

Diversity, equity and inclusion policy

Version 5.0

Date approved: June 2022

Document control

Policy information

Policy approver	People and nominations committee
Policy owner name	Chair of the people and nominations committee
Policy delegate name/s	None
Policy stakeholder name/s	Synod, directors, team members
Policy version number	5.0
Policy version date	June 2022
Policy review cycle	3 Years
Next policy review date	June 2025
Policy location	S:\FundsMgt\1.2 Policies
Policy level	1

Linked artefacts

Linked documents	Nil
Linked products	Nil
Linked systems	Nil
Linked legislation	Age Discrimination Act 2004 Disability Discrimination Act 1992 Racial Discrimination Act 1975 Sex Discrimination Act 1984
Linked industry standards	NA
Linked risks	Human resources – key person risk Human resources – critical skills risk Reputation risk

Revision history

Version	Approval date	Author	Description
1.0	2016		New policy
2.0	April 2016	Risk and compliance manager	Formatting, numbering and branding
3.0	June 2018	Manager finance	Scope of policy to cover broad coverage of diversity
4.0	July 2018	Manager finance	Refine scope, content and brand alignment

5.0	December 2018	Manager finance	Workplace and board gender diversity aligned, employment opportunities expanded to include individuals with disabilities
6.0	June 2022	CEO	Company name, branding, taxonomy, refinement, inclusion of definitions and equity references

1. Introduction

U Ethical's purpose is to improve our world through the power of ethical investing. This underpins our investment approach, our business policies and practices, and our commitment to clients and all our stakeholders.

We believe diversity, equity and inclusion are at the core of creating a better business and better business outcomes, through fully appreciating differences and harnessing the unique contributions, ideas, perspectives and approaches of each individual.

U Ethical defines workplace diversity, equity and inclusion (collectively DEI) as follows.

Diversity – representation of people with a variety of attributes and experiences, including (but not limited to) aspects such as cultural identity, race, ethnicity, religious beliefs, age, gender, gender identity, sexual orientation, family/relationship status, disability, neurodiversity, education, learning styles, personality type, socio-economic background, skills, ideas and perspectives.

Equity – ensuring processes and programs are impartial, fair and provide equitable access to opportunities and resources, offering every individual the opportunity to learn, develop and grow their careers.

Inclusion – maintaining an environment in which all individuals feel safe, respected, engaged and valued, where they experience a sense of belonging, and are empowered to contribute fully to U Ethical's success.

We believe DEI leads to:

- Better business practices and procedures
- Strong connections within our business and with our clients and the broader community
- Creativity and innovation
- More effective problem solving and decision-making
- Improved team member engagement and morale
- Better reflection and improvements

U Ethical expresses its DEI views in two ways:

- Within our workplace as explained in this policy, and
- Through our investment process and engagement with investee companies

2. Objectives

U Ethical aims to create a diverse, equitable and inclusive workplace through:

- Encouraging a culture that values all team members, roles and contributions
- Building and maintaining a safe work environment and speak up culture
- Actively fostering diversity and open communication, where different thoughts, ideas and contributions are welcomed
- Treating all people fairly and with dignity and respect
- An inclusive workplace that is responsive to people's needs
- A culture that fosters collaboration to utilise strengths and diverse talents

- Creating a workplace where all flourish and perform
- Actively removing discrimination

3. Implementation

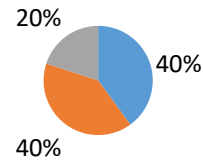
U Ethical is committed to creating an inclusive, equitable and diverse workplace by:

- Setting measurable targets for achieving gender diversity on the board and across the team (see targets below) and monitoring our gender pay gap
- Ensuring equitable recruitment, retention, development, management, promotion and succession practices which eliminate bias, whether real or perceived, and encourage diversity and inclusion
- Actively encouraging and supporting flexible working arrangements that meet the needs of our people, while still maintaining business continuity
- Measuring engagement and reviewing feedback
- Providing employment opportunities to individuals from under-represented groups (e.g. those with disabilities, indigenous people and asylum seekers) whose qualifications and experience meet the organisation's needs, and improving accessibility to support and enable their inclusion
- Providing Leadership with skills development in inclusive leadership practices to foster an inclusive culture
- Those with management responsibility proactively seeking out different perspectives when making decisions
- Conducting annual remuneration benchmarking and reviews
- Providing equal access for all team members to remuneration (for similar work), benefits, working arrangements, opportunities for advancement and training and development based on role and responsibility
- Consulting regularly with staff to gain insight into potential barriers to DEI within the business and conducting an ongoing review of our processes to remove bias
- Celebrating our diversity

4. Measurable objectives

Board gender diversity

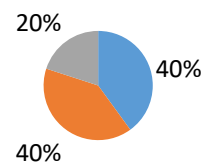
■ Female membership ■ Male membership ■ Flexible



If retirements and resignations cause membership to fall below 30 per cent for females or males, the board will rectify the situation within 12 months. The board has delegated responsibility to the people and nominations committee to lead this response.

Team gender diversity

■ Female team members ■ Male team members ■ Flexible



The board supports working towards this target at both management and non-management levels, noting that this may create practical difficulties given the small number of team members at the management level. Achieving and maintaining this target is the responsibility of the CEO, with the people and nominations committee overseeing its application.

Equity/inclusion metrics

By category

- Recruitment (p.a.)
- Departures (p.a.)
- Promotions (p.a.)
- Participation in formal mentoring programs (p.a.)
- Participation in training and development (average hours p.a.)
- Board and committee chair roles (30 June)
- Leadership team members (30 June)
- Management team members (30 June)

Other

- Gender pay gap*
- Employee engagement
- Employee culture survey – inclusion questions (various)

* Both the mean as used by Australia's Workplace Gender Equality Agency (WGEA) and the median as used by the Organisation for Economic Co-operation and Development are monitored, noting the WGEA's acknowledgement of the challenges for small business in achieving gender equality and its focus on gender pay equity for small business.

5. Accountability and reporting

The board will be accountable for monitoring achievement of this policy through reporting U Ethical's performance in its annual report, including team engagement and relevant diversity statistics.

The people and nominations committee will review and recommend measurable objectives for achieving workplace DEI on an annual basis, which will recognise the growing and evolving expectations of society and U Ethical's stakeholders in relation to DEI issues.