



The Diversity, Equity & Inclusion imperative in mining and metals

The ongoing pandemic has rattled long-standing societal structures, labor markets and organizational workforces, with impacts seen across many industries, including the Mining and Metals (M&M) industry. As seen in Deloitte's [Tracking the Trends 2022](#), the mining industry is seeing a myriad of disruptive changes, including value chain realignments, shifts in operating models, and an increasing digitization of operations. Workforce and societal concerns have come to the forefront, with the rethinking of talent sourcing, reskilling, and training to optimize workforce spend and potential, a reinvigoration of the social purpose, and a

focus on decarbonization¹. M&M companies need to look for ways to thrive in this uncertain future—and they should consider unlocking the power of Diversity, Equity and Inclusion (DE&I) in the workplace as part of their path forward.

While DE&I maturity remains a challenge across many industries, it has proved to be a particularly enduring challenge in the M&M sector. Historically male-dominated and non-diverse, the industry is now working to address concerns with talent supply, organizational culture, and community engagement².

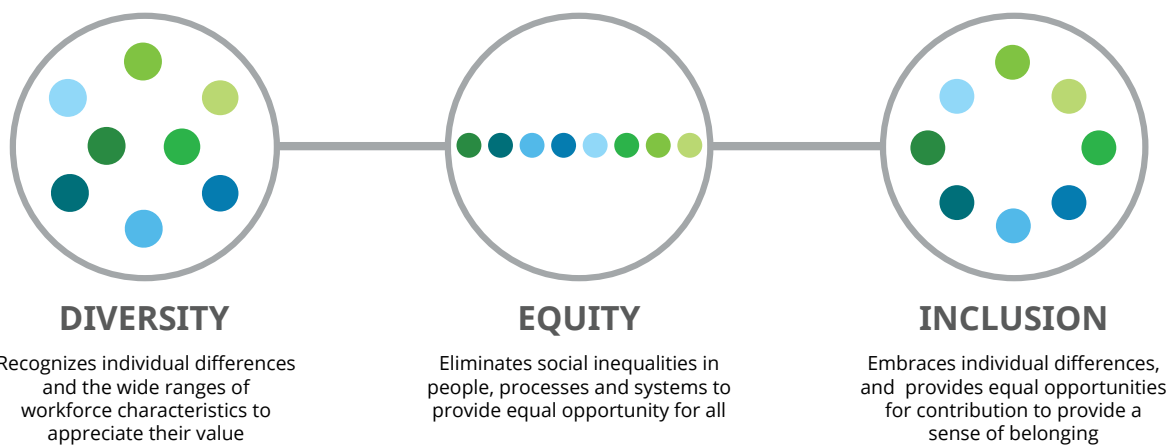
This three-part article series opens a much-needed discussion on DE&I, its current status in the M&M industry, and how to develop solutions within an industry that is already undergoing major changes. While M&M organizations are making progress in this domain and many have set up diversity targets and established partnerships, much still needs to be done to reach those ambitious targets and set the foundational culture and work environment that will allow companies to move from vision to reality. M&M organizations need to break down old systems, reprioritize their investments, revise their social strategy, and redesign their workplaces to improve DE&I and unleash its potential.

In this first article, we will discuss the basics of DE&I, what it means to employees, and the broader organizational implications. Only by coming to a collective understanding of the DE&I imperative can the M&M industry begin to reap its benefits.

What do we mean by DE&I?

Let's begin by level-setting what we mean by DE&I. "Diversity, Equity & Inclusion" are often communicated with a single label and as one area of focus. And while they are greatly connected, they are also importantly quite separate.

Figure 1: Defining DE&I



Source: Deloitte Analysis

Diversity of talent refers to a wide range of workforce characteristics, seen and unseen, such as age, gender, sexual orientation, nationality, ethnicity, language, education, religion, socioeconomic status, and disability. There is, moreover, a complex, cumulative way in which the effects of multiple forms of discrimination (such as racism, sexism, and classism) combine, overlap, or intersect, in the experiences of marginalized individuals or groups. This intersectionality of lived experiences explains how much of the underlying characteristics that make up a person are unseen and lie below the surface. It is that breadth and depth of experiences that moves a diversity of talent into a **diversity of ideas** as people with differing backgrounds bring varying viewpoints and expectations to the table—and protects against group think³.

Equity is about eliminating societal inequities in people, processes and systems that limit possibilities for marginalized individuals and groups. It is about providing equal access and opportunities, ensuring impartial, fair and equal possible outcomes for every individual⁴.

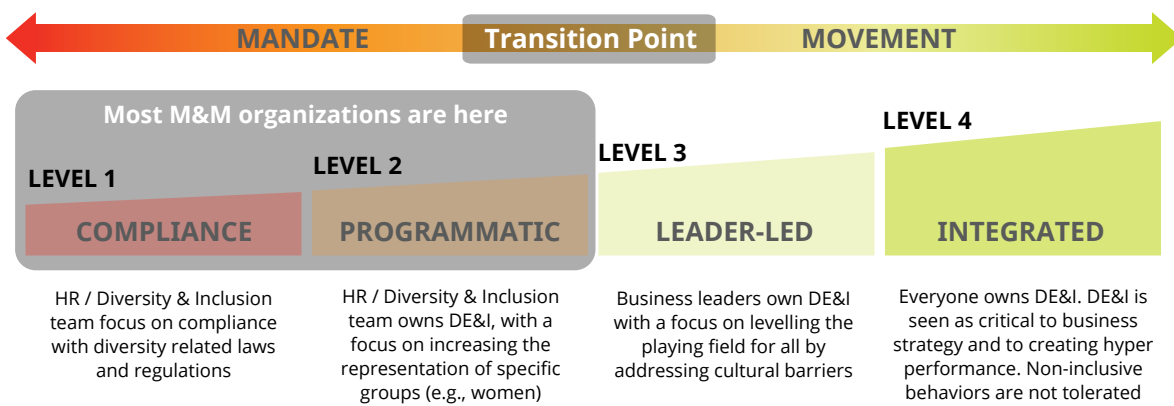
Inclusion refers to the practice of making all members of an organization feel welcome and giving them equal opportunity to connect, belong, grow, and contribute to the organization, while feeling comfortable and confident being their authentic selves. It constitutes an environment where all individual differences are embraced⁵.

What is the DE&I reality in M&M?

Though the M&M industry has improved diversity efforts over the last few years, with many having set diversity of talent targets and mobilized HR initiatives, the M&M sector remains largely low in DE&I maturity. When considering M&M companies' DE&I maturity against Bersin by Deloitte's Diversity & Inclusion model⁶, we see that most organizations adopt compliance-oriented or programmatic approaches and seek to meet compliance requirements and

target numbers, rather than working on inclusion and its larger leadership and cultural implications. As a result, the sector suffers some of the worst gender representation across both its operations and its executive teams. For example, as of 2021, only 15% of executives in mining companies were women⁷. Despite diversification efforts, women fill less than one-fifth of leadership roles across global mining companies⁸.

Figure 2: M&M companies' DE&I maturity against Bersin by Deloitte's Diversity & Inclusion Maturity Model



Source: Deloitte Analysis

Moreover, many M&M companies do not track visible minority representation or do not publicly disclose the numbers. This lack of transparency results in low accountability for M&M leaders and allows many DE&I issues to go undisclosed and unaddressed.

These long-standing issues persist in part because of the approach taken to remedy the situation. Too often, DE&I is introduced via talent measures and quotas. While quotas can be used to help reach diversity of talent, this action should not be standalone and should

come with specific actions to understand the pathways and barriers to reaching DE&I goals. Permanent policies, cultural changes, and long-term strategies should be enabled to achieve these targets.

Let's discuss barriers to DE&I across various minority groups as to illuminate some of the complexities of intersectionality that must be considered when discussing DE&I matters in the industry. The use of personas allows us to quickly grasp the ways by which barriers are multifactorial.

Figure 3: M&M workforce personas depicting barriers to DE&I



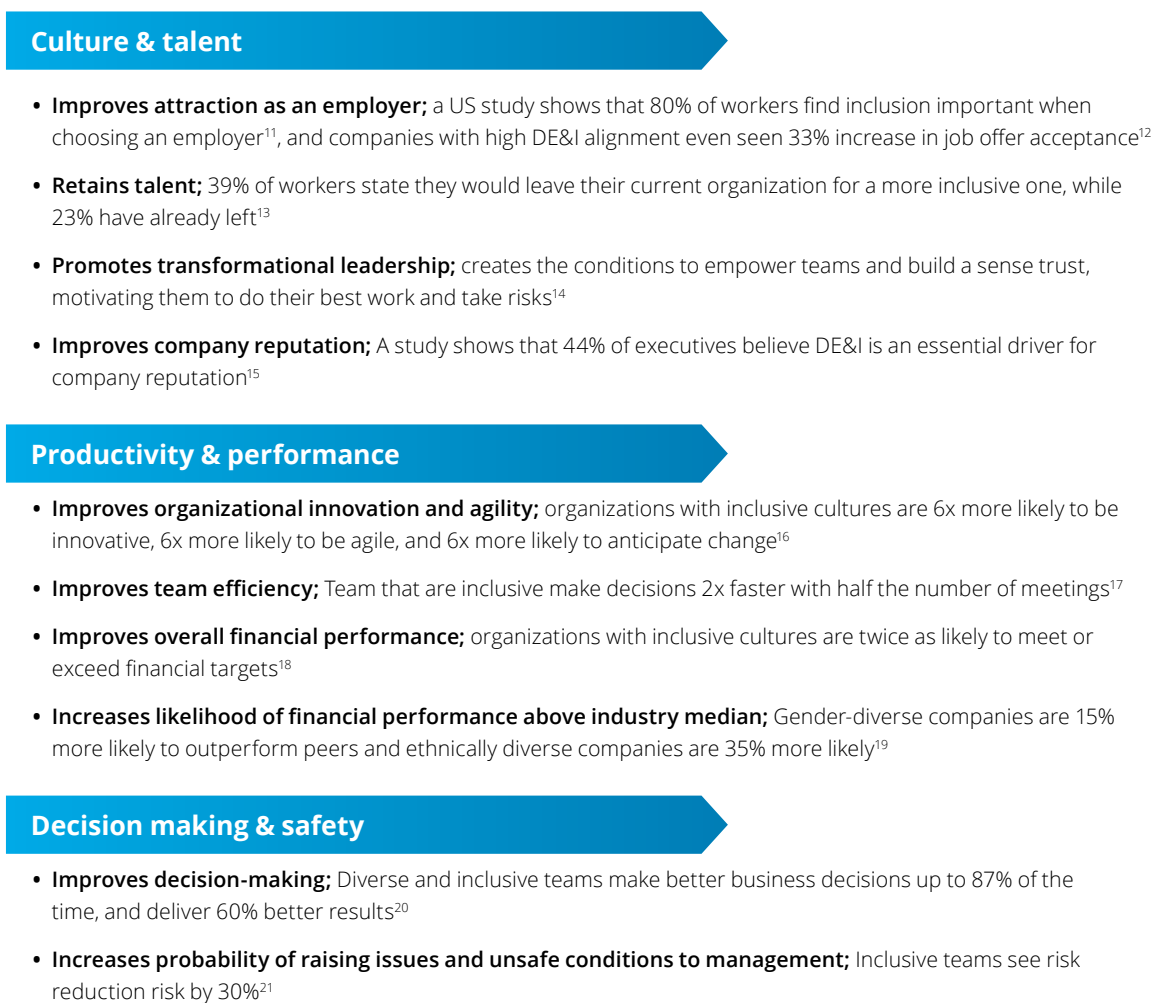
*Note: Personas are fictional, based on consolidation of reflections from research⁹

Why should DE&I be a priority for M&M organizations?

DE&I has been proven to yield significant benefits including enhanced employee engagement, a stronger brand, and improved performance¹⁰. Diversity alone is not enough—companies require an equitable and inclusive culture that allows for different viewpoints and respects the diversity. Multiple studies demonstrate

that there are quantifiable benefits across multiple business domains to having a diverse, equitable and inclusive culture. Let's look at some sample benefits of DE&I across three business dimensions: culture & talent, productivity & performance, and decision making & safety.

Figure 4: How DE&I can benefit M&M companies



The benefits of DE&I are clear, and the science behind the numbers have been present for a few years. Lack of DE&I in organizations has opposite and detrimental consequences to an organization's workforce such as increases in bullying, lowered employee satisfaction

and engagement, increase in stress, increase in turnover, decrease in team performance and productivity which all, ultimately, impacts the bottom line.

What should M&M organizations be doing next?

As the M&M industry is currently undergoing major internal changes, such as talent shortages, shifting skills demands, and a heightened focus on demonstrating Environmental, Social, and Governance contributions to stakeholders, it is also facing external societal unrest in the face of sexual harassment and systemic racism. These forces are driving a transformational environment within M&M organizations, making it an ideal moment for them to act on DE&I.

Now is the time for M&M organizations to reshape their social value proposition with a focus on driving DE&I. As we move past the pandemic and companies seek to thrive in the new normal, M&M companies need to

consider the internal factors and changes that must be made to improve DE&I in the workforce, and the external factors, partnerships with other organizations and stakeholders that can improve and build a long-term strategy for improvement.

DE&I success in M&M companies requires the development of transparent and inclusive workforce strategies and innovative work and workplace approaches that can lead to sustainable wins and changes. Stay tuned for Part 2 and 3 of this series, where we will discuss the internal and external art of the possible for bringing true DE&I to M&M companies and the industry at large.

Contact us:

Andrew Swart
Global Mining & Metals Leader
Deloitte Touche Tohmatsu Limited
aswart@deloitte.ca

Janine Nel
Partner, Consulting
Deloitte Canada
jnel@deloitte.ca

Marcelo Cordova Alvestegui
Partner, Consulting
Deloitte Chile
macordova@deloitte.com

Authors:

Ebony Clark
Senior Manager, Consulting
Deloitte Canada
ebclark@deloitte.ca

Vanessa Do Couto
Senior Consultant, Consulting
Deloitte Canada
vdocouto@deloitte.ca

End notes:

1. Andrew Swart, "Tracking the Trends 2022", Deloitte Article, published February 2022, <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Energy-and-Resources/gx-tracking-the-trends-2022-digital.pdf>, accessed 25 April 2022.
2. Jocelyn Peltier-Huntley, "Closing the gender gap in Canadian Mining", University of Saskatchewan Thesis, published on 23 April 2019, <https://harvest.usask.ca/bitstream/handle/10388/12102/PELTIER-HUNTLEY-THESIS-2019.pdf?isAllowed=y&sequence=1>, accessed 25 April 2022.
3. Juliet Bourke, "The six signature traits of inclusive leadership: Thriving in a diverse new world", Deloitte Article, published on 15 April 2016, <https://www2.deloitte.com/us/en/insights/topics/talent/six-signature-traits-of-inclusive-leadership.html>, accessed on 25 April 2022.
4. Juliet Bourke, "The diversity and inclusion revolution: Eight powerful truths", Deloitte Article, published on 22 January 2018, <https://www2.deloitte.com/us/en/insights/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>, accessed on 25 April 2022.; Andrew Blau, Joanne Stephane, Janet Foutty, and Kavitha Prabhakar, "The equity imperative: The need for business to take bold action now", Deloitte Article, published on February 2021, <https://www2.deloitte.com/us/en/pages/about-deloitte/articles/assess-the-equity-imperative.html>, accessed on 25 April 2022.
5. Juliet Bourke, "The six signature traits of inclusive leadership: Thriving in a diverse new world", Deloitte Article, published on 15 April 2016, <https://www2.deloitte.com/us/en/insights/topics/talent/six-signature-traits-of-inclusive-leadership.html>, accessed on 25 April 2022.
6. Juliet Bourke, "The diversity and inclusion revolution: Eight powerful truths", Deloitte Article, published on 22 January 2018, <https://www2.deloitte.com/us/en/insights/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>, accessed on 25 April 2022.
7. Osler. "Diversity among directors and executives in Canada's mining industry", Osler article, published on 13 October 2021, <https://www.osler.com/en/resources/governance/2019/diversity-among-directors-and-executives-in-canadas-mining-industry>, accessed on 25 April 2022.
8. Taylor Kuykendall and Katie Darden, "Despite diversification efforts, fewer than 1 in 5 mining leaders are women", S&P Global Market Intelligence article, published on 19 June 2020, <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/despite-diversification-efforts-fewer-than-1-in-5-mining-leaders-are-women-59101897>, accessed on 25 April 2022.
9. Directions Evidence and Policy Research Group, LLP, "BC antiracism research", Directions Evidence and Policy Research Group, LLP. research paper, published on 17 June 2016, <https://www2.gov.bc.ca/assets/gov/education/ways-to-learn/aboriginal-education/abed-antiracism-research.pdf>, accessed on 25 April 2022.; Macmahon, "Capturing the value of veterans in mining", Mining Dot Com article, published on 13 December 2018, <https://www.mining.com/web/capturing-value-veterans-mining/>, accessed on 25 April 2022.; Mining Industry Human Resources Council, "Strengthening Mining's Talent Alloy: Exploring Gender Inclusion", Mining Industry Human Resources Council publication, published on 12 September 2016, https://mihhr.ca/wp-content/uploads/2020/03/MiHR_Gender_Report_EN_WEB.pdf, accessed on 25 April 2022.; Mining Industry Human Resources Council, "Strengthening Mining's Talent Alloy: Exploring Diversity and Inclusion", Mining Industry Human Resources Council publication, published on 1 September 2016, <https://mihhr.ca/wp-content/uploads/2020/03/Strengthening-Minings-Talent-Alloy-Exploring-Diversity-and-Inclusion-NewLogo.pdf>, accessed on 25 April 2022.; Mining Industry Human Resources Council, "Strengthening Mining's Talent Alloy: Exploring Aboriginal Inclusion", Mining Industry Human Resources Council publication, published on 12 September 2016, https://mihhr.ca/wp-content/uploads/2020/03/MiHR_Aboriginal_Report_EN_WEB.pdf, accessed on 25 April 2022.; Samantha Loppie, Charlotte Reading & Sarah de Leeuw, "Indigenous experiences with racism and its impacts", National Collaborating Centre for Indigenous Health publication, published in 2014, <https://www.nccih.ca/docs/determinants/FS-Racism2-Racism-Impacts-EN.pdf>, accessed on 25 April 2022.; Charlotte Reading, "Policies, programs, and strategies to address anti-Indigenous racism: A Canadian Perspective", National Collaborating Centre for Indigenous Health publication, published in 2014, <https://www.nccih.ca/docs/determinants/FS-Racism3-Policies-Strategies-EN.pdf>, accessed on 25 April 2022.; Jocelyn Peltier-Huntley, "Closing the gender gap in Canadian Mining", University of Saskatchewan Thesis, published on 23 April 2019, <https://harvest.usask.ca/bitstream/handle/10388/12102/PELTIER-HUNTLEY-THESIS-2019.pdf?isAllowed=y&sequence=1>, accessed 25 April 2022.; Rosalyn Park, Bailey Metzger and Linda Foreman, "Promoting Gender Diversity and Inclusion in the Oil, Gas and Mining Extractive Industries", The advocates for human rights report, published in January 2019, https://unece.org/fileadmin/DAM/energy/images/CMM/CMM_CE/AHR_gender_diversity_report_FINAL.pdf, accessed on 25 April 2022.; Cassie Werber, "A McKinsey study underscores how unsafe most people feel at work", Quartz at Work article, published on 15 November 2021, <https://qz.com/work/2087419/mckinsey-companies-are-failing-their-transgender-employees/>, accessed on 25 April 2022.

10. Juliet Bourke, "The diversity and inclusion revolution: Eight powerful truths", Deloitte Article, published on 22 January 2018, <https://www2.deloitte.com/us/en/insights/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>, accessed on 25 April 2022.; Andrew Blau, Joanne Stephane, Janet Foutty, and Kavitha Prabhakar, "The equity imperative: The need for business to take bold action now", Deloitte Article, published on February 2021, <https://www2.deloitte.com/us/en/pages/about-deloitte/articles/assess-the-equity-imperative.html>, accessed on 25 April 2022.
11. Deborah DeHaas, Brent Bachus and Eliza Horn, "Unleashing the power of inclusion: Attracting and engaging the evolving workforce", published in 2017, <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/about-deloitte/us-about-deloitte-unleashing-power-of-inclusion.pdf>, accessed on 25 April 2022.
12. Lisa Curtis, "Why your lack of diversity is hurting your business", Forbes, published on 23 November 2019, <https://www.forbes.com/sites/lisacurtis/2019/11/23/why-your-lack-of-diversity-is-hurting-your-business/?sh=207caa592782>, accessed on 25 April 2022.
13. Deborah DeHaas, Brent Bachus and Eliza Horn, "Unleashing the power of inclusion: Attracting and engaging the evolving workforce", Deloitte article, published in 2017, <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/about-deloitte/us-about-deloitte-unleashing-power-of-inclusion.pdf>, accessed on 25 April 2022.
14. Juliet Bourke, "The six signature traits of inclusive leadership: Thriving in a diverse new world", Deloitte Article, published on 15 April 2016, <https://www2.deloitte.com/us/en/insights/topics/talent/six-signature-traits-of-inclusive-leadership.html>, accessed on 25 April 2022.
15. Olivia Kresic, "New study find diversity and inclusion initiatives improve the reputation and revenue of a company", Institute for Public Relations article, published on 13 January 2020, <https://instituteforpr.org/new-study-finds-diversity-and-inclusion-initiatives-improve-the-reputation-and-revenue-of-a-company/>, accessed on 25 April 2022.
16. Bourke, "The diversity and inclusion revolution: Eight powerful truths", Deloitte Article, published on 22 January 2018, <https://www2.deloitte.com/us/en/insights/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>, accessed on 25 April 2022.
17. Erik Larson, "New Research: Diversity + Inclusion = Better decision making at work", Forbes article, published on 21 September 2017, <https://www.forbes.com/sites/eriklarson/2017/09/21/new-research-diversity-inclusion-better-decision-making-at-work/?sh=59bde47f4cbf>, accessed on 25 April 2022.
18. Juliet Bourke, "The diversity and inclusion revolution: Eight powerful truths", Deloitte Article, published on 22 January 2018, <https://www2.deloitte.com/us/en/insights/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>, accessed on 25 April 2022.
19. Lisa Curtis, "Why your lack of diversity is hurting your business", Forbes article, published on 23 November 2019, <https://www.forbes.com/sites/lisacurtis/2019/11/23/why-your-lack-of-diversity-is-hurting-your-business/?sh=207caa592782>, accessed on 25 April 2022.
20. Erik Larson, "New Research: Diversity + Inclusion = Better decision making at work", Forbes article, published on 21 September 2017, <https://www.forbes.com/sites/eriklarson/2017/09/21/new-research-diversity-inclusion-better-decision-making-at-work/?sh=59bde47f4cbf>, accessed on 25 April 2022.
21. Juliet Bourke, "The diversity and inclusion revolution: Eight powerful truths", Deloitte Article, published on 22 January 2018, <https://www2.deloitte.com/us/en/insights/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>, accessed on 25 April 2022.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's more than 345,000 people worldwide make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms or their related entities (collectively, the "Deloitte organization") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.