

# Diversity and transformation.

## Gender equality, diversity and inclusion in the workplace

Creating an **inclusive** and **diverse** workplace and uniting our people across all functions, levels and backgrounds to build a cohesive organisation where all employees feel included and valued.

We are on a **transformation maturity journey**, moving beyond compliance into a truly transformed and integrated culture. We encourage employees to bring their differences to the table as we believe there is strength in diversity and creating a cohesive community where every person is heard. There is a clear link between diversity and enhancing innovation, and we want to harness those values to craft a competitive edge while creating a sense of belonging.

We focus our transformation efforts on gender equality, diversity and education in the workplace, emphasising black women and people with disabilities. We comply with regulatory requirements, such as the Employment Equity Act, 55 of 1998, and the amended FSC. In alignment with the United Nations Universal Declaration of Human Rights, we aim to protect, promote and preserve the sanctity of human rights and ensure these principles guide stakeholder engagement.

We embrace diversity and actively develop an inclusive culture through:

### Collaboration

**We promote collaboration and conversation** through our leadership and employment equity and skills development forums.

#### Employment equity and skills development forums:

- Supporting diversity in the workplace
- Celebrating diversity management
- Managing diversity and inclusion (skills programme)

### Ongoing dialogue and coaching

**We facilitate targeted conversations** about employment equity, diversity and inclusion, and elevate conversations through diversity coaching and awareness training.

#### Diversity and inclusion focus groups:

- Working with differences in the virtual world of work
- Inclusivity in the workplace
- Personalities
- Embracing cultural differences
- Equality and equity
- LGBTQIA+
- Disability accommodation in the workplace

Focus groups help us gain insight from our workforce's perspective at differing levels, using data analysis for the development of our **employment equity plan**.

### Employee experience

**Our employee experience is embedded** through continuous conversation and leverages our leadership principles, habits and growth mindset.

#### Skills development programmes:

- Leading the change journey
- Igniting potential and future leaders
- Foundational core programme for team leaders, managers and senior managers
- Fundamental core programme for individuals

Our harassment code awareness training ensures that employees are aware of the code and how it impacts them.

# Diversity and transformation. (continued)

## Transformation through employment equity

We began developing our employment equity plan in 2020, which sets out our commitment to employment equity targets and the actions we will take to prevent discriminatory practices. We aim to transform our workforce to represent our communities and clients.

Our revised employment equity plan was approved by the Department of Employment and Labour in 2022, it sets out short-term FSC targets and longer-term targets towards the economically active population, including succession and retention planning. The plan is in line with the Prudential Authority's strategic priority for 2022.

## Employment equity comparison

Description	Black	Black female	African
<b>Senior management</b>			
FSC industry targets (%)	60,0	30,0	52,0
Economically active population (%)	91,0	40,7	79,3
2022 actual (headcount)	90	38	38
Liberty revised group targets (%)	56,5	22,7	25,2
Gap/surplus (%)	(4,2)	0,6	(1,9)
<b>Middle management</b>			
FSC industry targets (%)	75,0	38,0	65,0
Economically active population (%)	91,0	40,7	79,3
2022 actual (headcount)	966	504	520
Liberty revised group targets (%)	73,1	38,1	43,9
Gap/surplus (%)	(17,9)	(14,8)	(20,6)
<b>Junior management</b>			
FSC industry targets (%)	88,0	44,0	76,0
Economically active population (%)	91,0	40,7	79,3
2022 actual (headcount)	2 355	1 526	1 546
Liberty revised group targets (%)	87,9	56,6	61,5
Gap/surplus (%)	(0,2)	-	-
<b>Semi-skilled</b>			
FSC industry targets (%)	88,0	44,0	76,0
Economically active population (%)	91,0	40,7	79,3
2022 actual (headcount)	316	228	218
Liberty revised group targets (%)	93,6	50,1	76,1
Gap/surplus (%)	(0,9)	16,8	(12,2)
<b>Unskilled</b>			
FSC industry targets (%)	88,0	44,0	76,0
Economically active population (%)	91,0	40,7	79,3
2022 actual (headcount)	35	23	27
Liberty revised group targets (%)	92,5	44,8	80,6
Gap/surplus (%)	2,1	17,4	(7,6)

## Financial adviser transformation strategy

In 2021, we implemented our financial adviser transformation strategy. The strategy aligns with our group transformation strategy and helps us create a diverse and inclusive culture for our sales channels, while leveraging new and emerging client needs.

### Our financial adviser transformation strategic objectives:

- Become the brand of choice for female advisers
- Create a diverse and inclusive culture for all sales channels
- Develop targeted strategies to address the pain points of less mature advisers
- Identify, recruit and onboard new black adviser graduates
- Partner young black advisers with mature advisers for support and mentoring
- Support black advisers with leads to grow their books

Our strategy involves several channels, including creating a diverse and inclusive advice culture, talent acquisition and onboarding, an advice partnership model, and black female advisers' growth and retention. We are proud to have established the first industry-wide national women's financial adviser forum.

37% Woman advisers

**630**  
financial advisers  
joined Liberty in 2022

74% Black advisers

Total commissions paid annually to black financial advisers have **increased** from R185 million in 2015 to **R216 million** in 2022.

# Diversity and transformation. (continued)

## Growing the black middle class and moving towards financial freedom

We gain insight from research into the evolving economic and social landscape and apply this to relevant solutions that contribute to social and individual transformation and growth.

**We understand that building wealth takes time** and appreciate the different perspectives across the continuum from striving to thriving, the axis of which rests in the middle class.

The black middle class serve as **aspirational influencers** to the lower-income groups while setting their sights on moving beyond personal security by **building generational wealth**.

**The journey to financial freedom** encompasses a wide range of income levels and behaviours – from the lower-income groups working their way into the middle-class segment and the evolving aspirations of a relatively new black middle class, to the first wave of black middle class entering retirement.

We seek to understand and support this journey:

### Enhancing the foundation for entry to the middle class

We aim to create more opportunity for lower-income groups, as education and access to financial services are pivotal to entering the middle class. Contributing to financial literacy is built into our DNA.

*See how we leverage education as a tool for societal empowerment, contribute to socio-economic development and fund projects that make a difference.*

### Building middle class stability

For those recently entering the middle class, priorities include job security and securing basic assets. The repercussions of the pandemic and global financial crisis highlighted a degree of anxiety in maintaining this status, and there is a corresponding awareness of the need to plan for times of uncertainty. Concurrently, since the lifting of lockdown restrictions, there has been a mindset shift among the younger segment towards travel and lifestyle-related experiences.

*Liberty encourages a savings culture through our innovative and easy-to-use STASH app. Our income protector and ADDLIB lifestyle protector products provide comprehensive cover.*

### Supporting growth and development in the middle class

Once the middle class realises their aspirations, the shift is towards long-term prosperity and investing for growth. With such high unemployment rates in South Africa, there is also a mindset shift from job security to self-owned businesses, which in turn create jobs.

*See how we help start-ups thrive through our innovative Flame Station.*

### Building generational wealth

The country's established black middle class is facing its first wave of retirement and there is evidence of a related shift towards giving back and paying forward. This includes creating opportunities that will last beyond the self, such as investing and buying property.

Through STANLIB, Liberty offers a variety of investment portfolios encompassing investment strategies for every stage of life.

