

# Waka Kotahi Kia Toipoto Pay Gaps Action Plan

2023-2024

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Version 1





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## **Executive summary**

- At Waka Kotahi, we believe in the power of inclusion and diversity, and we're committed to building an inclusive culture where everyone feels
  they belong.
- As part of our commitment to diversity, equity and inclusion, we want to address any barriers that impact our people because of their gender or ethnicity.
- We are continuing to make a positive shift year on year with our overall gender pay gap, which has reduced by almost 5% in the last two years, from 24.3% in 2020 to 19.5% in 2022. There is also minimal difference in gender pay within band.
- We are now taking an intersectional approach, and have started analysing our pay gaps by ethnicity, as well as gender.
- Like many organisations, representation within different role types is driving pay gaps at Waka Kotahi both for gender and ethnicity.
- We have a larger proportion of women, Māori and Pacific people in lower paid roles (bands 11 to 16) and a smaller proportion of women and people from ethnically diverse backgrounds in higher paid roles.
- In terms of leadership, we are continuing to maintain gender balance in senior leadership roles (Tiers 1-3) with 49% female representation. To maintain gender balance in Tiers 1-3, we need to achieve better balance in the tiers below, particularly in mid management level roles, to build a more robust leadership pipeline.
- While we have gender balanced senior leadership, there is more work to do to increase ethnic representation across the board, with senior leadership (Tiers 1-3) having no Pacific Peoples and just 4% representation for Māori and Asian people in these roles. Ethnic pay gaps are significantly higher for Pacific Peoples, and we need to work to effectively address any barriers to development, career progression, attraction and retention for under-represented ethnic groups.
- Eighty one percent of our part time employees are women, compared to 19% men, which could indicate that women across all ethnic groups are taking on most of the caregiving and whānau responsibilities. Career breaks and having flexibility in work arrangements is one of the factors that can potentially have a negative impact on women's career progression.
- There are also harder to measure factors, such as bias and discrimination (both conscious and unconscious) which continue to perpetuate workplaces. These inequalities can be driven by workplace systems and deeply held societal beliefs about gender, ethnicity, work and family. There are also differences in the choices men and women make about career and family.
- These disparities highlight the importance of continuing to enhance our people practices and inclusivity which support increasing representation across both gender and ethnicity, to achieve greater diversity across all levels of our organisation and reduce pay gaps.

- Our 2023-24 action plan is underpinned by 6 focus areas and milestones within the Kia Toipoto Public Service Pay Gaps Action Plan:
  - Te Pono | Transparency
  - Ngā Hua Tōkeke mō te Utu | Equitable pay outcomes
  - Te whai kanohi i ngā taumata katoa | Leadership and representation
  - Te Whakawhanaketanga i te Aramahi | Effective career and leadership development
  - Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination
  - Te Taunoa o te Mahi Pīngore | Flexible work by default

#### It includes:

- · Publishing our data and collaborating with our people on our Kia Toipoto actions
- Our data and pay practices continue to ensure equitable pay outcomes for all
- · Pathways to increase diverse representation in our workforce and leadership
- Ensuring opportunities are available for everyone to develop and progress their careers
- Building our cultural competence and addressing any bias in our policies and practices
- Continuing to embed and normalise flexible ways of working for all.
- We will continue to work with our people as we progress our 2023-2024 Kia Toipoto actions.

# Our 2023-24 action plan

This plan sets out our actions in relation to the 6 focus areas and milestones within the <u>Kia Toipoto Public Service Pay Gaps Action Plan</u>. Refer to Appendix for the approach taken.

Milestone 1: Te Pono   Transparency	Planned actions 2023-24	Success measures 2023-24
<ul> <li>Agencies and entities publish annual action plans based on gender and ethnicity data and union/employee feedback.</li> <li>Agencies and entities ensure easy access to HR and remuneration policies, including salary bands.</li> </ul>	<ul> <li>1.1 Publish our gender and ethnic pay gaps action plan on our intranet and external website.</li> <li>1.2 Continue collaboration with our Pasifika, Wāhine, Pride, Rangitāmiro, Neurodiversity and other employee-led networks once established to inform/contribute to this mahi.</li> </ul>	<ul> <li>Action plan is published and communicated.</li> <li>Diversity &amp; Inclusion (D&amp;I) collective group stood up (including leaders from all employee-led network groups) and ongoing consultation evident. Collaboration sessions with our employee-led networks evident.</li> </ul>
Milestone 2: Ngā Hua Tōkeke mō te Utu   Equitable pay outcomes	Planned actions 2023-24	Success measures 2023-24
By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias.	<ul><li>2.1 Update our gender identity options in Puna Koi to align with Stats NZ standards (that is, change to another gender instead of gender diverse).</li><li>2.2 Educate our people on how to change their personal</li></ul>	<ul> <li>Gender identity options aligned with Stats NZ standards.</li> <li>Increased workforce data recorded in Puna Koi.</li> </ul>
Agencies monitor starting salaries and salaries for the same or similar roles to ensure gender and ethnic pay gaps do not reopen.	information in Puna Koi (including gender identity, ethnicity and disabilities) and tell the story of why this is important to raise awareness and action.  2.3 Continue to conduct gender and ethnic pay gap analysis as part of our annual remuneration process.	<ul> <li>Pay gap analysis completed annually and findings inform the pay gap plan.</li> <li>Year on year decrease in gender, Māori, Pacific and ethnic pay gaps in</li> </ul>
Pay equity processes are used to address claims and reduce the impact of occupational segregation.	2.4 Increase rigour in our starting salary practices.	same or similar roles.

Milestone 3: Te whai kanohi i ngā taumata katoa   Leadership and representation	Planned actions 2023-24	Success measures 2023-24
<ul> <li>By the end of 2022 agencies/entities have plans and targets to improve gender and ethnic representation in their workforce and leadership.</li> <li>By the end of 2024 the Public Service workforce and leadership are substantially more representative of society.</li> </ul>	<ul> <li>3.1 Review our talent management practices to optimise opportunities to grow the diversity of our talent.</li> <li>3.2 Show diverse leadership role models through presentations, panels etc.</li> <li>3.3 Evaluate the pilot wāhine programme (Growing Greatness) and Te Tupuranga (Māori leadership programme) to determine if they align with next steps in strengthening the diversity of our leadership pipelines.</li> <li>3.4 Investigate offerings and opportunities for Pasifika development initiatives.</li> <li>3.5 Embed additional Diversity data into regular reporting to maintain focus on gender and ethnic representation across our workforce and leadership.</li> </ul>	<ul> <li>Diversity within our Talent roadmaps increased.</li> <li>Increased visibility of diverse role models through presentations, panels etc.</li> <li>Wāhine, Māori and Pasifika development programmes next steps agreed and actioned, as appropriate.</li> <li>Evidence of progress towards achieving the Diversity &amp; Inclusion Roadmap targets.</li> <li>Increased presence of Diversity data within organisational reporting.</li> </ul>
Milestone 4: Te Whakawhanatanga i te Aramahi   Effective career and leadership development	Planned actions 2023-24	Success measures 2023-24
By mid 2023 agencies/entities have career pathways and equitable progression opportunities that support women, Māori, Pacific and ethnic employees to achieve their career aspirations.	<ul> <li>4.1 Identify Tuakana-Teina relationships and evaluate application of the model.</li> <li>4.2 Embed career development resources into current and future people practices (for example, development conversations).</li> <li>4.3 Launch and embed Pā Harakeke, our new leadership capability framework to enable ongoing career and leadership development conversations.</li> </ul>	<ul> <li>Tuakana-Teina relationships are identified and model evaluated.</li> <li>Our people have access to resources to have ongoing development conversations.</li> <li>Pā Harakeke is launched and being used.</li> <li>Tapatahi results regarding career growth increase and development opportunities increase.</li> </ul>

Milestone 5: Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki   Eliminating all forms of bias and discrimination	Planned actions 2023-24	Success measures 2023-24
<ul> <li>By the end of 2023 entities have remuneration and HR systems, policies and practices designed to remove all forms of bias and discrimination.</li> <li>Agencies embed and monitor the impact of bias-free HR and remuneration policies and practices.</li> <li>Agencies/entities ensure leaders and employees learn about and demonstrate cultural competence.</li> </ul>	<ul> <li>5.1 Ensure our people complete current cultural competency and D&amp;I learning offerings</li> <li>5.2 Continue building our Māori cultural competency through Te Ara Kotahi (our Māori Strategy), Te Ara Poutama (our Māori Capability Framework) and Whāinga Amorangi (the cross-agency programme to lift Māori Crown relations).</li> <li>5.3 Begin the review our policies, guidelines and practices to remove any potential bias in our policies around Recruitment, Reward &amp; Remuneration, Career progression, breaks and leave (including parental leave and other support for caregivers).</li> </ul>	<ul> <li>Cultural competency and D&amp;I course completion rates, including senior leaders and ELT increase.</li> <li>Tapatahi results regarding people feel confident they won't be discriminated against increase.</li> <li>Potential bias is removed from policies and practices</li> </ul>
Milestone 6: Te Taunoa o te Mahi Pīngore   Flexible work by default	Planned actions 2023-24	Success measures 2023-24
By the end of 2024 agencies and entities offer equitable access to flexible-by-default working and ensure it does not undermine career progression or pay.	<ul> <li>6.1 Continue to embed our flexible working principles and practices and support our people and leaders to build a flexible working culture.</li> <li>6.2 Share learnings and initiatives from Te Punga (our Wellington office move) across the organisation.</li> </ul>	<ul> <li>Tapatahi results regarding flexible working continue to be high.</li> <li>Te Punga learnings shared.</li> </ul>

# **Background**

## **Background and public sector context**

In 2018, the government made a commitment to address the gender pay gap within New Zealand. To encourage public service agencies to act regarding their gender pay gaps, the government developed the Public Service Gender Pay Gap Action Plan 2018-2021 which outlined several actions and milestones to drive the progress.

Building on the success of the 2018-2021 Public Service Gender Pay Gap Action Plan, <u>Kia Toipoto</u>, the Public Service Pay Gaps Action Plan 2021-2024 was launched in November 2021.

<u>Kia Toipoto</u> goes wider than gender and is a comprehensive set of actions to help close gender, Māori, Pacific and ethnic pay gaps in the public service, including crown entities.

The goals of <u>Kia Toipoto</u> are to:

- make substantial progress towards closing gender, Māori, Pacific, and ethnic pay gaps
- accelerate progress for w\u00e4hine M\u00e4ori, Pacific women, and women from ethnic communities
- create fairer workplaces for all, including disabled people and members of rainbow communities.

# Kia Toipoto | Public Service Pay Gaps Action Plan 2021-2024 focus areas

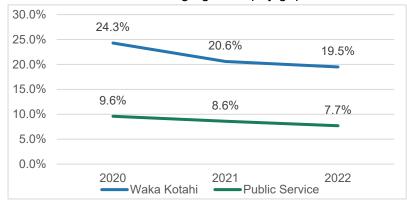
- 1. Te Pono | Transparency
- 2. Ngā Hua Tōkeke mō te Utu | Equitable pay outcomes
- 3. Te whai kanohi i ngā taumata katoa | Leadership and representation
- 4. Te Whakawhanaketanga i te Aramahi | Effective career and leadership development
- 5. Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination
- 6. Te Taunoa o te Mahi Pīngore | Flexible work by default

Waka Kotahi has already undertaken several initiatives to help close our gaps and make progress within these 6 focus areas, but we know there is more work to do. Our inaugural Kia Toipoto action plan outlines the actions we'll take to help us to achieve these milestones.

## Our journey to date

The overall Waka Kotahi gender pay gap reduced by 4.8% from 24.3% in 2020 to 19.5% in September 2022.

The chart below shows the average gender pay gap of Waka Kotahi in comparison with the Public Service over the last three years.



Some examples of the actions taken over the past three years include:

- Salary adjustments were made to reduce gender pay gaps by Band in 2020. Processes are in place to monitor and sustain these
- Introduced a recruitment tool that is used as a guideline by our Talent Acquisition team to ensure job advertisements are gender neutral
- · Integrated helpful hints on managing unconscious bias for hiring managers into our recruitment practices
- Enhancement of flexible working principles and practices
- Developing and progressing our Diversity and Inclusion Roadmap, which also aligns with the <a href="Public Service Papa Pounamu priorities">Public Service Papa Pounamu priorities</a>
- Adjustment to our annual leave provision so that five weeks annual leave is provided to all employees, not just People Leaders predominantly benefiting those in lower paid job bands
- Provision of a life, income protection and critical illness benefit for all permanent employees working more than 15 hours per week to provide greater financial wellbeing in times of need.

Further examples of what's been achieved to date are outlined on pages 10 to 12.

## Our achievements to date

#### Te Pono | Transparency

- We worked with our people, employee-led networks, unions, and the Pūmanawa Tāngata (People and Safety Group) to develop our action plan.
- Our HR and remuneration policies, including salary band information, are accessible internally via the intranet.
- Our people have access to their own remuneration information including their salary band and position in range through our HR system, Puna Koi, and People Leaders have access to their team's remuneration information.
- We have been publishing our gender pay gap externally as part of our annual report every year since 2017.
- The Executive Leadership Team and Waka Kotahi's People & Culture Board Committee regularly review pay gap data.

#### Ngā Hua Tōkeke mō te Utu | Equitable pay outcomes

- We reviewed salaries and made pay adjustments in 2020 to employees where there were gender pay gaps in job bands.
- In 2021, we prioritised increases in pay for those that are earning below \$100,000 as part of the remuneration review.
- We continue to monitor our pay gaps as part of our annual remuneration review process and make adjustments where needed.
- We developed and continue to use a remuneration calculator to support equitable pay when making decisions about starting salaries.
- We reviewed our starting salary process in line with Te Kawa Mataaho guidance and identified areas for improvement.
- We provided training to the Talent Acquisition team on starting salary guidelines and procedures.
- We increased the amount of gender and ethnic workforce data as part of the launch of Puna Koi, our new HR system in 2022.
- In March 2023, we completed an update to the reporting functionality in Puna Koi to be able to report multi-ethnicity options.

#### Te whai kanohi i ngā taumata katoa | Leadership and representation

- We developed and are progressing our 3-year diversity and inclusion roadmap. Part of this roadmap includes increasing the diversity of our workforce, with an initial focus on:
  - growing our gender balance in mid-level leadership roles in Digital, Regulatory Services and Transport Services to a 40-20-40 split
  - increasing Māori representation in our workforce and in senior leadership to 15%

- growing the ethnic diversity of our workforce to reflect the communities we operate in.
- We ran a pilot wāhine leadership programme (Growing Greatness) specifically targeted to increasing women in mid-level leadership roles in Digital, Regulatory and Transport Services.
- We participated in a pilot Māori leadership programme (Te Tupuranga) to investigate suitability for wider rollout for those who whakapapa Māori.
- We established a partnership with the TupuToa and TupuTai internship programmes to grow our Māori and Pasifika pipeline and recruited the interns into our Emerging Professionals Programme upon successful completion.
- We adopted Pou herenga tangata Culture and leadership as one of our key strategic priorities.

#### Te Whakawhanaketanga i te Aramahi | Effective career and leadership development

- Our performance and development process and Puna Koi system is designed to help our people to be at their best and requires everyone to have a development plan to achieve their career aspirations.
- We rolled out career development resources and support tools aligned with Te Whare Tapa Whā that acknowledges the whole person, to help support our people to identify, work towards and achieve their career aspirations.
- We built and implemented a Tuakana-Teina coaching model and concept.
- We have study leave provisions to support career development.
- We introduced our Accelerating Leadership programme in 2020. 59% of all course enrolments are from those who are people leaders and non-people leaders make up the remaining 41%. More than half of all course enrolments (56%) are women.
- We investigated options to broaden leadership career paths beyond people leadership and developed Pā Harakeke, our new leadership capability framework which includes leading self, technical/thought leadership, and people/senior leadership.

#### Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination

- We introduced a recruitment tool to help ensure job advertisements are gender neutral.
- We implemented a guide with helpful hints on unconscious bias for hiring managers that is shared with People Leaders as part of the recruitment process. Our Talent Acquisition Consultants also coach People Leaders on addressing bias.
- We started collecting gender and ethnicity information at job application stage to help identify any biases in the recruitment process.
- We have a lump sum payment equivalent to six weeks of base salary to employees who return from parental leave and complete a further six months of service.

- We moderate performance ratings at group leadership level to address risk of bias.
- We are building our Māori cultural competency through Te Ara Kotahi (our Māori Strategy), Te Ara Poutama (our Māori Capability Framework) and Whāinga Amorangi (the cross-agency programme to lift Māori Crown relations).
- We integrated content on unconscious bias and cultural competency into our Accelerating Leadership programme to build capability in our leaders to understand and address bias and build cultural competence in a broad sense.
- As part of our new D&I roadmap, we started building awareness and buy-in for diversity and inclusion and supporting the establishment of employee-led networks, including the Wāhine, Māori, Pasifika, Pride and Neurodiversity networks.
- We rolled out foundational D&I learning, including conscious inclusion, rainbow inclusion and disability awareness learning, a series of lunch and learn sessions and LinkedIn Learning challenges to uplift our capability.
- We incorporated D&I questions into our Tapatahi survey to get a better understanding of our employees' perspectives and experiences.
- We rolled out free period products in our women's, all gender and accessible bathrooms in all offices.

#### Te Taunoa o te Mahi Pingore | Flexible work by default

- We released new flexible working principles and guidelines aligned to the Te Kawa Mataaho flexible-by-default guidance.
- We have tools and technology to support flexible work practices.
- We advertise roles as flexible (wherever possible) and support leaders to maintain our commitment to flexibility throughout the recruitment and onboarding process.
- We developed an employee value proposition summary that highlights flexible working as a key benefit.
- 91% of our employees have a positive view of flexible working at Waka Kotahi. This is above the government benchmark set by our engagement survey provider.
- Ways of working (environment and behaviours) have been a strong focus of Te Punga (Wellington office move).

# Gender and ethnic pay gap analysis

## Gender and ethnic representation in our workforce and leadership

One of the specific milestones of Kia Toipoto (Public Service Pay Gaps Action Plan 2021-24) is to improve gender and ethnic representation in the overall workforce and at the leadership level, so that the Public Service is substantially more representative of society. The data below is as at 30 September 2022.

Our gender profile at Waka Kotahi consists of **53**% female and **47**% male and a small proportion of gender diverse/another gender. As the number of employees who self-selected gender diverse (6) in Puna Koi is too small to meet the threshold of 20 people or more for statistical comparison while also providing anonymity, our gender reporting is limited to men and women.

#### Waka Kotahi workforce gender and ethnic representation

Gender	Workforce representation %	All managers %	Leaders Tiers 1-3 %
Male	47%	53%	51%
Female	53%	46%	49%
Another gender	0%	0%	%

Ethnicity	Workforce representation %	All managers %	Leaders Tiers 1-3 %
European	70%	83%	85%
NZ Māori	5%	4%	4%
Pacific Peoples	2%	0%	0%
Asian	12%	5%	4%

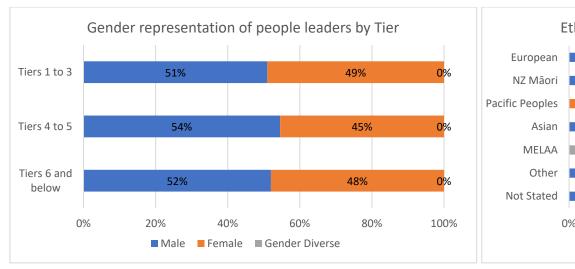
Ethnicity	Workforce representation %	All managers %	Leaders Tiers 1-3 %
MELAA	1%	0%	0%
Other	3%	2%	4%
Not Stated	8%	5%	4%

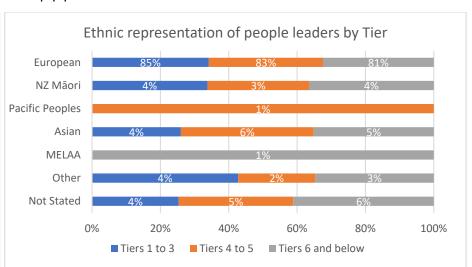
Note: MELAA stands for Middle East, Latin America and Africa. 'Other' are those that categorised themselves as either New Zealander or other.

#### Waka Kotahi gender and ethnic representation in leadership

Our leadership profile tells us that we are maintaining gender balanced at senior leadership level, with 49% women in Tiers 1 to 3.

In terms of the ethnic representation of our people, Europeans are the majority in all Tier groups. There are 4% Māori but no Pacific Peoples in Tiers 1 to 3 which shows we have work to do to build a more diverse leadership pipeline.



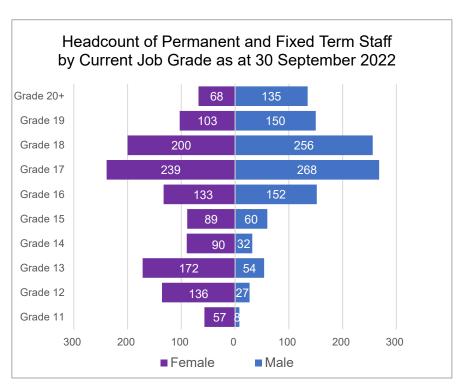


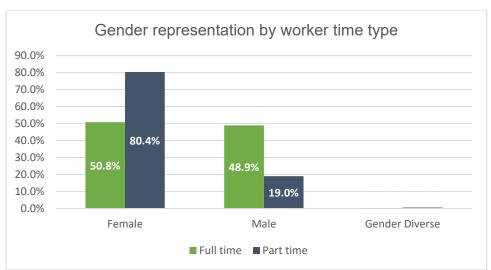
Note: Tiers refer to different leadership levels within the organisation, with the Chief Executive being Tier 1, leaders directly reporting to the Chief Executive being Tier 2, and so on. Tiers 1 to 3 is senior leadership.

### Our gender distribution in more detail

While women represent 53% of our workforce, they are overrepresented in lower Bands (15 and below) and underrepresented in higher Bands (16 and above). This is the key driver of our gender pay gap.

While there is almost equal representation of male and female employees who work full time, women tend to take part time roles – 81% of those that work part time are female.





## Deep dive into the gender pay gap

The table below outlines the overall gender pay gap at Waka Kotahi using both average and median full time equivalent total fixed remuneration. The figures include permanent and fixed-term employees and excludes the remuneration of our Chief Executive.

	No. of employees	Average salary	Median salary
Female	1287	\$110,427	\$102,711
Male	1142	\$137,097	\$131,221
NZTA	2429	\$122,966	\$118,034
Gender pay gap		19.5%	21.7%

In the table below, Average GPG denotes the difference between the average pay of women and men by band, in comparison to Median.

Bands	No. of female employees	No. of male employees	Average GPG	Median GPG
11	57	8	0.2%	0.0%
12	136	27	0.1%	0.7%
13	172	54	-3.2%	-3.1%
14	90	32	-3.6%	-1.7%
15	89	60	-1.6%	-2.0%

Bands	No. of female employees	No. of male employees	Average GPG	Median GPG
16	133	152	-1.1%	-1.1%
17	239	268	1.3%	0.4%
18	200	256	1.5%	1.8%
19	103	150	1.2%	1.3%
20+	68	135	-2.4%	-0.6%

While it is the overall gender pay gap that is often reported, it is also important to understand the gap by each Band. Of note is that:

- The gender pay gap by band shows that the average gap ranges from -3.6% to 1.5%. A negative gap indicates that women are receiving higher average pay than men, and vice versa for positive gaps. The negative gaps in lower bands can be attributed to the overrepresentation of female employees.
- Significant progress has been made on addressing gender pay gaps within bands over the past several years and these gaps are now considered insignificant at a statistical level. In addition, People Leaders review salaries as part of the job offer process and throughout the annual remuneration review to ensure equity is reflected at an individual level within teams.
- Representation within different role types remains the primary driver of the pay gap at Waka Kotahi.

## Deep dive into the ethnic pay gap

Using the <u>guidance released by Te Kawa Mataaho in calculating the ethnic pay gap</u>, the highest ethnic pay gap is at Pacific Peoples (**24.2%**). This can be attributed to the overrepresentation of this group in lower paid roles.

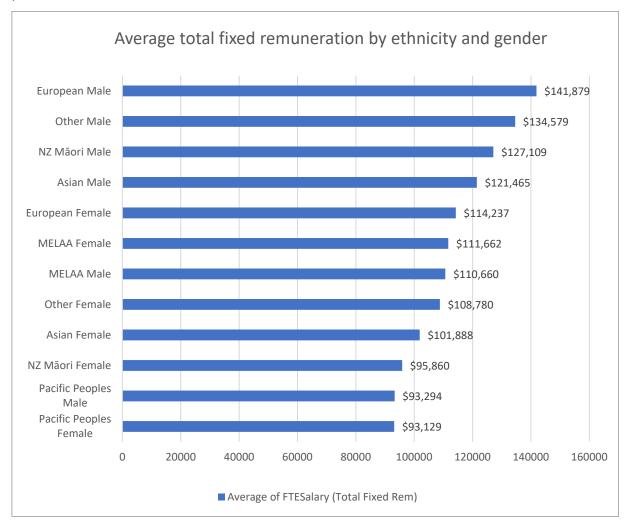
There has been a reduction in pay gaps for all ethnic groups (except MELAA) since we first measured ethnic gaps in 2021, with the biggest reduction being the Pacific pay gap which fell from 33.1% to 24.2%.

The table below shows the average salary and pay gap by ethnic groups.

Ethnic groups	Average salary	Median salary	Average pay gap
Pacific Peoples	\$93,200	\$89,579	24.2%
NZ Māori	\$107,671	\$102,056	12.4%
MELAA	\$111,213	\$116,309	9.6%
Asian	\$111,609	\$111,995	9.2%
Other	\$123,028	\$112,413	-0.1%
European	\$127,052	\$122,138	-3.3%

While it is also ideal to look into our ethnic pay gap by band, the sample size does not meet the threshold in our ethnic groups as **70%** of our employees are of European descent.

When further analysed by ethnicity and gender, European male employees are the most highly paid. Pacific female employees are the lowest paid.



# **Appendix: Approach and definitions**

This analysis was conducted with data as at 30 September 2022. The population included in the analysis was all employees of Waka Kotahi (2440 people). Contractors were excluded. The Chief Executive was excluded from pay analysis, but not representation analysis, as per <u>Te</u> Kawa Mataaho (Public Service Commission) guidance.

As at 30 September 2022:

- 2251 employees (92%) have disclosed their ethnicity in Puna Koi, our HR system
- 2430 employees (99.6%) have disclosed their gender in Puna Koi. Six employees have disclosed their gender identity as Gender Diverse in the system and 4 employees prefer not to say, were excluded from analysis due to not meeting the threshold of 20 people or more for statistical comparison while also providing anonymity.

We recognise that the number of gender diverse and disabled people recorded in Puna Koi is not likely to be a true reflection of our workforce, and we will endeavour to encourage and educate our people in order to strengthen this workforce information.

It is important to note for our ethnicity data, that while Puna Koi allows our people to record multiple ethnicities they identify with or feel they belong to, the reporting functionality within the system at the time this analysis was conducted was limited to reporting only one primary ethnic group response for each individual. This means that our ethnicity data is under-reported in this analysis, however we have since made changes to our system functionality to enable better ethnicity reporting in future.

For the purposes of this analysis, the following definitions have been used:

- Employee: permanent or fixed term full-time or part-time employee
- Pay: full-time equivalent of employee total fixed remuneration (TFR) has been used for the gender pay calculation. The total fixed remuneration excludes any allowances that are not part of total remuneration package. For example, higher duties or extra duties allowances, first aid allowance, On Call allowance, motor vehicle usage, etc.
- Pay gap: the difference in pay for groups of people (for example, may be gender or ethnic grouping) based on the average or median pay for various groups. For example, the overall gender pay gap at Waka Kotahi shows the difference in pay between all men and women in the organisation, and gender pay gaps by band show difference in pay between men and women in the same job band. Ethnic pay gaps show the difference in average pay for an ethnic group and the average pay of all those not in that ethnic group.
- People Leader: a person who has at least one direct report.

### Approach to developing our action plan

- We worked with our people and unions to review our pay gap analysis and develop our action plan.
- We are guided by our values and Te Kawa Mataaho's Kia Toipoto guidance to navigate our approach and identify actions to help close our gaps, diversify our workforce and leadership, address any bias and discrimination, and create a fairer workplace for all.
- We engaged a small group from Pūmanawa Tāngata (People and Safety Group) who were involved in the review and development, with our unions, Māori advisors and employee-led networks (Wāhine, Pasifika and Pride networks) also having the opportunity to input to the plan. We will continue to work with our people as we implement our plan.
- We will continue to engage our Executive Leadership Team who are committed to reducing pay gaps and delivering this plan. Our Diversity & Inclusion Executive Sponsors are the sponsors of the plan.
- We will continue to focus on gender and ethnic pay gaps, but we know our actions will positively impact more broadly. For example, on pay gaps for disabled people and members of rainbow communities.
- We acknowledge that closing pay gaps is difficult and will take time. We know we cannot achieve everything at once and will prioritise areas that will have the most impact, building on our current practices to help close pay gaps and support a more inclusive workplace for everyone.



Ngakau aroha Have heart



Kotahitanga Better together



Mahia Nail it



Kia maia Bebrave