

DIPLOMA PLC

# Diversity, Equity & Inclusion Policy

October 2022



## Diploma PLC Diversity, Equity & Inclusion Policy

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### General Statement of Policy

We believe that every colleague across the Group – regardless of their position, ethnicity, background, religion, sexual orientation or gender identity – should bring their full selves to work and be empowered to fulfil their full potential.

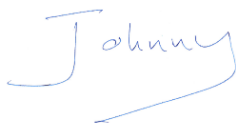
We know that diversity, equity and inclusion (DEI) offers long-term advantages for our business: more inclusive teams consistently perform better because they benefit from diversity of thought, ideas, and ways of working that people with different backgrounds, experiences and identities bring to a workplace.

An effective DEI strategy will add value to our business, contribute to employee wellbeing and satisfaction, and allow us to recruit and retain a wider pool of exceptional talent.

Our ambition is to create an inclusive, diverse and equitable workplace. We will achieve that through developing our diverse talent, offering fair reward and recognition for work, and giving everyone the opportunity to have a meaningful say on matters that affect them. We will invest time to understand the needs of individuals from diverse backgrounds and take proactive steps to enable them to fulfil their potential.

We are an equal opportunities employer with zero tolerance of any form of discrimination due to ethnicity, background, religion, sexual orientation, gender identity, pregnancy and maternity, citizenship, nationality, marital status or any other protected characteristic. We comply with all applicable DEI and inclusion laws, regulations and standards and apply responsible standards where legislation is inadequate. We encourage all members of Diploma to call out discrimination, or discriminatory behaviour, either through their line manager or through our whistleblowing hotline.

This policy applies to all our businesses and every aspect of how we work, and we believe our business leaders play a key role in creating an inclusive, diverse and equitable workplace. The Group will continue to support our Senior Leadership Team in the actions, initiatives and strategies they put in place and provide guidance and training where appropriate.



**Johnny Thomson**

Diploma PLC Group CEO

October 2022

## **Culture**

We are all accountable for upholding a positive culture of DEI, and our values of continuous improvement, accountability and respect are as relevant to how we manage DEI as they are to all aspects of our business. A positive culture of DEI encourages open dialogue without fear or blame, emphasises continuous improvement and carefully considers how we encourage equal contribution and access for those at risk of being marginalised.

It is vital that every business encourages a positive culture of DEI, driven by the Managing Director and upheld by all colleagues. We hold all colleagues accountable for their own behaviour and the success of DEI across the Group

An inclusive culture should be built in collaboration with, and in consultation with, colleagues and should engage colleagues in all DEI matters.

## **Standards**

Operating businesses are responsible for developing procedures and frameworks to suit their local needs. However, we expect all our businesses to comply with the standards and requirements of this policy, which they should incorporate into how they run their business. At a minimum, each business must fulfil the following standards.

- The Managing Director holds ultimate responsibility for DEI within their business.
- Comply with and strive to exceed all applicable DEI and inclusion laws, regulations and standards and apply responsible standards where legislation is inadequate or does not exist. This includes any data related to DEI, which must be collected with permission and in line with local data protection laws.
- Communicate and practice zero tolerance for discrimination or discriminatory behaviour related to a protected characteristic.
- Equip and empower your management team through formal training and by clearly communicating your business' DEI strategy, targets and standards.
- Provide training on diversity, bias and inclusion for those roles in your business that manage recruitment, such as HR and hiring managers.
- Set expectations with recruiters that you expect to receive a diverse selection of candidate profiles shortlists. All recruitment materials should reflect the standards of this policy and be assessed for discriminatory or biased language.
- Build awareness of DEI in your business, whether through communication and active engagement, training, committees, listening groups or other format appropriate to your business.
- Clearly communicate HR policies relating to discrimination, unfair treatment, zero tolerance and verbal, physical and sexual abuse either via an employee handbook or other accessible channel.
- All employees must be able to confidentially report unfair treatment of discrimination through our whistleblowing hotline, which should be clearly displayed and communicated.
- Ensure processes such as promotions and annual compensation reviews are equitable, identifying any barriers to progression and reducing any compensation gaps if they exist.

## **Governance**

Good governance helps us to uphold the standards outlined in this policy.

### Business Governance

Each business should put the following governance in place:

- A person or persons who are responsible for driving DEI in your business.
- A DEI policy, framework or plan that reflects your business' circumstances, as well as the DEI risks and opportunities in your business, and is regularly reviewed, updated and communicated to colleagues, external agencies and any recruiters or other relevant service providers that you use.
- A person responsible for DEI-related data collection who is given the information and training required to request and collect data in line with local data protection laws.
- A clearly communicated framework for reporting and escalating instances of discrimination, both anonymously and via a manager or grievance process.
- A clear and well-kept record of any breaches or alleged breaches of this policy, investigations undertaken and resolution.
- Scheduled, quarterly reviews of DEI performance and initiatives attended by the DEI lead, MD and senior management of the business.

### Sector Governance

Sector management plays a significant role in managing DEI performance and should regularly share best practice across their Sectors and have oversight of any breaches of this policy. Sector CEOs and management teams must:

- Review and follow up biannual DEI reporting.
- Have oversight of any breach or alleged breach of this policy and report to the Group CEO on any serious incidents.

### Group Governance

Diploma is also positioned to support continuous improvement in DEI across the Group. PLC management will:

- Review biannual DEI reporting and set targets for gender diversity.
- Oversee and support the reporting and investigation of serious incidents.
- Provide training resources on the Purple Portal.
- Communicate openly, and in a timely manner, any relevant DEI information or issue.
- To investigate any DEI concerns brought to their attention, either directly or via whistleblowing or a grievance.

## Reporting to Group

The objective of DEI reporting is to help us understand the makeup of our workforce and where there may be DEI risk and room for improvement.

Respectful and confidential reporting is a key part of DEI. Businesses should be proactive in explaining why this personal data is being collected and how it will be used. In addition to collecting biannual DEI data, we also anonymously collect demographic data during the annual Colleague Engagement Survey.

All businesses must submit the following data:

- **Total men, women, other in your business**
- **Gender: Senior Management Team:** The self-declared gender identities of your SMT (male, female, other). Group HR to provide a list of colleagues in your business that are members of the SMT.
- **Ethnicity: Senior Management Team:** Total members of SMT that self-identify as an ethnic minority (yes/no/prefer not to say). Group HR will provide a list of colleagues in your business that are members of the SMT.
- **Commentary:** this should include any incidents, initiatives, training and challenges

## Glossary

*Diversity* recognises that everyone is different. This includes differences in protected characteristics such as race, ethnicity, sexual orientation, gender, age, socio-economic status and disability as diversity in background, experience or approach. Great teams are made up of people that bring a range of perspectives, values, ideas and challenge.

*Equity* recognises that individual needs require different approaches. Creating an equitable working environment requires us to remove barriers to opportunity that may affect some colleagues.

*Inclusion* requires a continuous and proactive effort to build a culture that everyone contributes and belongs to and encourages all colleagues to bring their whole, authentic selves to work. Inclusion requires us to review our processes and structures with a critical lens.

*Senior Management Team* is a defined list, which can be confirmed with HR.

## Contact

If you have any questions on this policy, any DEI concerns, or any suggestions on how we could improve DEI, please contact Lizzie Kahn [lizzie.kahn@diplomapl.com](mailto:lizzie.kahn@diplomapl.com)

If you would like to raise an issue anonymously or for whatever reason you do not feel comfortable telling your line manager, managing director, please raise this via whistleblowing.