



# DIVERSITY, EQUITY AND INCLUSION CHARTER

## Guidance Note

### The Business Case for Diversity, Equity and Inclusion

Diversity, equity, and inclusion (DEI) is used to describe three values that many organisations today strive to embody to help meet the needs of people from all walks of life. Based on data collected from more than 1000 companies spanning 15 countries, McKinsey's 2020 report entitled "Diversity Wins" shows that the relationship between diversity on executive teams and the likelihood of financial outperformance is now even stronger than before. The report also states that diversity winners are adopting systematic, business-led approaches to I&D, with special focus on inclusion and that there is a strong business case for both gender diversity and ethnic and cultural diversity in corporate leadership.

### Survey on Diversity and Inclusiveness practices in Mauritius

In January 2023, the Diversity and Inclusiveness Working Group set up by the National Committee on Corporate Governance (NCCG) launched a survey which aimed to gather information about where various organisations in Mauritius have reached in their diversity, equity and inclusion journey.

The survey was open to all public interest entities, which included companies regulated by the Bank of Mauritius, companies listed on the Stock Exchange Market Ltd., state-owned enterprises and insurance companies. Regulatory and statutory bodies, tertiary institutions, management companies, leasing companies, media houses and associations were also invited to participate in the survey. The responses were collected anonymously to encourage honest and open feedback.

The results of the survey were used to inform the development of the **Diversity, Equity and Inclusion Charter**, a commitment by the NCCG and signatory organisations to work together to build a more balanced, equitable and sustainable business community and society. The Charter invites and encourages organisations to voluntarily pledge their commitment towards:

- promoting diversity, equity and inclusion at all levels of their organisation;
- setting internal DEI targets which are backed by appropriate policies and strategies; and
- sharing with the NCCG a periodic status report describing their progress towards attaining the DEI targets and any obstacles encountered.

Should your organisation be agreeable to sign the Charter, kindly drop us an email on [info@nccg.mu](mailto:info@nccg.mu). Our Administrative Officer will then guide and accompany you through the steps.

# GUIDANCE ON THE CHARTER

## 1. How does the Charter work?

The NCCG, which owns the Charter, will work with organisations to promote diversity, equity and inclusion within their structure. Organisations will when signing up to the Charter and subsequently on a yearly basis, communicate their internal targets to the NCCG and thereafter at the end of their financial year, share with the NCCG the progress made against their set targets. The NCCG will compile such data and analyse same at a national level. A Diversity, Equity & Inclusion Report will then be produced by the NCCG on a periodical basis. Such Report will provide an overview of where Corporate Mauritius stands at a national level on its diversity, equity and inclusion journey, whether meaningful progress is being made and identify areas for improvement. A list of signatories to the Charter as well as organisations which need time to develop their internal targets, will be published on NCCG's website at <https://nccg.mu/>

## 2. Key Definitions

**Diversity**<sup>1</sup>: refers to having a workforce, management and Board which is diverse by age, creed<sup>2</sup>, ethnicity, cultural background, sex, sexual orientation, gender identity, disability, marital or family status, differences in education, work experience, and socio-economic background.

**Equity**: refers to fair and just practices and policies that ensure all members of a diverse group can thrive. Equity aims to identify and eliminate barriers that prevent the full participation of some groups. Equity is different from equality in that equality implies treating everyone as if their experiences are the same.

**Inclusion**: refers to how well the contributions, presence and perspectives of different groups of people are valued and integrated in an organisation.

## 3. Which organisations are in scope?

The Charter's commitments are aimed at all organisations of any size in Mauritius.

## 4. What does my organisation have to do?

### 4.1 Senior executive accountable for DE&I

- Organisations must appoint a member of their senior executive team responsible and accountable for diversity, equity and inclusion when signing the Charter. There is no obligation to publish the name of this senior executive.

*Example: The CEO or other C-suite member may be chosen as the accountable executive.*

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<sup>1</sup> Under our laws (Constitution and Equal Opportunities Act), mention is made of race, colour, creed, and caste. Religious belief is not included. Race is difficult to define but is generally accepted as being a social construct for which there is no legitimate scientific basis. Check <https://www.ohrc.on.ca/en/iii-principles-and-concepts/3-grounds-discrimination-definitions-and-scope-protection>

<sup>2</sup> It is interesting to note that the Ontario Human Rights Commission has also adopted "creed" and not "religious belief". There is no universal definition for creed, but it is generally accepted that it includes, but is not limited, to religion.

## 4.2 Internal targets for Diversity, Equity & Inclusion

- Organisations should set their own internal targets for diversity, equity and inclusion at all levels with particular focus on the Board, executive pipeline and middle management. This could be one target or a series of targets. Organisations have discretion on the detail of these targets and any overarching narrative explaining the rationale for these targets and plans to achieve them.
- Internal targets can be set on an annual basis, or up to a five-year basis. Internal targets should be set in a manner that will allow the organisation to measure over time its own progress towards achieving these targets.

*Example: An organisation can commit to have at least 40% women in senior roles by December 2025.*

- Targets could be set towards adopting processes which will be implemented within a timeframe towards improving and fostering DEI

*Example: A suitable process in place by December 2023 to mask names in the resumes before stage one recruiters short-list candidates for a particular role.*

## 4.3 Reporting of progress

- Organisations should communicate their internal targets for diversity, equity and inclusion to the NCCG initially when signing the Charter and thereafter on a yearly basis.
- Alongside the targets themselves, the organisation should provide some narrative text which explains why the organisation has chosen these targets or why it has revised the set targets and how these targets can help improve diversity, equity and inclusion in their organisation.
- When sharing with the NCCG on the annual progress towards these targets, which will normally be at the end of their financial year, this narrative should also explain *the extent to which* the organisation believes it is on track towards meeting the internal targets, together with any obstacles encountered in this process.
- Organisations must also share with the NCCG at the end of each financial year updated actual figures measuring progress towards their internal targets.

## 5. What is the Diversity, Equity & Inclusion Report?

The NCCG will compile all data received from organisations and analyse same from a national level perspective. Periodically, the NCCG will then publish a Diversity, Equity & Inclusion Report which will:

- (a) provide an overview of where Corporate Mauritius stands on its diversity, equity and inclusion journey; and
- (b) identify overall areas for improvement.