

Diversity, Equity & Inclusion Strategy



Table of Contents

1	Executive Summary	4
2	Introduction	5
2.1	Background and context.....	5
2.2	Driving forces and principles	5
2.3	Scope.....	6
2.4	Definitions	6
3	Purpose and goals	7
4	Priorities for 2024-2027	7
4.1	Awareness raising and fostering an inclusive behaviour.....	8
4.2	Development of monitoring tools	8
4.3	Foster diversity in recruitment	8
4.4	Embedding and linking DE&I.....	8
5	Roles and Responsibilities	8
5.1	Management Team and Team Leaders.....	8
5.2	Human Resources.....	9
5.3	Communications Team	9
5.4	Staff Committee	9
5.5	Staff	9
6	Closing remarks	9
6.1	Follow-ups.....	9
6.2	Consultation status.....	10
6.3	Data protection.....	10
6.4	Records.....	10
7	Reference documents	10
	Annex I – EUAN Charter on Diversity and Inclusion	12

1 Executive Summary

ESMA is committed to foster, cultivate and preserve a culture of diversity, equity and inclusion and to enrich the organisation by supporting innovation and creativity.

In October 2022 ESMA announced its new ESMA Strategy for 2023-2028 recognising the importance (amongst others) of a committed and talented human resource capital. *'Promoting inclusiveness and diversity'* and *'foster an open-minded organisational culture'* are some of the principles sustaining ESMA's Strategy along with the overarching commitment to be an *'equal opportunity employer'* as embedded in the legislation underpinning the work of the EU.

Within this context, ESMA is now adopting its "Diversity, Equity and Inclusion (DE&I) Strategy for 2024-2027". This DE&I Strategy aims to provide a solid framework for the next few years identifying the areas where the institution can direct its organisational efforts towards creating and maintaining a diverse, equitable and inclusive work environment.

The following focus areas where ESMA can consolidate and further develop its DE&I efforts have been identified:

- awareness raising and fostering an inclusive behaviour;
- development of monitoring tools;
- fostering diversity in recruitment; and
- embedding DE&I in our activities.

With the adoption of this DE&I Strategy, ESMA is also committing to the "EUAN Charter on Diversity and Inclusion" (May 2021) annexed hereto (Annex I).

Next Steps

Following the adoption of this Strategy, ESMA will develop a DE&I Action Plan with a list of defined actions in the four priority areas identified.

2 Introduction

2.1 Background and context

Established in January 2011 as part of the European System of Financial Supervision (ESFS), the European Securities Market Authority's (ESMA) mission is to enhance investor protection, promote orderly financial markets and safeguard financial stability.

Starting with a workforce of few dozen individuals back in 2011, ESMA now counts on more than 350 talented and engaged individuals to achieve its overall objectives and make an impact on investors and financial markets.

In October 2022, ESMA announced its new ESMA Strategy for 2023-2028, which focuses on three strategic priorities (fostering effective markets and financial stability, strengthening the supervision of EU financial markets and enhancing the protection of retail investors) and two thematic drivers (enabling sustainable finance and facilitating technological innovation and effective use of the data).

In the overall 2023-2028 strategy, ESMA positions itself as the 'European centre of expertise on financial markets' and recognises the importance (amongst others) of a committed and talented human resource capital. It does so by aiming to: (i) enhance its human resource strategy to continue to retain and attract qualified people and (ii) *promote inclusiveness and diversity and foster an open-minded organisational culture*.

2.2 Driving forces and principles

As all EU institutions, bodies and agencies, ESMA is an *equal opportunity employer*. The principle of equal opportunities is embedded in the legislation underpinning the work of the EU, notably in Article 1d of the Staff Regulations which prohibits discrimination on any ground (such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age, or sexual orientation). This principle is fully embedded and underpins ESMA's policies, procedures and activities in all areas of human resource management, from recruitment to learning and development, performance evaluation, reclassification and career advancement, pay and benefits.

Another fundamental principle and driving force behind the commitment to *promote inclusiveness and diversity and foster an open-minded organisational culture* is the strong organisational belief that a more diverse, equal, and inclusive workplace positively affects the overall performance of the institution, bringing significant benefits in terms of innovation,

employee motivation and satisfaction, quality of decision making and talent acquisition / retention.

This 'ESMA Diversity, Equity and Inclusion (DE&I) Strategy for 2024-2027' forms an integral part of the overall ESMA HR Strategy. It consolidates the work done so far and clearly defines a direction for creating and maintaining a diverse working environment and an inclusive culture in which everyone feels valued and able to achieve their full potential.

This DE&I Strategy is based on: (i) the work of a cross-department project team set-up in ESMA for the purpose in 2022; (ii) the material made available and discussions taken place at the level on the EU Agencies Network (EUAN) work on Diversity and Inclusion; (iii) research on latest work of EU Institutions and of publicly available material on the topic.

2.3 Scope

The DE&I strategy applies to all ESMA staff members, trainees, seconded national experts (SNEs), interim staff, external consultants.

2.4 Definitions

In ESMA's context, **diversity** means that the workforce of the institution reflects the diversity of the European society in terms described under Article 1d of the Staff Regulations.

In the organisational context, **equity** entails proportional fairness and justice and does not assume all individuals have the same needs. And even more it is the acknowledgement that different groups might face different barriers to success and seeks to reduce or eliminate those barriers to give everyone the same opportunity to succeed. *Equity* is different from *equality* which assumes equal treatment regardless of differences; equity recognises these differences and works on them to ensure fairness of opportunities and development.

Inclusion is meant as "an organisational effort and practices in which different groups or individuals having different backgrounds are culturally and socially accepted and welcomed"¹. Ultimately, it's about appreciating differences.

Diversity, equity and inclusion are interconnected, and it is only in their combination that true impact emerges.

¹ Sourced from EUAN Library on D&I: <https://globaldiversitypractice.com/what-is-diversity-inclusion/>

3 Purpose and goals

This DE&I Strategy 2024-2027 aims to steer the organisation in the next years towards:

- Continuing to shape a diverse, equitable and inclusive workplace that allows every staff member to grow, develop and flourish in a work environment that reflects the EU society and adheres to its general principles and values;
- Ensuring that the workforce commits to act and behave at all times in a way that does not undermine the dignity of their colleagues and/or external stakeholders;
- Providing equal opportunities across the organisation by enhancing transparency and removing barriers where these may arise;
- Raising awareness and promoting diversity by working on biases, preventing discrimination, and cultivating openness;
- Developing leadership capability and establish organisational accountability with regards to DE&I; and
- Fostering a sense of belonging where staff feel safe, respected and supported in being themselves in the workplace.

The ultimate goal of this DE&I Strategy is to provide a framework where the institution can direct and enhance its organisational efforts towards creating and maintaining a strong diverse, equitable and inclusive work environment. Ultimately, an environment where people feel safe at all times, valued and engaged in their work.

4 Priorities for 2024-2027

Shaping the organisational culture of an institution requires a continuous investment of time and effort at all levels of the organisation. It also requires sustained, strong buy-in and continuous commitment by management.

Aware of the fact that the values underpinning DE&I have always been part of ESMA's culture, this strategy builds on these values and focuses on the following four priorities for the period of 2024-2027.

4.1 Awareness raising and fostering an inclusive behaviour

As an organisation, ESMA aims at ensuring that all its staff (TAs, CAs, SNEs, trainees) are aware of the benefits of being part of a diverse team and the importance of working in an inclusive workplace.

4.2 Development of monitoring tools

Tools will be developed to understand where ESMA stands in terms of DE&I, in order to be able to monitor the impact of this strategy and its action plan, and to understand when a change of focus may be needed.

4.3 Foster diversity in recruitment

Recruitment processes are the “entry door” for ESMA’s future workforce. ESMA aims to attract a diverse workforce from all members and parts of the EU society and to foster geographic balance, preserve gender balance and attract more members of underrepresented groups.

In parallel participants in selection procedures should practice the principles and values of DE&I and understand the shortfalls and perils of unconscious biases.

4.4 Embedding and linking DE&I

DE&I shall become part of the regular functioning of the organisation, part of the decision-making principles. Over time, DE&I considerations should be embedded into all relevant policies, procedures and HR processes.

5 Roles and Responsibilities

The implementation of this strategy places responsibility on the Management Team, the Team Leaders, the Human Resources (HR) Unit, the Communications Team, the Staff Committee and on individual staff members. It requires shared commitment and understanding of what it means to promote DE&I in the organisation’s policies, implementing practices and processes as well as in daily work.

5.1 Management Team and Team Leaders

The Management Team (ED/CCP Directors/HoD/HoU) and the Team Leaders have a particular responsibility in leading by example. In implementing this strategy, they shall commit to champion the cause and the identified principles. They will actively support DE&I and

encourage and implement equal opportunities in the workplace. They will foster inclusiveness and shall intervene in case of non-inclusive behaviour. The Management Team and the Team Leaders shall themselves be championing DE&I and as such be responsible for the diversity and inclusion progress in their departments/units/teams. Diversity, equity and inclusion measures shall be promoted ESMA-wide and at the department/unit/team level.

5.2 Human Resources

The HR Unit shall naturally be the institutional focal point in matters of DE&I and take the lead in notably the development of a DE&I action plan. The HR Unit shall be responsible for monitoring the implementation of this strategy and making recommendations for remedial action if necessary. HR will start sourcing, monitoring and reporting on DE&I related data in line with rules on data protection and update the Management Team regularly on progress made. HR shall provide training opportunities and guidance to management and staff regarding DE&I matters.

5.3 Communications Team

The Communications Team shall be closely involved in communicating internally and externally about the implementation of DE&I measures, initiatives, procedures and results.

5.4 Staff Committee

ESMA Staff Committee shall be closely involved in championing the DE&I cause and shall be involved on related actions and initiatives.

5.5 Staff

Everyone in ESMA has a role to play in pushing forward ESMA's DE&I strategy. Each individual staff member is expected to understand, make their own contributions and actively cooperate in implementing any measures introduced to develop or monitor DE&I at ESMA.

6 Closing remarks

6.1 Follow-ups

This DE&I Strategy shall be published on ESMA's website and on ESMA's Intranet to ensure the widest possible dissemination and availability.

ESMA will then develop a detailed 'DE&I Action Plan' in line with the strategic priorities. The plan will contain a list of actions and interventions to which ESMA will commit for the period covered by this Strategy.

Reporting on implementation of the action plan will be regularly provided to ESMA's Senior Managers/Heads of Departments/Heads of Units.

With the adoption of this DE&I Strategy, ESMA is also committing to the "EUAN Charter on Diversity and Inclusion" (May 2021) annexed hereto (Annex I).

6.2 Consultation status

The Staff Committee has been consulted prior to the approval of this DE&I Strategy.

6.3 Data protection

ESMA is the Data Controller as defined in Regulation (EU) No 2018/1725 of the European Parliament of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (Text with EEA relevance).

6.4 Records

All information collected as part of the implementation of the Strategy shall be filed and stored by HR in electronic format. The access to the documents is restricted to the HR staff, Internal Control Officer and ESMA Senior Managers/Heads of Departments/Heads of Units.

7 Reference documents

- the Treaty Establishing the European Community (in particular Articles 2, 3, 13 and 119);
- the Charter of Fundamental Rights of the European Union;
- the Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union, and in particular Article 1d of the Staff Regulations;
- the Fourth Action Programme for equal opportunities for women and men at the European Commission (2004 – 2008);

- Council Directive 76/207/EEC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions;
- the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions - Equal opportunities for people with disabilities: A European Action Plan (2003);
- Implementation by the EU (and its institutions) of the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD);
- Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing the European Supervisory Authority (European Securities and Markets Authority); and
- The various policies and actions done by the members EU Agencies Network in the area of Diversity and Inclusion and in particular the EUAN Charter on Diversity and Inclusion (Annex I)

Annex I – EUAN Charter on Diversity and Inclusion

EUAN WORKING GROUP ON DIVERSITY AND INCLUSION – EUAN Charter on Diversity and Inclusion

May 2021

The EU Agencies Network is committed to promoting equality and diversity within the Agencies and Joint Undertakings (JUs) it represents. The Network encourages the Agencies/JUs, as employers, to engage into a proactive and inclusive approach to diversity and inclusion.

This Charter is thus a commitment in favour of diversity and inclusion among the EU Agencies Network, whose staff members must benefit from equal treatment and opportunities, irrespective of any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation, as stated in article 1d of the Staff Regulations.

The EUAN members commit to:

1. Implement a human resources policy where diversity is regarded as a source of enrichment, innovation and creativity and where inclusion is promoted by managers and all staff, through policies improving work-life balance and flexible working arrangements for all genders, through appropriate support, particularly for the underrepresented genders, and through the implementation of the obligations enshrined in the UN Convention on the Rights of Persons with Disabilities and the UN's Sustainable Development Goal on gender equality.
2. Secure equal opportunities at every step of the career, through selection and recruitment procedures but also in staff promotion and mobility. Selection and recruitment must always be made on the basis of merit, irrespective of any other factors. The process must be devoid of bias while respecting the specific measures and rules so as to redress the gender imbalance at support roles level and to achieve the goal of at least 40% of underrepresented gender at all management levels respecting current contractual commitments.
3. Fully enforce the Staff Regulations, especially its articles 1d, 12a and 42a by excluding any kind of discrimination. There can be no place for divisive or opaque behaviours, nor any form of bullying or harassment.
4. Heighten managers' and Human Resource services' awareness of any barriers that can prevent individuals from succeeding. Raise awareness by promoting or organising special events and training to fight against stereotypes and to foster inclusion as a corporate culture built on greater diversity and inclusion.
5. Communicate widely, externally and internally to each colleague, the commitment to implement a diversity and inclusion policy and deliver regular and detailed follow-ups of the results.

This charter is based on the Commission's Charter on Diversity and Inclusion, which is part of the Diversity and Inclusion strategy of the European Commission, adopted on 19 July 2017.