

February 2024

Gender Pay Gap Employer Statement

At LMS Energy (LMS), we are committed to fostering an inclusive and equitable workplace where every employee is treated with fairness, feels valued and has equal opportunities for advancement.

As part of our ongoing commitment to transparency and accountability, we are providing an update on our organisation's total remuneration gender pay gap which is 19.9% (the median is 26.5%), as calculated by the Australian Government's Workplace Gender Equality Agency. This compares to the national average of 21.7%. It is disheartening to acknowledge that, despite our collective efforts, we have not made the progress we aspire to in achieving more balanced female representation across all levels of the organisation. The fact that such a substantial gap exists is not only disappointing but underscores the urgency for change. We recognise the need to address this issue comprehensively.

It is crucial to note that this is an organisation-wide gender pay gap. To provide a more nuanced perspective, we have examined pay gaps by employee category, and the results reveal a more encouraging picture. The by-level pay gaps, which measure the difference between women's and men's average pay within the same employee category, range from -1.8% to 1.1% across LMS' group manager and tier 2 manager levels. This demonstrates that within specific roles and levels, we have achieved much greater pay equity.

Our organisation-wide pay gap is influenced significantly by the composition of our workforce, particularly in executive and group manager positions, where a larger number of males are currently employed. We acknowledge that this over representation of males in key leadership positions is not reflective of the diverse talent within our organisation. It is clear that there is room for improvement in achieving a more balanced representation across all levels of our company.

One challenge we face is the nature of our workforce composition and the size of our organisation, which limits the number of roles where both men and women are at the same level and performing identical work. For example, most of our site operators are male – a role like no other in the organisation that involves on-call and out-of-hours duties. This, in turn, contributes to workforce composition of approximately 80% males and 20% females.

We understand that achieving true pay equity organisation-wide requires ongoing efforts and collaborative initiatives. We are implementing targeted initiatives aimed at increasing diversity at all levels, including:

Diversity, Equity and Inclusion (DEI) Committee: Our internal DEI Committee has a focus group specifically looking at how to achieve greater gender equality at LMS. The group has set objectives and targets for the coming years and will now draft a **Gender Equity Action Plan** to be signed off by the Executive Team.

International Women's Day (IWD): Supporting LMS employees to attend a variety of IWD events to hear from speakers addressing gender equity issues and highlighting our support of these events with 40% male representation. An all-staff presentation from a gender equity expert, with a specific focus on the challenges women face in the workplace, and to foster a deeper understanding of the benefits of diversity and inclusion and how it contributes to our overall success.

Diversity and Inclusion Training: A majority of staff have undertaken unconscious bias training, and LMS is now considering re-issuing this training later in the year. Similarly, sexual harassment training has been provided to staff and will be provided for all new starters moving forward.

Workforce Planning: We are reviewing and enhancing our hiring and promotion practices and succession planning processes to challenge any biases and ensure we are identifying and nurturing talent from all backgrounds, ensuring a pipeline of diverse candidates for leadership positions.

Equal Opportunity Policies: LMS has implemented several policies to promote gender equity in the workforce. The flexible working policy and offering all roles as part-time positions promotes gender equity by supporting employees with caring responsibilities. LMS offers family and domestic violence leave and employer-paid parental leave. In the first half of this year, our dedicated Gender Equity Focus Group will be reviewing, and looking to strengthen, our equal opportunity policies.

DEI Room: A multipurpose room for our employees' children, which could also be used for employees who are breastfeeding. LMS is undertaking reviews to set up these rooms at our three major offices in Australia.

LMS remains dedicated to creating a workplace that is fair, diverse, and supportive for all, and we will continue to assess and refine our strategies to reduce the organisation-wide gender pay gap. We recognise that building a more diverse leadership team is a journey that requires sustained effort and commitment. We are dedicated to working collaboratively with all employees to ensure that our workplace is not only equitable but also reflective of the rich diversity that makes LMS a vibrant and innovative organisation.

