

# Diversity Policy

## 1. Purpose and Scope

This policy describes Infratil's approach to diversity and inclusion, and how diversity and inclusion, is promoted and embedded within Infratil. The policy applies to the Board, and also sets out the diversity principles which Infratil expects the Manager and the Portfolio Entities to adopt for their directors and employees. The policy is supported by Infratil's Diversity Strategy along with the Board Charter and Nomination and Remuneration Committee Charter which assists Infratil to meet its diversity commitments. The policy should be read in conjunction with Infratil's Ethics Policy and Code of Conduct (available on Infratil's website).

Infratil recognises that all people working in, or visiting, the workplaces of Infratil, the Manager and Infratil's Portfolio Entities have the right to be treated with respect and fairness and enjoy an environment free from discrimination, harassment, bullying and other unlawful behaviours.

## 2. Diversity

Diversity involves people at all levels within Infratil, the Manager and Portfolio Entities (including board, senior executive, management and other employees) possessing a diverse blend of skills, experiences, values, perspectives, styles and attributes gained from life's experiences and backgrounds, including on account of their culture, race, ethnicity, gender, age, disability, religion, sexual orientation, marital or family status, political opinion, education, employment status, or otherwise.

## 3. Diversity Principle and Objectives

Infratil recognises that diversity of thought at all levels of the business, in an inclusive environment, can lead to better decision-making, improve and increase corporate performance and shareholder value, enhance talent recruitment and retention, increase employee satisfaction and enhance the probability of achievement of Infratil's objectives ("Diversity Principle").

Promoting behaviours and processes in the Manager and Portfolio Entities that are consistent with this Principle will assist Infratil in the following areas:

Strategic and operational:

- a. being attuned to diverse strategies to deliver Infratil's objectives;
- b. being attuned to diverse corporate, business and market opportunities; and
- c. being attuned to diverse tactics and means to achieve its strategic and operational objectives.

Management:

- a. nurturing and developing the collective relevant skills, and diverse experience and attributes, of people within Infratil;
- b. being attuned to diversity of thought in attracting and retaining people within Infratil.

Management will monitor, review and report to the Board on Infratil's progress under this Policy.

#### **4. Responsibility for Policy**

Although the Board retains ultimate accountability for this Policy, the Board has delegated responsibility for the implementation of this Policy to the CEO. In turn, the CEO has delegated to the Company Secretary responsibility for the administration of this Policy (including its reporting to the Board).

#### **5. Accountability and Reporting**

Management will report to the Board periodically (and at least annually) on the diversity and inclusion policies adopted by the Manager and Portfolio Entities and the Infratil Group's progress towards achieving the Diversity Principle. Diversity of thought cannot be directly measured, but appropriate diversity metrics can give an indication that Infratil, the Manager and Portfolio Entities promote an inclusive work environment.

In particular, Management will, subject to oversight and approval by the Board:

- a. encourage the Manager and Portfolio Entities to have diversity and inclusion policies, behaviours and processes that are consistent with the Diversity Principle and that include appropriate measurable objectives in respect of diversity, measure performance against any agreed targets and KPIs, and report, from time to time (but at least annually) on these targets and KPIs;
- b. monitor and report on the diversity and inclusion policies, behaviours and processes adopted by the Manager and Portfolio Entities (including, where applicable, any agreed targets and KPIs in respect of diversity);
- c. monitor the diversity information and consider future objectives concerning the strategies, initiatives and programmes referred to in this Policy;
- d. periodically review the diversity performance of Infratil;
- e. consider actions and future objectives for improving diversity;
- f. disclose this Policy or a summary of it in its annual report and disclose the processes the Board adopts, and the criteria the Board takes into consideration, in its selection of prospective new Board members;
- g. incorporate in the corporate governance statement in Infratil's annual report appropriate reporting on diversity at Infratil; and
- h. incorporate in the corporate governance statement in Infratil's annual report a statement as to the mix of skills and diversity (including gender) that the Board is looking to achieve in the Board's membership.

#### **6. Communication**

Infratil will communicate this Policy within the Group, to its shareholders and to the market, including via its website, in the interests of transparency and accountability, and to better promote achievement of the Diversity Principle.

**7. Additions to this Policy**

Any strategies, initiatives and programmes referred to in this Policy as may be approved by the Board from time to time, shall be incorporated into this Policy as if set out in full in this Policy.

**8. Application of this Policy**

Training will be provided where appropriate for the Board to support the successful implementation of this Policy and the achievement of the Diversity Principle. Infratil expects the Manager and the Portfolio Entities to implement training with similar objectives.

The Board supports a merit-based approach for selection and promotion of employees and executives, and for determining the composition of the Board, but acknowledges the importance of seeking to ensure recruitment and selection practices are inclusive of candidates that represent the diversity of our stakeholders, communities and markets, and addressing any bias in systems and processes that might disadvantage people from diverse groups.

## **Diversity Strategy Initiatives, Programmes and Measurable Objectives**

### **1. Introduction**

This Diversity Strategy supports Infratil's Diversity Policy, Board Charter and Nomination and Remuneration Committee Charter and assists Infratil to meet its diversity commitments. Capitalised terms used but not defined in this Diversity Strategy have the meaning given to them in the Diversity Policy or Board Charter (as applicable).

Responsibility for implementation of the Diversity Policy is for the Board, in respect of Board selection, and is delegated to the CEO with respect of Infratil's business activities, including the programme to achieve diversity, administration, monitoring and review.

The Board Charter and Nomination and Remuneration Committee Charter include relevant references to diversity, and diversity considerations in respect to Director appointment and succession planning. In accordance with the current NZX Corporate Governance Code, the diversity considerations under these Charters include measurable board gender diversity objectives of maintaining at least 40% of Directors being male and at least 40% of Directors being female.

The Board expects that Infratil people will adhere to and support the principles of diversity, including that they do not expressly or implicitly operate in a manner contrary to the Policy.

Any incidents of exceptions to the Diversity Principle should be reported to the Infratil Company Secretary or the Manager's Head of Legal (together with details as to the reason for the exception) for verification (and on-referral as appropriate) having regard to the Policy.

### **2. Development Programmes**

Infratil commits to the career development of its people who aspire to develop their skills and abilities to take on more senior and responsible roles within Infratil. Career development programmes vary across Infratil, but its career development principles and practices are intended to support the career development of all of its people, to enable them to reach their maximum potential, and to achieve their own and Infratil's objectives.

People development programmes include mentoring, personal coaching, internal and external training and other support for the achievement of additional qualifications and skills that add value to Infratil people and the business.

A particular aim of Infratil is to improve the internal succession "pipeline" of personnel, in a manner that is consistent with the Diversity Principle of a merits-based approach to selection and promotion from a diverse pool of talented candidates that represents the diversity of our stakeholders, communities and markets, towards more senior and responsible roles within Infratil.

### **3. Diversity Initiatives**

To implement the Diversity Strategy and the achievement of the Diversity Principle, the following initiatives will be introduced:

- a. The Diversity Policy and Diversity Strategy will be distributed and communicated across Infratil (and provided on the Infratil website);
- b. Management will determine and report to the Board on a 6 monthly basis the diversity position for Infratil as a whole, each wholly owned subsidiary and each other material Portfolio Entity, as determined by the Board from time to time; and
- c. Appropriate diversity reporting will be incorporated in the Infratil annual report.