Chorus: Putting inclusion and diversity at the heart of good business





Like other businesses in the technology industry, telecommunication infrastructure provider Chorus had long grappled with diversity challenges, including an imbalance in gender and ethnic ratios, and talent pipelines that lacked diversity. Despite best efforts, diversity and inclusion objectives were not progressing, and the team knew it was time for a radical shift in approach, says Sarah Archer, Head of Diversity and Inclusion at Chorus.

"In September 2021, there was a significant gender imbalance in senior roles, and voluntary female turnover was around 17%, double that of male turnover.

This, among other ongoing challenges in the Diversity, Equity and Inclusion (DEI) space, led us to initiate a circuit breaker that took all our people, from junior members of the team to the Board, on an insightful and developmental journey towards real workplace inclusion," she says.

The team set about creating a strategy and workforce representative of its communities – one that contributes to Chorus' aspiration of creating a fair, inclusive and equitable culture where differences are strengths, where there's connection around shared values, and where everyone can thrive.

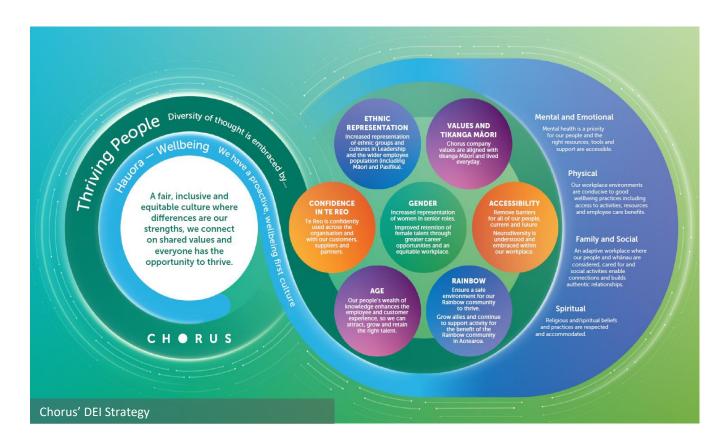
Digging into the challenge and developing a strategy

The first step Chorus undertook was a workplace culture review to better understand the barriers to leadership and the high turnover among women. It quickly became evident that what began as a focus on improving gender equity required a broader approach that included a deep dive into the inequitable experiences of all minority groups at Chorus.

Over several weeks through the autumn of 2022, people from all career levels, business functions and demographics came together to have brave and honest conversations in externally facilitated workshops.

The conversations revealed the values of the business weren't being lived authentically, causing many to feel like they couldn't bring their true selves to work or truly thrive. They also suggested the system and structure of the business were not designed for the benefit of all, and unless those were broken down and rebuilt, real change would be almost impossible.

Their voices and the stories of their lived experiences provided insight and awareness of the societal and systemic influences that DEI can deliver, both outside and within the business. This authentic insight and data analytics helped inform the development of Chorus' first DEI strategy, focused on a truly inclusive workplace representing all its people and building a sense of belonging.



Components of Chorus' DEI strategy

The strategy, endorsed by the Board and launched in August 2022, was founded on the four pillars of <u>Te Whare Tapa Whā</u>, reflecting Chorus' holistic approach to Hauora (a Māori philosophy of health and wellbeing) and demonstrating the connectedness and shared values all employees enjoy, regardless of background.

Within the strategy, ethnicity features strongly, based on the significance of Aotearoa New Zealand's unique heritage and culture and as a way of fostering inclusion and belonging through biculturalism, leading to multi-culturalism. Gender and Rainbow initiatives focus on representation, allyship and psychological safety as the foundation of Chorus' culture and humanising the workplace.

Neurodiversity is highlighted, based on a keen interest among employees to better understand and embrace unique differences among colleagues.

Age is important, given the tenure and knowledge of this demographic within Chorus, and the opportunities this offers to collaborate on development and career pathways for others.

These different areas, which make up Chorus' overall DEI programme, are accountable through regular qualitative and quantitative reporting to the People Performance and Culture Committee (a sub-set of the Board) against specific measures and initiatives.

Some of the initiatives implemented off the back of the strategy launch include:



- Featuring Te Ao Māori, accessibility, and LGBTQI+ questions in regular engagement surveys. Results help people leaders to foster inclusive teams.
- Giving Executive and senior leaders strategic DEI KPI objectives, measures and plans tailored to each business function to prioritise an inclusive workplace.
- A deeper talent review of lower layers to increase diversity at the leadership level and in the talent population, including retaining talent.
- Gaining the Accessibility Tick in 2022
- Empowering employee networks to provide input and get involved in decision making on DEI and Wellbeing activity. Demographic results from the regular engagement survey are shared with the group and used to help identify priority focus areas.
- Ensuring the Exec team walk the talk, promoting educational webinars and training programmes on topics such as unconscious bias, Rainbow 101 and Te Ao Māori, as well as the many celebrations for significant events for all cultures and minorities.

Seeing the impact of the strategy in action

Since implementing the strategy and focusing on initiatives that further support its minority groups, Chorus has experienced a significant number of cultural shifts.

- Te Ao Māori programme participation has reached 34% across the business (up 75 to 279 people in less than a year), including Board and Exec team members.
- Leadership initiatives primarily aimed at women have been refreshed and updated to create a more gender-inclusive approach.
- Changes to hiring practices have augmented Chorus' aim of a 50% gender-split among candidates and include a talent development plan, which has created more diverse internal career pathways.
- Voluntary female turnover at higher career levels has decreased from circa 17% to 4.1% at February 2023, and the introduction of an exit interview process has provided deeper insights as to why women choose to leave.
- Chorus has progressed to the advanced category of the Gender Tick and saw a decrease in gender pay gap by career levels.
- Chorus is exceeding its aim of being in the top 10% of the technology industry benchmark in the three drivers of diversity and inclusiveness, and meeting their measure of being in the top 5% of this benchmark for Hauora (wellbeing).



One of the most significant culture shifts seen across all levels of Chorus is the consideration of DEI in decision-making, and the ways in which DEI is now viewed as the responsibility of everyone, not just the People and Culture team.



"A key component of successful shifts for a diverse, equitable and inclusive culture is the need to embed DEI into the systems and infrastructure of the entire organisation throughout the employee lifecycle. It then becomes business as usual and everyone is responsible for creating fairness, both in architecture and culture," explains Sarah.

"We need to recognise that we all have values and beliefs based on our backgrounds and societal influences which drive our behaviours, so understanding all our people is necessary for engagement. Qualitative data in addition to quantitative data is a good indicator of progress in this space."

This approach to meeting people where they're at has been helpful in engaging leaders with the Thriving People focus. People without the lived experience of bias or barriers based solely on demographic can feel that they are being disadvantaged through equitable activity. It's been important to understand this, to adapt approach accordingly and slow down to speed up at times.

Having board-approved measures in place creates accountability and the provision of regular reporting provides visibility and useful discussion. This in turn has created advocacy and commitment to the continued journey of truly embedding DEI.

Chorus won the D&I Champion category in the Newmarket Business Association awards 2023, were named as finalists for the 2024 Deloitte Top 200 Awards in the DEI category, and recently won the HRNZ 2024 Award for DEI.



Learnings and next steps for Chorus

Chorus's DEI journey has certainly not been an easy one, but there are many learnings the team has to share with other organisations looking to implement a similar strategy.

- **Get everyone involved.** Chorus found that the best way to engage with <u>all</u> employees and get them on board the journey was by involving them in the problem solving and understanding their vulnerability. Key to success was acknowledging everyone's lived experiences, backgrounds, beliefs and values, and not polarising groups or initiatives.
- **Lean on the data to educate.** DEI Research, facts and data were important in telling the story across the business of why Chorus was doing this, along with the hearts-and-minds stories that helped others find their individual why.
- **Equity vs. equality can be a challenge.** For some, the concept of equity felt uncomfortable due to the perception that actions to create equity were disadvantaging the majority, and the belief that recruitment and promotion would be focused on a diversity demographic rather than best person for the job. This continues to be a challenge to address.
- **Communicate and be transparent.** Ensure all practices, measures and engagement survey themes are communicated to help create understanding and dispel misperceptions. Celebrate the small wins and accept that achieving success in DEI is a journey of continuous improvement that everyone is on together!

In terms of next steps for Chorus, the business has two priority initiatives it is progressing as shared objectives between the DEI and Sustainability strategies:

- 1. The first is digital equity in Aotearoa New Zealand. Chorus intends to help drive progress through its continued partnership with the 20/20 Trust and Digital Seniors, two charities focused on digital inclusion programmes. Most recently, the company has appointed a Digital Equity Lead to help find product and solutions to the affordability gap that exists.
- 2. The second is planning to provide additional Te Ao Māori learning opportunities, incorporate Te Ao Māori values and Tikanga into the company values and ultimately increase ethnic diversity through an inclusive workplace.



Throughout the creation and implementation of the strategy, the DEI and Sustainability teams have worked hand-in-hand, and they'll continue to do so as they tackle new challenges. Chorus' Head of Sustainability Hannah Taylor explains the intersectionality between the two business units:

"Environmental sustainability has become embedded into organisational strategies, governance frameworks and investment decisions globally, with clear frameworks, objectives and targets. Organisations have learnt that collective action and collaboration can bring more meaningful impact and change."

"The same is needed in the social 'or S' space. Across the sustainability and DEI teams at Chorus we have a shared 'thriving people' objective, with co-led initiatives. By joining forces, collaborating internally, across industry, business, government and community we know we can have a bigger impact on the communities and people most in need. This integrated approach will help bring the 'S' out of the shadow of the 'E'."

Already, Chorus is beginning to reap benefits in diversity including a more gender-balanced executive team with a ratio of 45% female and 55% male, including the CEO. This has changed significantly from the ratio in April 2023, which was 14% female and 86% male.

A new operating model is now in place and the Chorus team are focusing on new and different career pathways, implementation of a plan to address the drivers of gender pay gap, and additional board-approved measures relating to their broader ethnic employee demographic.

Regular reporting and transparency of measures and progress will continue and the responsibility of creating a diverse, inclusive and adaptive Chorus will evolve as new ways of working enable everyone to fulfil their potential and thrive.

About Chorus

Chorus is proud to be New Zealand's largest telecommunications infrastructure company. We build and manage an open access internet network, rolling out ultra-fast broadband that will benefit generations to come. Chorus is passionate about bridging the digital divide, supporting a robust and vibrant economy and helping others transition to a low carbon environment. Our purpose is to 'make New Zealand better' and our ambition is to create endless potential to live, learn and thrive.

About SBC

SBC is a member organisation that connects businesses, partners, and sectors to create impact that no single business could achieve alone. We work with executives and sustainability professionals to maximise their positive impact for shareholders, communities and the environment. We hold our members to account by asking them to fulfil member commitments. We deliver impact by championing our members to be at the leading-edge of sustainability and inspire other businesses to take action.



