

# **INNIO GROUP DIVERSITY, EQUITY, AND INCLUSION POLICY**

Version 2021

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# INTRODUCTION

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People are at the heart of the INNIO Group (“INNIO”). With more than 3,500 employees in more than 30 locations around the world coming from 50 different nationalities who share our purpose, INNIO truly is a multinational and multicultural organization.

At INNIO, we consider diversity and inclusion business critical, not a compliance necessity. For this reason, we aspire to become a more diverse and inclusive company, reflecting the diversity of our stakeholder groups.

The purpose of this Diversity, Equity and Inclusion Policy (“Policy”) is to describe INNIO’s commitment to diversity and inclusion, specifying our areas of focus, objectives and approach. We are committed to achieving short- and long-term diversity, equity and inclusion goals in response to the evolving needs of our workforce and business. We aim to provide an inclusive working environment where all employees feel valued for their work.

# SCOPE

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# AMBITION

INNIO’s ambition is to cultivate an inclusive working environment where diversity prospers in support of our strategic ambitions and priorities. For this purpose, we have defined internal goals locally and for the entire INNIO Group.

These goals guide our decisions, and help us raise awareness, monitor progress and ensure our initiatives are effective. As our culture matures regarding diversity, equity and inclusion, the measures will change over time and we will continuously raise the bar.

# APPROACH

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INNIO applies a structured and leader-led approach to attract diverse talent at all company levels. We identify and eliminate potential barriers to support equity in development opportunities and promote an inclusive work environment, where diversity prospers in support of our strategic ambitions and priorities.

We reflect and integrate our aspirations and priorities into our key people processes:

- ✓ Recruitment & Selection
- ✓ Development & Progression
- ✓ Succession
- ✓ Rewards & Recognition

We design and implement our internal initiatives on a local as well as INNIO Group level to measure the progress and realization of our diversity, equity, and inclusion ambitions. Our diversity and inclusion strategy is supervised by the Diversity function with execution support by the Human Resources department.

## OUR DIVERSITY AND INCLUSION ASPIRATIONS INCLUDE:

- a. Diversity profile (ethnic, age, gender, minorities ...) to increase by 25% through 2025; **and**
- b. Diversity and inclusion training to increase to 70% of management annually.

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Processes	Objective	Actions	Accountability	Time of implementation	Progress measurement
<b>Recruitment &amp; Selection</b>	Recruit from a broad best qualified and diverse group of candidates to increase diversity of perspectives and experiences.	<ol style="list-style-type: none"> <li>1. Advertise roles in a broad range of platforms.</li> <li>2. Ensure the language of job advertisements is representative of the diverse talent pool.</li> <li>3. Treat applicants' diversity profile equally for candidate shortlisting.</li> </ol>	HR Department  Hiring Managers	Ongoing	Collect data before and after recruitment and perform an annual comparison to assess success.
<b>Compensation</b>	Compensate employees equitably for the same work, regardless of race, gender, disability, LGTBQ or other status.	<ol style="list-style-type: none"> <li>1. Launch a wage transparency initiative to improve employer accountability for pay practices and provide workers with better information.</li> </ol>	HR Department	Ongoing	Regularly review and evaluate employee compensation for any noticeable disparities among employees performing the same or substantially similar jobs.
<b>Career Development &amp; Promotion</b>	Base employee development opportunities and succession processes on merit.	<ol style="list-style-type: none"> <li>1. Reward excellence and promote all employees based on their performance.</li> <li>2. Train all direct-line managers in managing diversity to ensure employees are treated fairly and evaluated objectively.</li> </ol>	Team Leaders	Ongoing	Make use of the SPEAK UP! Platform, where employees can anonymously report incidents of discrimination, harassment, and corruption.  Implement KPIs into all employees' performance plans.
<b>Workplace inclusion</b>	Promote a culture that fosters collaboration, inclusiveness, and fairness to enable all employees to contribute to their potential and increase retention.	<ol style="list-style-type: none"> <li>1. Provide inclusive leadership training for managers.</li> </ol>	Team Leaders	Ongoing	Ensure that all managers participate in inclusive leadership training.

# BOARD OF DIRECTORS

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Our goal is for representation on INNIO’s Board of Directors (“Board”) to be diverse. In this context, diversity includes, but is not limited to, business and industry skills, experience and expertise, gender, race and ethnicity. Such a diverse board will result in enhanced decision-making and dialogue that offers a broad range of perspectives directly relevant to the business while promoting the success of INNIO for the benefit of our shareholders as a whole and also considering the interests of other stakeholder groups.

## THE BOARD BELIEVES THAT:

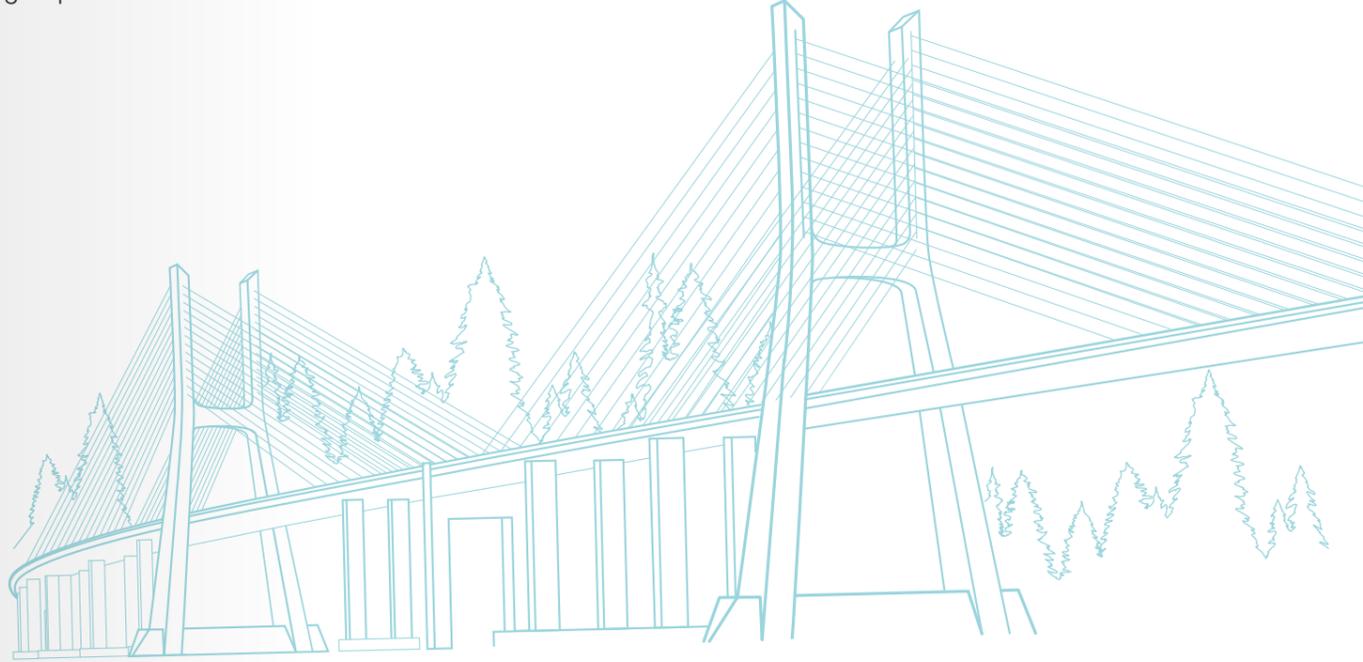
- a. The Board composition should include a diverse mixture of professional and industry backgrounds, skills, geographical experience and expertise, gender, ethnicity and tenure.
- b. A diverse company with a range of views, perspectives and opinions will enhance its decision-making and dialogue and benefit the company’s shareholders and other stakeholder groups.
- c. A diverse company can further cultivate a company-wide culture of diversity and inclusion through a clear tone from the top in support of INNIO’s values.
- d. A diverse company will incorporate and capitalize on differences in the skills, knowledge, industry experience, background, race, gender and other qualities of the individual members as a whole. All Board appointments will be based on the skills required in our business operations, management and expertise in the fields of regulatory, legal, research and development, human capital management, strategic planning, marketing and general administration.
- e. The Board supports and monitors management’s actions to increase the proportion of senior leadership roles held by women, people from ethnic minority backgrounds and other under-represented groups across INNIO.

# RESPONSIBILITIES, REVIEW AND REPORTING

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INNIO’s Board of Directors, together with the Diversity, Equity & Inclusion Committee, is responsible for the oversight, revision and approval of the diversity, equity and inclusion objectives across the organization.

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Authorized by the VP Diversity & Inclusion

