Policy is available at www.simondsgroup.com.au

The strategic development and organisational support around gender diversity strategies aim to deepen the candidate pool of high calibre employees, improve employee retention, create greater knowledge and understanding of customers, and will improve corporate image and reputation.

Assessment and metrics of gender strategy

The method of assessing the Group’s gender strategy is based upon key five key metrics below.

VISION	To be an industry benchmark and role model business in the utilisation of diversity and gender equality as a business enabler.
MISSION	To build a gender inclusive culture that empowers our people and harnesses their differences to create innovate, market-leading customer solutions and grow our business.
VALUES	Gender equality, diversity and inclusion are an intrinsic part of who we are: they drive how we work together, how we do business, how we serve our customers and how we contribute to our communities.
BENEFIT	Gender equality, diversity and inclusion add value to our business and all our stakeholders: they support higher performance, deliver stronger outcomes, and help us build competitive advantage
ENABLERS	<ul style="list-style-type: none"> • A workplace and culture which is intuitively flexible, agile and adaptable • A workforce which is fully equipped at all levels to build and maintain gender equality

Our focussed measurable objectives for the 2020 financial year are:

	Stakeholder engagement	Strategy and business case	Measurement and reporting	Policies and processes	Gender composition	Workplace flexibility	Talent pipeline	Leader and manager capability	Gender inclusion culture
2019 /20 OBJECTIVES	Build engagement around gender equality within the entire business with initial focus amongst middle managers	Obtain agreed engagement from Executive and Board on approved three year gender equality strategy (as part of overarching diversity strategy)	Build support and implement a regular gender equality reporting regime to key stakeholders using an agreed dashboard format	Ensure business and people processes to support gender equality	Increase the gender diversity of the executive and senior management team until it is sustainably gender-balanced	Increase the opportunity for flexible work options in appropriately identified roles	Ensure all candidate pools for job vacancies and interview panels are gender diverse	Build inclusive leadership capability and unconscious bias self-awareness	Develop a workplace culture throughout the organisation which is measurably more gender inclusive year on year