

# Board & Senior Management Diversity Policy

## 1.0 Purpose and Scope

Sierra Wireless Inc. (the “Company”) is committed to a merit-based system for the composition of its board of directors (the “Board”) and its senior management team,<sup>1</sup> within a diverse and inclusive culture that solicits multiple perspectives and views, free of conscious or unconscious bias and discrimination.

The Company recognizes and embraces the benefits of being inclusive and having diversity on the Board and in senior management. Diversity is important to ensure that members of the Board and senior management possess the necessary range of perspectives, experience and expertise required to achieve the Company’s objectives and deliver for its stakeholders. The Company believes that diversity mitigates the risk of group think, ensures that the Company benefits from all available talent and enhances, among other things, its organizational strength, problem-solving ability and opportunity for innovation. The Company further recognizes that gender diversity is a particularly pressing matter, as women in the technology sector are often under-represented in board and senior management positions.

This document (the “Policy”) defines the Company’s policy with respect to diversity on the Board and in senior management positions at the Company (senior management includes senior leadership roles<sup>2</sup>).

## 2.0 Definition of Diversity

In this policy, “diversity” refers to any characteristic that can be used to differentiate groups and people from one another. It includes, but is not limited to, characteristics such as gender, geographical representation, education, religion, ethnicity, race, nationality, culture, language, aboriginal or indigenous status and other ethnic distinctions, sexual

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<sup>1</sup> CEO, direct reports of the CEO, Vice Presidents, Directors/Senior Directors, Senior Managers

<sup>2</sup> CEO and direct reports of the CEO

orientation, political affiliation, family and marital status, age, disability, and industry experience and expertise.

### **3.0 Board Diversity**

The Governance & Nominating Committee of the Board (the “GNC”) is responsible for, among other things, reviewing and assessing Board size, composition and effectiveness, and for recommending to the Board:

1. The director nominees to stand for election at each annual meeting of Company shareholders.
2. Any candidates for appointment to the Board between annual meetings of Company shareholders, as appropriate.

When identifying and considering the selection of candidates for appointment or nomination for election to the Board, the GNC will:

1. Assess the Board by considering the balance of skills, experience, independence and knowledge on the Board, the Board’s cohesiveness and other factors relevant to its effectiveness.
2. Consider only candidates who are highly qualified based on their experience, education, expertise, personal skills and qualities, and general and industry-specific knowledge.
3. Select individuals based on merit, against objective criteria, to enable the Board to discharge its duties and responsibilities effectively.

It is an objective of this Policy that diversity be considered in determining the optimal composition of the Board. The Company believes that a Board comprised of highly qualified directors from diverse backgrounds benefits from the contribution of different perspectives, experiences and expertise to Board discussions and decisions, promoting, among other things, better corporate governance, performance and decision-making. To support the Company’s Board diversity objectives, the GNC will:

1. consider diversity criteria, including, but not limited to, the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities<sup>3</sup>, when determining the composition of the Board;
2. review potential candidates from a variety of backgrounds and perspectives, with the Company's diversity objectives in mind;
3. target a minimum of 25% of short-listed candidates for Board positions as women; and
4. in addition to its own searches, as and when appropriate from time to time, engage qualified independent external advisors to conduct a search for candidates, to help achieve the Company's diversity objectives.

The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role of women in contributing to diversity of perspective on the Board. To promote the specific objective of gender diversity on the Board, the selection process for Board appointees and nominees for election will involve the following steps (including where the Company engages an external recruitment agency to identify and assess candidates):

1. Making appropriate efforts to include women on the list of candidates being considered for a Board position.
2. If, at the end of the selection process, no women are selected from the list of candidates, the Board must be satisfied that there are objective reasons to support this determination.

In furtherance of this Policy's objectives on gender diversity, the Company targets a Board composition in which women comprise at least 30% of all directors by 2024.

## **4.0 Senior Management Diversity**

The Chief Executive Officer is responsible for periodically reviewing and making recommendations to the Board with respect to senior leadership appointments and succession planning matters. The Board is responsible for selecting the Chief Executive

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<sup>3</sup> Each term as defined by the *Employment Equity Act* (Canada) whenever used in this Policy.

Officer and approving the recommendations of the Chief Executive Officer respecting the appointment of all senior leadership positions.

When reviewing and considering the appointment of candidates for senior leadership positions, the Chief Executive Officer and/or Board, as applicable, will consider only candidates who are highly qualified based on their experience, education, expertise, personal skills and qualities, and general and sector specific knowledge.

It is an objective of this Policy that diversity will also be considered in connection with succession planning and the appointment of members of the Company's senior leadership team. The Company believes that having individuals in senior leadership positions from diverse backgrounds promotes, among other things, better innovation, performance and effective decision-making.

To support the Company's diversity objectives, the Board will, when reviewing and considering the appointment of candidates for senior leadership positions will, and will expect the decision makers, to:

1. Consider diversity criteria, including, but not limited to, the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities, when determining the optimum composition of senior leadership.
2. Review potential candidates from a variety of backgrounds and perspectives, with the Company's diversity objectives in mind.
3. Target a minimum of 25% of short-listed candidates for senior leadership positions as women.
4. As and when appropriate from time to time, engage qualified independent external advisors to conduct a search for candidates to help achieve the Company's diversity objectives in relation to senior leadership.

The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role of women in contributing to diversity of perspective in senior management positions across the Company. To promote the specific objective of gender diversity in senior management, the Company will:

1. Target 25%+ of new senior management hires to be women

2. Implement policies which address impediments to inclusion and gender diversity in the workplace and review their availability and utilization.
3. Proactively identify high-potential women for leadership training and mentoring programs and encourage them to apply for more senior roles.
4. Ensure the availability of flexible scheduling programs and other family friendly policies for mid-career women to assist with recruitment and retention.
5. Regularly review the proportion (in percentage terms) of persons at all levels of the Company who are women.
6. Continue to identify new ways to entrench diversity as a cultural priority across the Company.

As relevant positions become vacant and appropriately-skilled candidates are available the Company aspires to double the current number of women in senior management positions to at least 20% of the total of all senior management positions in the Company by 2022.

## **5.0 Review of the Policy**

On an annual basis, the GNC and HRC, as applicable, will:

1. Assess the effectiveness of the Board and senior leadership appointment and nomination processes at achieving the Company's diversity objectives.
2. Consider and, if determined advisable, recommend to the Board for adoption, additional or alternate measurable objectives for achieving diversity for the Board and in senior management.

To ensure the effective implementation of this Policy to promote gender diversity of the Board and in senior management, the GNC and HRC (as applicable) will review the following as part of its annual review of the Policy:

1. The number of women considered or short-listed for Board and senior management positions.
2. The number of women on the Board and in senior management positions and the proportion (in percentage terms) of persons on the Board and in senior management positions who are women.



At any given time, the Board may seek to adjust one or more objectives concerning Board and senior leadership/management diversity and measure progress accordingly.

Date	Action by the Board of Directors
April 12, 2019	Adoption of the Policy
March 4, 2020	Policy Update
March 10, 2021	Latest Policy Update