

Rautaki Kanorau: Diversity, Equity & Inclusion Strategy 2022-2027

Section One: Introduction
April 2023





E koekoe te tūī, e ketekete te kākā, e kūkū te kererū

The tūī chatters, the kākā cackles,
the kererū coos

This whakataukī reminds us of the true value of diversity. The many birds of our bush have different sounds, different plumage, different ways of flying and feeding. Diversity is intrinsic to a healthy ecosystem, as it is for a healthy workplace and indeed for our world.

Contents



SECTION

1

- 1. Whakataukī and our values**
- 2. Understanding and integrating te Ao Māori**
- 3. Why do Diversity, Equity and Inclusion matter to us?**
- 4. How did we get here?**

Our DEI journey and our DEI Principles

Our DEI Definitions

Our Kaupapa: systems thinking, intersectionality and complexity

SECTION

2

- 5. What is our direction of travel?**

The DEI Strategy's Whāinga Roa (Vision)

How the DEI strategy aligns with the Guardians' Strategic Framework

The 8 DEI Goals for 2027

- 6. Karakia**

Our values and the whakataukī that speak to our Kaupapa

Let us keep close together, not far apart

We **SUPPORT** each other —
Waiho i te toipoto kauhau i te toiroa

TEAM not hero —
Ēhara tāku toa i te toa takitahi, he toa takitini

My strength is not as an individual but as a collective

As durable as a rock pounded by the ocean

We stand **STRONG** — He toka tū moana

Future **FOCUSED** — Ki te kāhore he whakakitenga, ka ngaro te iwi

Without vision the people will be lost

Understanding and integrating te Ao Māori

We at the Guardians believe that growing our **understanding and integration of te Ao Māori** is core to how we mature our DEI.

Through our Iwi/Māori investment partnerships and through our responsibilities as a member of the broader Crown we are committed to developing an **engagement with te Ao Māori framework**. This will be grounded in acknowledging Te Tiriti o Waitangi (the Treaty of Waitangi) and building a workplace that attracts, respects, develops and supports Māori colleagues to feel included and to flourish.



Why do diversity, equity and inclusion matter to us?

We believe it is the **right thing to do** to reflect the communities we serve and will help us achieve our goal of supporting and delivering investment excellence.

A more diverse and inclusive team **inspires, challenges, excites and motivates us** to create a better future for all Aotearoa New Zealand. We know that diversity of experience and background helps us to better **solve complex problems and deliver to our organisation's Whāinga (Purpose).**

This strategy will show us a direction, with **equity focused actions**, that will help us achieve our organisation's **Te Whāinga Roa (Vision).**



Our DEI journey to date, our principles and our ownership of the DEI Strategy

The Guardians have been building a DEI approach since the early 2010s. The first **Gender Pay Gap review** was undertaken in 2016 and the Gender Pay gap has been reported annually every year since. A **Diversity & Inclusion Policy** was agreed in the same year.



The Guardians undertook a '**Current State Review**' of the DEI maturity in 2021 and the Leadership Team and Board agreed the **5 Guiding DEI principles** (on the following page) which have been central in the development of this Strategy. In November 2021 the Guardian's Board agreed to a strategic focus on understanding and integrating te Ao Māori. A new role of the Head of Diversity, Equity & Inclusion was appointed in March 2022.

This Strategy builds on the learnings of this work and is the result of multiple discussions (May – November 2022) with over 150 staff who provided 300+ inputs on what we saw as important in a DEI Strategy. This included what we understand the definitions to be for DEI; how we approach equity and equality; what relevance should the DEI Strategy have and what are the changes we wish to see.

This Strategy has been built, in the main, by the employees of the Guardians.

Five Guiding DEI Principles



1

We build the Guardians to reflect the communities we serve as we believe it is the right thing to do to enable better outcomes and decision making

2

We promote all aspects of diversity including ethnic diversity, and we have a particular focus on Māori and Pasifika, and women in leadership

3

A te Ao Māori approach is integrated into our approach and ways of working

4

Leadership accountability and transparency will help drive our DEI progress

5

We will build our DEI maturity through bottom-up and top-down support



Our DEI definitions



Diversity

Diversity is about difference, our identities, our range of backgrounds, our cultures, our experiences, where we are from and how these influence our thinking and our behaviours.

Equity

Equity is about fairness and just treatment. Equity recognises that different people with different levels of advantage require different approaches and resources to get equitable outcomes for all.

Inclusion

Inclusion is about everyone feeling they belong. Inclusion is when we all have a voice, are noticed, play a part, where we are heard, feel valued and are included at the decision-making table.

Our kaupapa: Systems thinking, intersectionality and complexity

Firstly, we see our learning and engagement with te Ao Māori as core in 'how' we progress Diversity, Equity and Inclusion.

DEI is critical to the success of our sustainable investments. The business case for having more diversity on boards and executive positions is well-established. Studies have shown that diversity leads to improved decision-making and ultimately leads to increased productivity and profitability. Diversity and gender equality in leadership also plays an important role in creating safe working environments where everyone can flourish.

Our approach to the complexity of inequality is grounded in a systems thinking pathway towards change. Systems thinking helps us understand the changes needed structurally (processes and policies) as well as in our behaviour.

The DEI Principles are like the Pou in the whareniui – they hold up our aspirations for an inclusive team and provide guidance for our DEI pathway.

We appreciate that change through DEI inherently involves tension, uncertainty and complexity. It is our view that achieving Equity recognises that equality of opportunity is not enough. We see that progress will take time, with multi-layered initiatives that have short, medium and long-term outcomes.

We recognise that an intersectional approach is fundamental and that change involves many moving parts, some of which will not succeed but are crucial to our learning as we move forward.



Rautaki Kanorau: Diversity, Equity & Inclusion Strategy 2022-2027

Section Two: DEI Strategic Goals and
Implementation Plan
April 2023



Diversity, Equity and Inclusion (DEI) Strategy Te Whāinga Roa

TE WHĀINGA ROA – VISION

We are a truly inclusive team providing industry leadership in DEI and authentic partnerships in our engagement with te Ao Māori.



DEI Strategic Framework



OUR GUARDIANS' VISION

An inclusive team creating a better future through investment excellence
Mā te kotai ā-kapa, mā te kounga ā-haumi, ka tino eke ki tua

OUR DEI VISION

We are a truly inclusive team providing industry leadership in DEI and authentic partnerships in our engagement with te Ao Māori.

OUR DEI 5 YEAR STRATEGIC GOALS

- | | | | | | | | |
|----------|---|----------|---|----------|---|----------|--|
| 1 | TAHI
Increasing our diversity | 2 | RUA
Equity - Helping all our people grow | 3 | TORU
Inclusion - Building our workplace safety & wellbeing | 4 | WHĀ
Inclusion - Strengthening our Manaakitanga (care and connection) |
| 5 | RIMA
Equity - Reducing our gender pay gap | 6 | ONO
Enhancing our te Ao Māori (the world of Māori) engagement | 7 | WHITU
Integrating DEI into our operating systems & structures | 8 | WARU
Incorporating DEI into our investment excellence & investment sector leadership |

OUR DEI PRINCIPLES

- | | | | | |
|--|--|--|---|---|
| 1 | 2 | 3 | 4 | 5 |
| We build the Guardians to reflect the communities we serve as we believe it is the right thing to do to enable better outcomes and decision making | We promote all aspects of diversity including ethnic diversity, and we have a particular focus on Māori and Pasifika and women in leadership | A te Ao Māori approach is integrated into our approach and ways of working | Leadership accountability and transparency will help drive our DEI progress | We will build our DEI maturity through bottom-up and top-down support |

1

TAHI Equity – Increasing our diversity

Goal: We are attracting and appointing more women into leadership roles, and more Māori and Pacific people, against 2022 baselines.

KEY INDICATORS:

- Leadership Team and Heads positions are maintained at a ratio of male 40: female 40: any gender 20
- Talent Sourcing Roadmap: An integrated approach to a graduate programme, alumni, internships, scholarships and sponsorships that has a particular focus on Māori, Pacific people and women
- Talent Sourcing Roadmap: Hiring managers' recruitment training includes cultural competency and unconscious bias; JD briefs and job adverts are reviewed for commitment to DEI, Te Tiriti and te Ao Māori
- Of the new appointments since 2022, across the five years to 2027, a minimum 10% will identify as Māori and 6% will identify as Pacific people



2

RUA Equity – Helping our people grow

Goal: Our DEI approach is integrated into all our training, secondment, job rotation, succession and coaching practices, supporting our diverse workforce to have equitable career pathways.

KEY INDICATORS:

- Staff stories of career development reach diverse external markets specifically for Māori, Pacific people and women
- Refresh career development for women, Māori and Pacific people in design and structure, pathways, feeder roles and integration with job rotations, horizontal career moves and external secondments
- Leadership/senior training opportunities target women identified in succession planning
- Induction modules integrate a tikanga, DEI and te Ao Māori approach
- Annual training on cultural competency, te Tiriti and te Ao Māori



3

TORU

Inclusion – Building our workplace safety & wellbeing

Goal: Our workplace is a safe and nurturing space for all, with our values underpinning expected behaviour and guiding us in zero tolerance of bullying, sexual misconduct and discrimination.

KEY INDICATORS:

- Leadership Team and Heads annual individual performance objectives include evidence of active support, ownership and sponsorship of DEI activities
- A survey has been identified to collect quantitative and qualitative measures on staff experience of Inclusion and the integration of te Ao Māori
- The revised Code of Conduct expected behaviours provide clarity on zero tolerance of non-financial misconduct: bullying, sexual harassment, racism, homophobia and discriminatory behaviours
- New training offering to include: enhanced complaints and whistleblowing, cultural competency, managing conflict/difficult or constructive conversations, unconscious bias, bystander and allyship



4

WHĀ

Inclusion – Strengthening our manaakitanga (care & connection)

Goal: Our inclusive team is enhanced through manaakitanga – deepening our care for others, respecting all constructive voices and valuing the benefit of our diverse experiences.

KEY INDICATORS:

- New/revised policies have a DEI and te Ao Māori lens. This will include exploring: mental health and wellbeing, trans employees, carers, menopause and menstruation
- Staff engage with our communities through volunteer days, sponsorship relationships, charity events, and community boards and governance
- Staff led calendar of cultural events to celebrate our diversity (e.g. Diwali, Thanksgiving, Matariki, Pride)
- Mechanisms in place to enhance staff engagement with our values and communities we serve. Including values awards, celebrating successes for teams and individuals that drive our strategic goals



5

RIMA Equity – Reducing our gender pay gap

**Goal: We have reduced the mean gender pay gap
for employees to an average of 15%
over the five years to 2027***

KEY INDICATORS:

- A systems thinking approach recognises that most of the DEI strategy will drive the many levers needed to further reduce the gender pay gap, with a particular focus on increasing the number of women in senior leadership roles

These activity areas include – graduate programmes and interns, recruitment, progression, enabling and supportive policies, inclusive and safe workplace, and regular review of gender equity (for like/similar roles)

- The Pay Gap Annual Action Plan is to be submitted to the Public Services Commission in April 2023

*the average mean gender pay gap over the last five years has been 22%



6

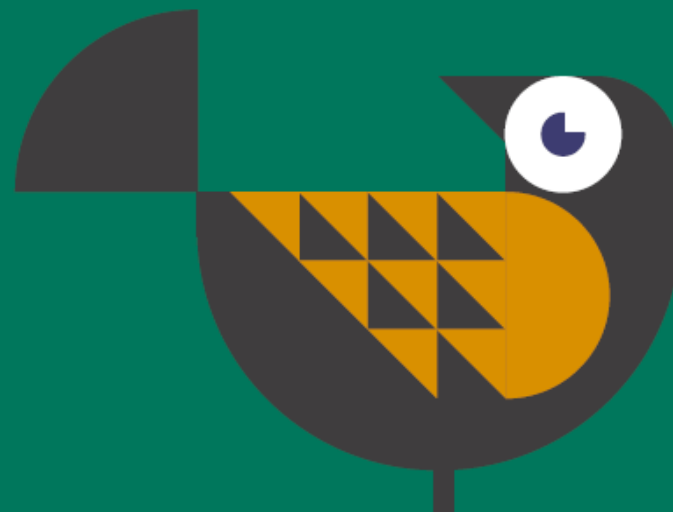
ONO

Enhancing our te Ao Māori (the world of Māori) engagement

Goal: Our engagement with te Ao Māori is based on authentic and respectful relationships.

KEY INDICATORS:

- Te Ao Māori framework has been developed with the guidance of the Board and LT, aligned with the refreshed organisational strategy and alongside the DEI strategy
- Staff report increased understanding of the application of tikanga, waiata and te reo in their working lives
- Staff report increased understanding of te Ao Māori and its relevance to our work



7

WHITU

Integrating DEI into our operating systems and structures

Goal: DEI is integrated into our systems, structures, procurement processes and workspaces to support our differences and enable us to perform to our full potential.

KEY INDICATORS:

- A DEI advisory structure has been developed and is operational
- The current office and the plan for the new office layout have been reviewed by external disability experts for improved access and inclusion
- The Procurement and Outsourcing Policy has been reviewed to enhance guidance for assessing DEI/ESG risk in third-party risk monitorings



8

WARU

Incorporating DEI into our investment excellence and investment sector leadership

Goal: DEI is incorporated into our pursuit of investment excellence and we show best practice sector leadership in DEI, nationally and globally.

KEY INDICATORS:

- The Sustainable Investment Framework has the enhanced DEI lens when applying ESG considerations
- Selection of fund managers is enhanced through the use of new benchmarking tools that provide more consistency across DEI measures
- Investment partners in Aotearoa are encouraged to publish their gender pay gap as part of the due diligence process
- Our approach to te Ao Māori is expressed and integrated into our investment framework



Indicators, monitoring and reviewing

- The DEI Strategy has a 5 year timeline (2022-2027) – to align with the Guardian’s organisational Strategy and the People’s Strategy.
- All Goals have indicators which will be the basis for reporting to the Board, Leadership Team and to external audiences in the Annual Report.
- Each DEI Goal has a set of Activities in the DEI Activity Implementation Plan which all have indicators, some of which are Key indicators. The Activities are owned by multiple business units.
- The DEI Strategy will be reviewed annually to check that the Goals and indicators reflect our learnings and current contexts.

Te Kaitiaki Tahua Penihana Kaumātua o Aotearoa



**Kia tau ki a tātou katoa
te āio, te aroha me te marutau
Tihei Mauri Ora!**

May peace, love, and safety
be upon us all.
Let there be Life!

