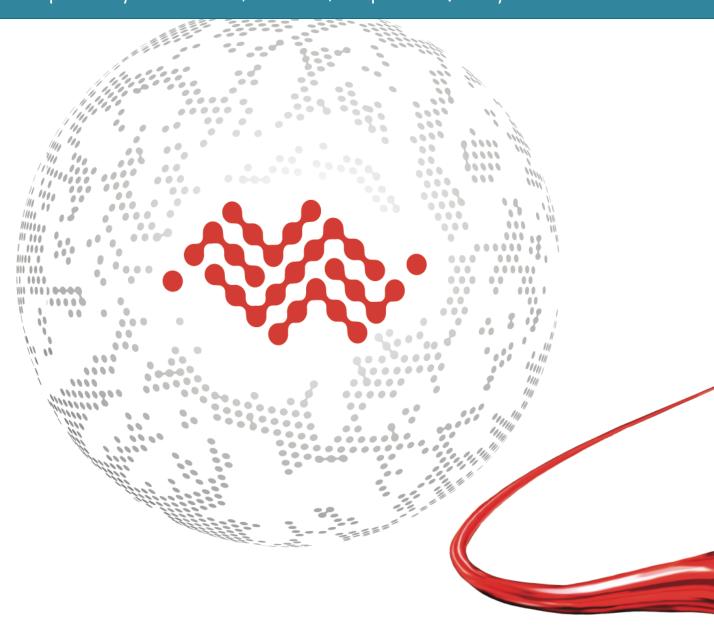




Diversity & Inclusion Plan 2019 - 2022

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Executive Summary



- 2 Hire more diverse candidates wtihin our pipeline
- Recognize, promote and compensate fairly
- Develop a more diverse Leadership Succession pipeline
- 5 Champion D&I in our Community

The Sierra Wireless Diversity & Inclusion (D&I) multi-year plan is centered on a five-pillar D&I strategy (see left). Goals and initiatives have been developed within each pillar. The initial plan was developed based on extensive research and a series of conversations with, and a confidential D&I survey of, thought-leaders across the business in 2017. At that time, a D&I Working Group (DWIG) of employees was formed to help guide and launch the nascent initiatives set out in the plan.

Since then, the organization has executed on several of the identified initiatives including unconscious bias training, signing the United Nations' <u>Women's</u>

<u>Empowerment Principles</u> and developing a mentoring program for women in senior leadership roles.

The 2019 – 2022 D&I Plan will enable the organization to meet its D&I goals including the Board & Senior Management gender diversity goals as established in the <u>Board & Senior Management Diversity Policy</u>.



Evolve Our D&I Culture

Goals

- 1. Sierra Wireless makes improving diversity a priority at the highest level, with a clear recognition of the issue and commitment to change from the Board and senior leadership team.
- 2. Sierra Wireless fosters a culture of diversity and inclusion (D&I).

Initiatives

Leadership Leading the Way

Members of the executive team speak with one voice and evangelize our D&I mission across the organization, holding their teams accountable for achieving our D&I goals. In 2019, leaders will work with HR to determine how to achieve greater diversity on their teams (see Board & Senior Management Diversity Policy).

To enable our leaders to act, we have and will continue to:

- 1. Educate our leadership team¹
 - a. Provide Unconscious Bias training to leaders

| Group | Location | Date | Status |
|---------------------|-----------|----------------|------------|
| Executive team | Richmond | May 2018 | Complete |
| Leadership team | ILM | October 2018 | Complete |
| Leadership Team | Atlanta | December 2018 | Complete |
| Leadership team | Hong Kong | March 2019 | Complete |
| Next-level Managers | Richmond | September 2019 | Scheduling |
| Leaders | Carlsbad | September 2019 | Scheduling |

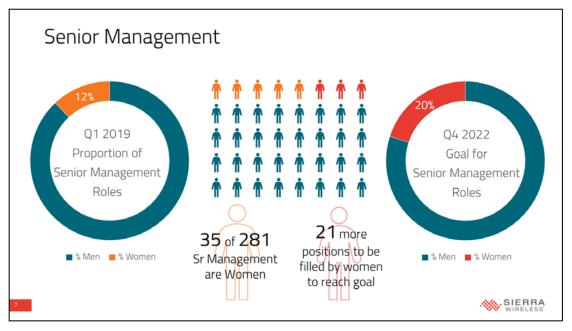
¹ The leadership team consists of all persons in roles that lead others



b. Provide Inclusive Leadership training to leaders

| Group | Location | Target Date | Status |
|---------------------|-----------|---------------|------------|
| Executive team | Richmond | August 2019 | Scheduled |
| Next-level Managers | Richmond | August 2019 | Scheduled |
| Management team | ILM | October 2019 | Scheduling |
| Management team | Atlanta | November 2019 | Scheduling |
| Management team | Carlsbad | December 2019 | Scheduling |
| Management team | Hong Kong | February 2020 | Scheduling |

- 2. Continue to work with the leadership team to co-create our vision
 - a. Engage leaders in determining how to achieve gender diversity targets
 - b. Work with next-level managers to gain commitment to the targets (see below)





- 3. Share the vision with the organization
 - a. Develop and promote Diversity & Inclusion internally on the company's Intranet
 - (i) Display a dashboard on SharePoint to depict progress
 - Report out to the workforce at least twice a year and at least once at quarterly allhands meeting
- 4. Ensure there is funding and resourcing for our D&I initiatives.



Provide non-punitive² Unconscious Bias (UB) Training to all Managers

 Develop a UB workshop supplemented with online tools (i.e., Harvard University's Project Implicit)



- 2. Train HR leaders to facilitate the workshop
- 3. Deliver annual training to individuals in leadership roles (in combination with Respectful Workplace, performance review and/or interviewing skills training, etc.)

Establish policies that support a diverse workforce

Ensure our work environment is inclusive by providing flexibility to employees who take parental (maternity and paternity) leave. To start, we will communicate that the organization supports parental leave for men. It is important men and women alike are encouraged to take parental leave and child sickness leave. This will make it easier for all employees to combine their professional and personal lives and help reduce the stigma and pressure that women feel about taking maternity leave and being the primary child caregivers.

² Non-punitive denotes training that is focused on awareness and learning new behaviours as opposed to training that focuses on punishing bad behaviour



Continue to create an environment that is supportive of both parents' participation including:

- Developing regional policies which account for differences in labor policies that offer benefits that better local market standards
- 2. Setting up an Employee Resource Group for parents/caregivers
- 3. Setting up an offboarding and onboarding protocol for parental leave to ensure a smooth transition away from and back to work

Evaluate HR practices and policies to ensure bias is not built-in

Based on experience and reviewing our hiring statistics, we know that our past practice has been biased toward hiring men. We will review our HR practices and policies to eliminate any barriers and ensure equality of treatment

- 1. Leaders and HR advisors need to be vigilant in advancing women and UMGs into the pipeline and ensuring that managers are proactive in hiring more diverse candidates
- 2. Engage an external consultant to review HR policies and practices, and make recommendations for changes

Establish a role to whom employees can report any issues about behavior that does not support D&I

Employees can report concerns anonymously through an internal portal or directly to their direct manager, to the Vice President, Global Human Resources, to any Human Resources leader, and/or to the Director, Corporate Quality & Corporate Social Responsibility.



Build grassroots involvement

Build inclusion programs such as executive-sponsored employee resource groups (ERGs) to work through challenges, learn from others and help the organization achieve its diversity goals.

- 1. Equip ERGs with terms of reference, resources (books, web resources, etc.) and a budget
- Encourage ERGs to sponsor events to raise awareness of issues. This item requires caution to
 ensure that we do not overburden those who come from underrepresented backgrounds to be
 the only champions for diversity and inclusion. Events to be determined by members of the
 ERGs.

Celebrate successes

Report on successes using various channels (SWIR blog, Intranet, CSR report, etc.).



Hire Diverse Candidates, Within Our Pipeline

Goals

Hire and retain women and under-represented minority group candidates in proportion (at minimum) to the number of newly qualified candidates in the field.

Initiatives

Set targets and measure against them

Targets are as defined in the **Board & Senior Management Diversity Policy**.

- Continue to set and review targets that are in line with local demographics and hold the
 organization accountable. While being realistic that our pipeline is a constraint, setting targets
 ensures that the pipeline isn't being used to not achieve our targets.
 - a. Run a recruitment campaign to help achieve targets
 - b. We have targeted 25% of senior management hires in 2019 to be women; in 2022, we expect that target will increase to 40% of all senior management hires to be women
- 2. Establish an Early Career program and set recruitment targets in line with the percentage of newly qualified grads. Only the most qualified candidates will be hired, independent of whether they are a part of a diverse group. In the case of equally qualified candidates, preference will be given to women or members of other diverse groups to encourage diversity.
 - a. Promote internships and co-op positions at university career fairs and other campus events, specifically to encourage diverse new grads to apply to SWI
 - b. Start a Young Professionals Group to provide a social and professional platform for new grads to expand their social network



- 3. Implement approaches to maximize our access to diverse candidates (search firms, etc.) including, but not exclusively limited to:
 - a. Engaging search firms to source female candidates for traditionally male roles.
 - b. Implementing tool(s) to remove gender-specific language in job postings.
 - c. Increasing our presence at university career events where the likelihood of attracting more women is higher.
- 4. Regularly review our D&I dashboard with the Board, Executive Leaders & Employees as it relates to hiring, developing and retaining diverse candidates within Sierra Wireless, including:
 - a. Analyze our applicant demographics compared to our pipeline demographics. Are underrepresented groups applying at the rates we expect? Are they being interviewed at expected rates? Are they rejecting offers at different rates?
 - b. Analyze voluntary turnover figures of underrepresented groups to see if we are disproportionally losing underrepresented employees once they are hired

Ensure an inclusive recruitment process

Work with next-level managers to *implement* initiatives to achieve targets which may include some or all of the following initiatives:

- 1. Review job postings' wording to ensure that job descriptions/postings and independent contractor statements of work do not inadvertently favor male candidates
- 2. Ensure job requirements contain required bona fide occupational requirements that are clearly stated, and don't create barriers for women candidates (research shows that women tend to believe they need more experience to be able to apply than would a similarly qualified male candidate)
- 3. Targeted recruitment activities including working with agencies to source more candidates identifying as women. Incent recruitment companies and internal recruiters to short-list/select women and UMG candidates



- 4. Conducting panel interviews with a woman in a leadership role present on the panel (research indicated that panel interviews result in hiring decisions that are more diverse)
- 5. Interviewing skills training, including recognizing and eliminating unconscious bias from decision making
- 6. Blind resume review

Support hiring managers

- 1. Provide interview skills training for hiring managers
 - a. Develop a recruitment & selection workshop for managers by Q4 2019
 - b. Deliver workshop beginning in Q4 2019
- 2. Inform search firms and hiring managers about programs that support women, and equip search firms and hiring managers with answers to questions about why there are no women on our leadership team currently and what our plans are to address the gap.



Recognize, Promote and Compensate Fairly

Goals

- Create a transparent promotion process and definition of job levels that clearly shows the competencies required at specific levels
- 2. Ensure consistent compensation and promotion opportunities for both men and women working in the same position

Initiatives

Create transparent job structure, required competencies, and criteria for promotions

- 1. Develop and publish job structure by Q2 2020
- 2. Identify the core competencies required for each job level for consistent and fair assessment and benchmarking, irrespective of gender or background
 - a. Ensure that no individual representative group is being unfairly judged against the core competencies of the job to be performed
- 3. Set a clear standard for promotions: document why people who get promotions get them, to create transparency. This will both help avoid bias (when considering what candidates to promote) and help avoid the perception that we are promoting people purely because they are "diverse" candidates (in cases where members of an underrepresented population are promoted).
- 4. Ensure that annual salary increases for all genders follow the range provided by HR (with manager corrections if necessary) and are consistent for like jobs and performance.



Analyze current access to compensation, development and promotions

- Analyze performance review, training opportunity/conference attendance, and promotions to see if metrics are consistent across different segments of the population (e.g. male/female, ethnic minorities, etc.)
- 2. Ensure that promotion status corresponds to performance rating across the different segments (i.e. are there indications that one population segment must demonstrate higher performance to be considered for the same promotion?)
- 3. Consider setting promotion objective goals, to try and counter the trend of losing underrepresented individuals at each promotion "gate." This needs to be balanced with the need to
 ensure we are promoting the "best-qualified" candidate there may be worries about self- and
 other-perceptions that candidates were promoted only because they were the "diverse"
 candidate.
- 4. Analyze salary levels for a given position and ensure there is no discrepancy across population segments based on similar job role, performance and experience.

Recognize and mentor

- Encourage individuals by recognizing the positive social impact of their work and contribution to the Company's success. This will encourage a feeling of accomplishment and thus help to retain employees across the demographic spectrum.
- 2. Organize a mentorship program, pairing entry-level employees to mid-level managers based on shared interests and career paths. This provides leadership experience to the mentor and helps prepare entry-level employees for their first promotions.



Develop Diverse Leadership Succession Pipeline

Goals

- 1. Recognize top performers and build a more formal growth path for these individuals. This is not necessarily specific to diversity/inclusion.
- 2. Build an internal pipeline of qualified female leaders who are prepared and sponsored internally to move into more senior roles
- 3. Have examples for ambitious women to look up to ideally, by having women on the executive leadership team

Initiatives

Establish a development program for high potential leadership candidates

1. Establish a leadership development program

Develop a mentorship program to grow an internal pipeline of more diverse leaders

- 1. Pilot a program focused on women in Director and Senior Director roles
- 2. Pair professionals with managers based on shared interests and career paths to help prepare professionals for first promotion to manager level
- 3. Proactively identify women across the company to be part of this program



Champion Diversity & Inclusion in the Wider Community

Goal

Become active in the wider community to gain exposure to what other organizations are doing and begin to develop a brand that is synonymous with diversity.

Initiatives

One of our first initiatives was to sign on to the United Nations' <u>Women's Empowerment Principles</u> which include seven steps businesses can take to empower women in the workplace, marketplace and community. The principles emphasize the business case for corporate action and are informed by real-life business practices and input gathered from across the globe. The seven principles are:

- 1. Leadership promotes gender equality
- 2. Treat all women and men fairly at work respect and support human rights and non-discrimination
- 3. Ensure the health, safety and well-being of all women and men workers
- 4. Promote education, training and professional development for women
- 5. Implement enterprise development, supply chain and marketing practices that empower women
- 6. Promote equality through community initiatives and advocacy
- 7. Measure and publicly report on progress to achieve gender equality

Socialize and recommend additional external pledges that promote diversity. These may include:

- 1. Charte de la diversite (France)
- 2. Minerva CEO Pledge (British Columbia, Canada)

Reach out to the STEM community

- 1. Establish relationships with post-secondary schools through attending career fairs, guest lectures, mentorship events etc.
- 2. Participate in groups/events related to diverse population

Learn from our peers

1. Join industry D&I roundtables