

Diversity, Equity, and Inclusion Policy

Version 2023
Release 10-2023

Introduction

People are at the heart of the INNIO Group (“INNIO”). Our more than 4,000 employees in more than 50 locations around the world come from 78 different nations, but they all share our purpose. INNIO truly is a multinational and multi-cultural organization.

At INNIO, we consider diversity and inclusion to be 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. Our aim: to provide an inclusive working environment where all employees feel valued for their work.

How INNIO defines diversity

Diversity at INNIO has six dimensions: gender, sexual orientation, ethnicity, age, disability, and religion and world view. At INNIO, we are committed to diversity and inclusion, and it is our firm belief that these values should be embodied in everything we do.

How we want to be: A diverse workplace that generates first-rate ideas.

INNIO aspires to offer a work environment that allows colleagues to work, live, participate, and develop in a way that is true to who they are. Teams that include individuals with different perspectives and experiences generate the best ideas, enabling us to solve even our most difficult challenges.

Why diversity can't be taken for granted: Inclusion can be uncomfortable.

Engaging with people who are different from ourselves. It requires us to respect, and even accept, welcome, encourage, and embrace other approaches.

How we all benefit: Our differences unite us.

When we embrace our differences, we often find a common thread that unites and binds us all. At INNIO, we actively encourage greater diversity to promote individuality while pulling together as one.

What it means for our daily work: Listen. Respect. Stand up. Raise your voice.

We are all responsible for creating a diverse work environment. By questioning our own behavior, we can bring about genuine change. This requires courage, awareness, and self-reflection.

Our aspiration

As part of the sustainability goals that we introduced in 2020, INNIO's ambition is to cultivate an inclusive working environment where diversity prospers in support of our strategic ambitions and priorities. Indeed, we continue to incorporate diversity and inclusion into our key people processes, from employee attraction, retention, and development to an overall corporate culture of transparency, trust, and dynamic collaboration. Diversity is critical to achieving a high-performance culture and is a key enabler of ideas and innovation. For INNIO, diversity goes far beyond a focus on gender diversity; we also support cultural diversity, which enables us to better collaborate with our global teams, customers, suppliers, and stakeholders across the globe. Overall, we aim to treat diversity from different groups' perspectives and across all levels of the company.

Scope

This policy applies to INNIO's management and all of our employees, contractors, subcontractors, and partners.

This policy applies to INNIO's management and all of our employees, contractors, subcontractors, and partners. It covers all aspects of employment including, but not limited to, recruitment and hiring, promotion and succession planning, employee benefits and compensation, discipline, training, working environment, and termination of employment.

Ambition

INNIO's ambition is to support our strategic goals and priorities by cultivating an inclusive working environment where diversity prospers. 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

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.

INNIO is a proactive member of the UN and the German as well as the Austrian Charter of Diversity. We are fully committed to supporting human rights worldwide.

Our diversity and inclusion aspirations include:

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

Processes	Attract (from employer branding to onboarding)	Engage & develop Develop & promote	Retain (including compensation)
Objective	Recruit from a broad, most qualified and diverse group of candidates to increase diversity of perspectives and experiences.	Base employee development opportunities and succession processes on merit.	Promote a culture that fosters collaboration, inclusiveness, and fairness to enable all employees to contribute to their potential and increase retention.
Actions	<ol style="list-style-type: none"> 1. Advertise roles in a broad range of platforms. 2. Ensure the language of job advertisements is representative of the diverse talent pool. 3. Treat applicants' diversity profile equally for candidate shortlisting. 	<ol style="list-style-type: none"> 1. Reward excellence and promote all employees based on performance. 2. Train all direct line managers in diversity management to ensure employees are treated fairly and evaluated objectively. 	<ol style="list-style-type: none"> 1. Launch a wage transparency initiative to improve employer accountability for pay practices and provide workers with better information.
Accountability	Hiring manager supported by Recruiting	Line leaders and functional leaders supported by head of development and HRMs	Line leaders and functional leaders supported by Head of C&B
Time of implementation	Ongoing	Ongoing	Ongoing
Progress measurement	No measurement until onboarding process to protect unconscious bias. Hiring manager training attendance tracked with special focus on diversity.	Encourage use of the SPEAK UP! platform, where employees can report incidents of discrimination, harassment, and corruption anonymously. Implement KPIs into all employee performance plans.	Regularly review and evaluate employee compensation for any noticeable disparities among employees performing the same or substantially similar jobs. Quarterly check on attrition rates and analyze exit decisions.
KPIs	<ul style="list-style-type: none"> → % females hired quarterly → # of nationalities/ international by country annually → Age diversity annually 	<ul style="list-style-type: none"> → Training reports in hours of training → No. of discrimination compliance cases → % completed performance reviews 	<ul style="list-style-type: none"> → % of females who exit, overall attrition rate → Gender pay gap and living wage monitoring
KPI reporting owner	HR C&B for the reporting, HR Recruiting for the process	Training center, compliance leader, C&B	HR C&B

Board of Directors

Our goal is diverse representation on INNIO’s Board of Directors (“Board”). In this context, diversity also includes, but is not limited to, business and industry skills, experience and expertise, gender, race and ethnicity.

The Board believes that:

- Board composition should include a diverse mixture of professional and industry backgrounds, skills, geographical experience and expertise, gender, ethnicity, and tenure.
- 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.
- 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.
- 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 including management and expertise in the fields of regulatory, legal, research and development, human capital, management, strategic planning, marketing, and general administration.
- 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

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.

A diverse Board results in enhanced decision-making and dialogue that offers a broad range of perspectives directly relevant to the business. In addition, it promotes the success of INNIO for the benefit of our shareholders as a whole while also considering the interests of other stakeholder groups.

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Original release date: 06 – 2021
Latest updated version: 10 – 2023
Authorized by: VP Diversity & Inclusion

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