



# Diversity policy



**Commonwealth Superannuation Corporation (CSC) supports and encourages a diverse and inclusive workforce by fostering a culture and environment of respect, courtesy, honesty, integrity, working in a supportive and collaborative way, treating others how we wish to be treated, having an appreciation of difference and other perspectives, and having an openness to other cultures. CSC strives to be a great place to work and that means ensuring all people feel valued, respected and supported. In order to have a properly functioning diverse workplace, CSC recognises that discrimination, harassment, vilification and victimisation cannot and will not be tolerated.**

**Diversity can include differences that include, but are not limited to, gender, age, disability, ethnicity, marital or family status, religious or cultural background, sexual orientation and gender identity.**

## **The importance of diversity**

Diversity is important as it enhances the capacity to attract, motivate and retain talent from the widest possible pool of talent available, reduces the potential for entrenchment and groupthink, and allows for equal opportunity. This commitment to diversity needs to start at the Board level as this encourages an environment that enables diversity to foster throughout CSC.

## **30% Club and support for gender equality**

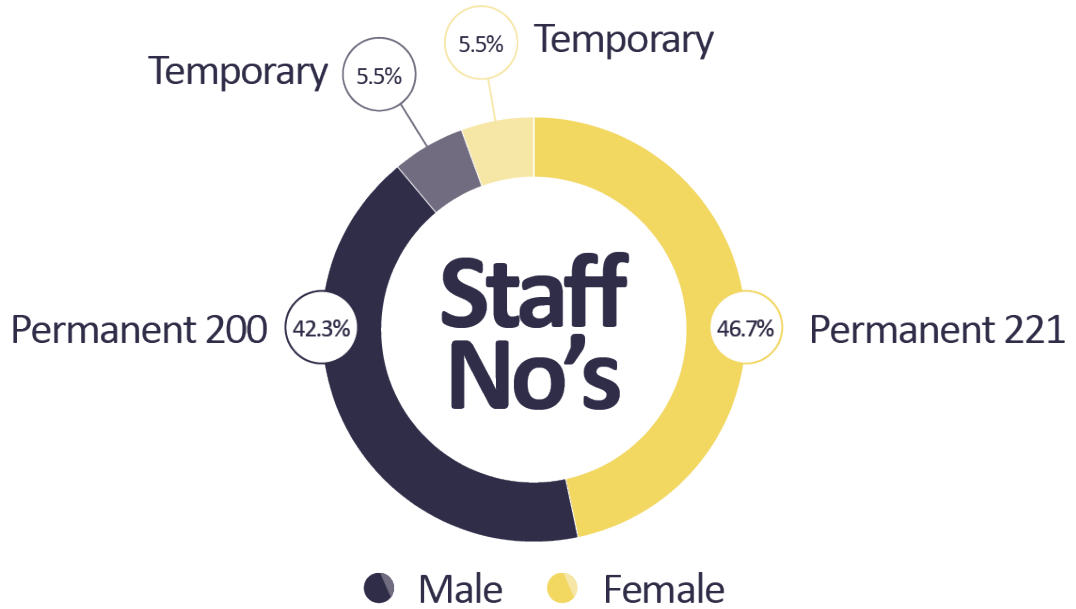
The CSC Board supports the vision of the Australian 30% Club which is “to achieve 30% of ASX 200 seats held by women by end-2018”. CSC believes that boards that genuinely embrace cognitive diversity, as manifested through gender equality and a broad spectrum of skills and experience, are more likely to achieve better outcomes for members and shareholders, a higher standard of corporate governance, improved financial performance and an enhanced capacity to attract and retain female talent.

In accordance with this commitment, CSC actively encourages its investment managers to engage with investee companies in support of achieving the target of 30% of ASX 200 seats held by women by end-2018. This policy describes how CSC itself implements its commitment to diversity.

## CSC employment profile

As at 31 March 2017, CSC's workforce is comprised of 52.2% women and 47.8% men. The following tables demonstrate gender equality by employment type and at various levels of seniority across CSC as at 31 March 2017.

### Employment Type: Gender



### Job Level: Gender

Level	Female	Male
Board	6 (54.55%)	5 (45.45%)
CEO	(0.0%)	1 (100.0%)
General Manager	3 (42.9%)	4 (57.1%)
Heads Of	3 (50.0%)	3 (50.0%)
Senior Manager	7 (50.0%)	7 (50.0%)
Manager	52 (44.4%)	65 (55.6%)
Other Staff	182 (55.5%)	146 (44.5%)
Total	247 (52.2%)	226 (47.8%)

## The CSC Board

The Minister for Finance appoints all CSC directors; two are nominated by the Chief of the Defence Force and three are nominated by the ACTU.

The Board takes very seriously its role in liaising with the Minister for Finance and nominators to discuss Board composition, including nominating and appointing individuals of high calibre with the ability to make a valuable contribution to Board deliberations. A key aspect of this communication is seeking balance by having diversity in relation to gender, age, experience, skills and qualifications through merit based appointments. Recent governments have valued Board diversity and have supported a CSC Board that has over 30% of Board positions held by women.

## Diversity within CSC's investee companies

CSC is keen to see boards generally benefit from diversity. This underpins its support for the vision of the Australian 30% Club. As an asset owner and manager CSC is responsible for the stewardship of the investments it makes. CSC actively encourages its investment managers to engage with investee companies on corporate governance issues including the processes boards use to identify suitable candidates.

## Practices that support diversity at CSC

CSC encourages diversity within its organisational practices.

### Supportive policy framework

CSC has a policy framework that supports diversity and equal opportunity.

### Flexible workplace arrangements

CSC recognises that all employees, at all levels, may have domestic and personal responsibilities and supports practices that assist them in meeting those and work responsibilities. Transparent and cooperative discussions on flexible work practices that meet personal and work responsibilities with managers are supported and implemented as appropriate.

### Discrimination, harassment, vilification and victimisation is not tolerated

CSC does not tolerate discrimination, harassment, vilification and victimisation in the workplace, including when recruiting, promoting and selecting candidates. This is clear in statements of policy. Non-compliance may result in disciplinary action, including termination of employment.

### Remunerate fairly

CSC's remuneration objectives are to remunerate staff fairly, taking into account the services they provide and the level at which they provide those services, the extent to which those services promote the achievement of CSC's corporate objectives, and relevant market conditions. Remuneration is gender-neutral and is designed to encourage behaviour that supports protecting the interests, and meeting the reasonable expectations, of beneficiaries, the long term financial soundness of CSC and CSC's risk management framework. Remuneration is benchmarked against Financial Institutions Remuneration Group (FIRG) survey data or set out in the Enterprise Agreement. These benchmarks apply to the type of work that is performed and levels of competency, and do not discriminate against issues of diversity such as gender and ethnicity.

## Reporting and disclosure

The reporting and disclosure of diversity encourages greater accountability and transparency and is likely to improve the effectiveness of this policy.

CSC monitors gender equality at all levels within CSC. Regular reports are provided to the Remuneration and HR Committee.

Disclosures regarding diversity are made available on the CSC website in the Annual Report to Parliament commencing from the 2016/17 financial year. The remuneration of directors and executive staff is disclosed annually on the CSC website.

## Review

This policy will be reviewed by the General Manager, Corporate biennially or following a trigger event, in particular in the light of any significant changes to CSC's business and regulatory changes, to assess its continuing currency. It, and any changes made to it from time to time, will be presented to the Board for approval.

Date	Author	Comments
25 July 2017	General Counsel team	Established to describe how CSC implements its commitment to diversity. Board Governance Committee meeting 15 June 2017; approval by Board 25 July 2017.