

Diversity Policy

XPON Technologies Group Limited ACN 635 810 258

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1 Definitions and interpretation

1.1 Definitions

In this policy:

Term	Definition
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of Directors.
Company	means XPON Technologies Group Limited ACN 635 810 258
Group	means XPON Technologies Group Limited and any subsidiary or related body corporate.
Corporations Act	means <i>Corporations Act 2001</i> (Cth)
Director	means a director of the Company
Diversity	has the meaning given to that term in paragraph 3.1.
Nomination & Remuneration Committee	means the "Nomination & Remuneration Committee" or "Committee", established by the Board.

1.2 Interpretation

Terms not defined in this policy which are given a meaning in the Corporations Act have the same meaning as in the Corporations Act.

2 Introduction

2.1 Commitment to diversity and inclusion

XPON Technologies Group Limited ACN 635 810 258 (**Company**) is committed to:

- (a) developing a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- (b) promoting Diversity among the Board, senior executives, consultants and employees generally throughout the Group;
- (c) complying with the diversity recommendations published by ASX by establishing measurable objectives for achieving gender diversity;
- (d) and
- (e) keeping shareholders informed of the Company's progress towards implementing and achieving its Diversity objectives.

2.2 Commitment to values

The Company's commitment to Diversity and Inclusion is linked to its values of:

- Limitless potential
- Lead with Curiosity
- Own it
- Brave enough
- Grow together

Further detail on the Company Values are available on the website at [About : XPON Technologies](#)

2.3 Objectives

The purpose of this policy is to outline the Company's commitment to fostering a corporate culture that embraces Diversity. The Diversity Policy provides a framework for the Company 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) an inclusive workplace where discrimination, harassment, vilification and victimisation cannot and will not be tolerated;
- (d) improved employment, talent management and career development opportunities for all employees regardless of gender, ethnicity, age or other diverse attributes;
- (e) enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent;



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

The Diversity Policy does not impose on the Company, its directors, officers, agents or employees any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any anti-discrimination or equal employment opportunity legislation or laws in any State or Territory of Australia or of any foreign jurisdiction

3 Diversity

3.1 What is diversity?

Diversity includes, but is not limited to, diversity of gender, age, ethnicity, marital or family status, sexual orientation, gender identity, disabilities, socio-economic background, ethnicity, religious beliefs, cultural background, perspectives and experience.

3.2 Corporate culture

- (a) The Company aims to actively promote a corporate culture that supports Diversity in the workplace, in the composition of its Board and senior executives and throughout the Group.
- (b) A corporate culture that embraces Diversity encourages and facilitates opportunities for the employment of women and people from different backgrounds, provides skills and career development initiatives, increases workforce participation and creates an inclusive environment where employees feel they are valued. In building a corporate culture where Diversity is encouraged, the Company also recognises that employees at all levels have responsibilities outside of the workplace.
- (c) The Company acknowledges the known corporate benefits that flow from advancing employee and Board Diversity, in particular gender Diversity, including identification and rectification of gaps in the skills and experience of employees, enhanced employee retention, greater innovation and maximisation of available talent to achieve corporate goals and better financial performance.
- (d) By focusing on Diversity, the Company aims to promote an environment that:
 - (i) is conducive to the appointment of suitably qualified employees, senior management and Board candidates so that there is appropriate Diversity to maximise the corporate goals of the Group; and
 - (ii) represents the Company's commitment to inclusion at all levels of the Group, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

3.3 Diversity commitments

- (a) In order to foster a corporate environment where employee and Board Diversity are achievable and maintainable, the Company will implement the following Diversity commitments:
 - (i) the Board, with the assistance of the Committee, will review and decide on, as frequently as required, a Diversity profile of the Company that meets the particular needs of the Group, including identifying the skill, experience and expertise requirements set for the Board and senior executives necessary to effectively oversee its business and achieve its corporate goals;



- (ii) through the Committee, the Board will ensure that the Diversity profile is taken into account:
 - o in the recruitment, selection and appointment of qualified employees, senior executives and Board candidates;
 - o to expand the pool of qualified candidates to select from, including through the use of a professional intermediary to assess candidates; and
 - o to promote appointments under the Diversity profile, and as deemed appropriate; and
- (iii) the Committee will identify and consider programs and initiatives that:
 - o develop a broader and more diverse pool of skilled and experienced employees including initiatives focused on skills development, such as executive mentoring programs or more targeted practices for career advancement including those that develop skills and experience for senior executive or Board positions;
 - o recognise that employees at all levels may have domestic responsibilities and adopt flexible work practices that will assist them to meet those responsibilities;
 - o enhance employee retention, in particular that of middle management employees, including programs that foster career development and personal skills and, if possible, initiatives that address competing demands between work and other obligations;
 - o minimise career disruption when employees take time out of the workplace to meet other obligations and attempt to re-enter the workforce; and
 - o provide opportunities for employees on extended parental leave to maintain their connection with the Company, for example, by offering them the option (without any obligation) to receive all staff communications and to attend work functions and training programs, and

if reasonable, possible and in line with the needs and objectives identified by the Diversity profile, facilitate or permit employees to access these programs or initiatives.

- (b) The Company recognises that all forms of Diversity are important and will promote and facilitate a range of Diversity initiatives throughout the Group beyond simply gender Diversity.
- (c) The Company will not tolerate discrimination, harassment, vilification and victimisation in its workplace or otherwise.

3.4 Implementing Diversity commitments

The Board will ensure that appropriate procedures and measures are introduced and responsibilities delegated to the Nomination & Remuneration Committee to ensure that the Company's Diversity commitments are implemented appropriately.

4 Measurable objectives

4.1 Setting measurable objectives

- (a) The Board, in consultation with the Committee, will set measurable objectives and numerical targets for achieving Diversity, in particular gender Diversity, under this policy and the Diversity profile set by the Board from time to time and will review the effectiveness and relevance of these measurable objectives on an annual basis.



- (b) The measurable objectives will identify ways and, if applicable, specify benchmarks against which the achievement of Diversity in the workplace is measured, in order for the Board to assess and report annually on the Company's progress towards achieving its Diversity goals.

4.2 How will the measurable objectives be decided?

To set meaningful objectives, the Board (in consultation with the Committee) will assess its current Diversity levels and identify any gaps. Measurable objectives will be tailored to improve Diversity in areas where most improvement is needed.

4.3 Types of measurable objectives

The Company acknowledges that there are a number of different types of measurable objectives which may be implemented to meet its Diversity goals, including:

- (c) procedural and structural objectives – for example, implementing internal review and reporting procedures or ensuring that candidates are interviewed by a diverse selection of people or by an interview panel;
- (d) Diversity targets – setting numerical targets and implementing timeframes to achieve these targets for:
 - (i) increasing the number of employees from gender minority groups throughout the entire Group; and
 - (ii) increasing the proportion of employees from gender minority groups within senior executive and key operational positions;
- (e) initiatives and programs – for example, identifying appropriate initiatives and programs and determining how the initiative will operate, who will be responsible for implementing it and setting a timetable for its introduction; and
- (f) succession planning – including gender diversity as a relevant consideration in the Company's succession planning.

4.4 Periodic review

As part of the commitment to achieving and maintaining effective Diversity policies, the Board through the Committee will perform regular reviews of the policy and the changes in Diversity throughout the organisation to ensure that the policy is operating effectively and check whether any changes are required.

4.5 Measurable objectives as key performance indicators

The Board, in consultation with the Committee, will consider the extent to which the achievement of these measurable objectives will be tied to key performance indicators for the Board, the chief executive officer and other senior executives.

5 Annual disclosure to shareholders

5.1 Purpose of reporting

- (g) The Company acknowledges that reporting to shareholders on its Diversity profile and Diversity objectives facilitates greater transparency and accountability on Diversity matters and that this reporting and transparency has been endorsed by the Board.
- (h) It is anticipated that shareholders will have greater confidence in the Company and the Board if they are fully informed of the Diversity policies and the measurable objectives which have been implemented to facilitate the performance of the Group.

5.2 What will be reported?

- (i) As part of its annual reporting requirements to shareholders, the Company will disclose



the measurable objectives set by the Board for achieving Diversity under the Diversity profile and will report on its progress against those objectives. A copy of the measurable objectives may also be published on the Company's website from time to time.

- (j) A component of the Company's disclosure on Diversity in its annual report will also include information about:
 - (i) the number of men and women on the Board, in senior executive positions and across the whole workforce (including how the Company has defined "Senior Executive" for these purposes); and
 - (ii) the Company's progress towards achieving its measurable objectives regarding Diversity based on these numbers.
- (k) The Company may undertake:
 - (i) bench-marking of the Company's position on Diversity against the Company's peers; or
 - (ii) gender pay equity audits to gain a stronger insight into the effectiveness of the Company's gender Diversity programs.
- (l) The Board with the assistance of the Committee will work out the most appropriate method to present this information externally to ensure that it is accurate and does not falsely represent the participation of women and men within the Group both in terms of the number of members and types of roles, and in terms of part-time and casual compared with full-time equivalent categories of employees.

5.3 Board selection process

The Company is also committed to achieving greater transparency of the Board candidate selection and nomination process and may include in its annual report information about the mix of skills and Diversity which the Board is looking to achieve in membership of the Board as set out in the Committee charter.

5.4 Responsibility

The Board may delegate these reporting obligations to the Committee but the Board retains ultimate responsibility for ensuring that these reporting benchmarks are met.

6 Responsibilities

6.1 The Board's commitment and role

The Board is committed to workplace diversity and supports fair representation of all employees regardless of gender at all levels of the Company and on the Board where appropriate.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices and development of strategies to meet the Objectives.

The Board, with the support of the NRC is responsible for developing measurable objectives and strategies to meet the objectives of the Diversity Policy (**Measurable Objectives**) and monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms listed below. The Board shall annually assess any Measurable Objectives (if any), and the Company's progress towards achieving them.

The Board also sets Measurable Objectives for achieving gender diversity and monitors their achievement.

The Board will consider conducting all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates, using external experts where necessary.



6.2 Role of the Nomination & Remuneration Committee

- (a) The Committee will be responsible for overseeing the implementation of the Company's Diversity policy, the employee profile, proposing measurable objectives, and for reviewing effectiveness of diversity programs. They will also be responsible for monitoring compliance with this policy. The Committee will report to the Board as necessary to facilitate compliance.
- (b) The Committee will also review and report to the Board, at least annually the proportion of women and men in the workforce at all levels of the Group, and their relative levels of remuneration.
- (c) In the event gender based remuneration issues are identified, the Nomination & Remuneration Committee will review and make recommendations to the Board on how to address any gender based remuneration issues and, at the direction of the Board, monitor the outcome of the recommendations within the Group.

6.3 Strategies

The Company's diversity strategies may include:

- (i) recruiting from a diverse pool of candidates for all positions, including senior management and the Board;
- (ii) reviewing succession plans to ensure an appropriate focus on diversity;
- (iii) identifying specific factors to take account of in recruitment and selection processes to encourage diversity;
- (iv) 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;
- (v) developing a culture which takes account of domestic responsibilities of employees;
- (vi) encouraging all suppliers and professional service partners to demonstrate and encourage diversity in the teams they present to work on the Company's business; and
- (vii) any other strategies the Board develops from time to time.

7 Miscellaneous

7.1 Review of policy

- (a) An internal review of this policy will be undertaken annually by the Committee. An external review of this policy may be undertaken at the request of the Board.
- (b) A copy of this policy will be made available on the Company's website if required.

7.2 Endorsement

- (a) The Company is committed to implementing this policy and to ensuring that Diversity is achieved throughout the Group.
- (b) This policy was adopted by the Board on 22nd June 2023.