

## Institute and Faculty of Actuaries, **Regulatory Board**

<b>Subject</b>	Diversity, Equity and Inclusion – Further engagement with Members and consultation on guidance
<b>Meeting date</b>	14 February 2024
<b>Previous Steer/Approval</b>	<p><b>November 2021</b> - Board was updated on the IFoA's wider work on its strategy around DEI and provided steer on proposed regulatory work.</p> <p><b>February, April, July, 2022</b> - Board was updated via regular Executive updates on work to review DEI requirements.</p> <p><b>November 2022</b> - Board discussed and <b>approved</b> proposed changes to the Code to go out for consultation.</p> <p><b>May 2023</b> – Board considered outcome of consultation, <b>approved</b> changes to Code and approved proposals for implementation</p> <p><b>November 2023</b> – Board considered outline supporting guidance</p>
<b>Related horizon scan code</b>	N/A
<b>International issues considered?</b>	Yes
<b>Author</b>	Hannah MacLeod, Interim Head of Legal Services
<b>Reviewer</b>	Sarah Borthwick, Interim Secretary to the Regulatory Board
<b>Purpose</b>	Approval

### A: Executive summary

1. This paper provides the Board with an update as to the status of the draft guidance to support Members in understanding the professional responsibilities incumbent on them in respect of diversity, equity and inclusion (DEI) principles, to be introduced through changes to the Actuaries' Code (the Code). This paper also provides the Board with a proposed Member engagement plan.

### B: Background

2. The IFoA published its five-year DEI strategy in January 2022, which set out a range of commitments, including, in respect of regulation, a commitment to review the IFoA's regulatory framework, including the Actuaries' Code, to ensure that the DEI Strategy is reflected in the professional requirements placed on Members.
3. At its November 2022 meeting the Board considered the existing treatment of DEI principles within the Code and guidance, together with proposals to amend the Code. The Board agreed to consult on the proposals, which were published on 16 January 2023.
4. Following a three-month consultation process, which included the presentation of two explanatory webinars, the Board considered the consultation responses at its May 2023 meeting. The Board noted the polarisation of views received and discussed the topics of concern raised by some respondents. The Board discussed the specific wording of the proposals and agreed

some alterations to the changes consulted upon. The Board noted the need for non-mandatory guidance to support the changes and agreed that there would be a further engagement process to ensure that the guidance to be published met the needs of Members.

5. In July 2023 the consultation feedback report was published.
6. At the November meeting the Board considered outline draft guidance and it was agreed that the Executive would revise the draft in light of the comments from the Board. It was agreed that the guidance would then be approved by the Board via email in January 2024. It was also agreed the Executive should publish the exposure draft of the guidance in early 2024.

### **C: Progress since the last Board meeting**

7. [REDACTED]
8. [REDACTED]
9. [REDACTED]

### **D: Next steps**

10. As discussed at the November meeting, a proposal on how to engage with Members on the guidance has been developed by the Communications Team.
11. A high level copy of the engagement plan is attached at Appendix 1. Peter Walker, Director of Marketing & Public Affairs at the IFoA, will be at the Board meeting to discuss the engagement plan.
12. This plan proposes that the full Member consultation on the guidance start in the first week of April and will last for 8 weeks. Following the consultation it is intended that the revised guidance will be brought to the Board for approval at its July meeting and the revised Code and supporting guidance will be published in September/October.

### **E: Recommendations**

13. The Board is asked to note;
  - the progress since the November meeting.
14. The Board is asked to approve:
  - the engagement plan.

### **F: Appendices**

- **Appendix 1:** Engagement plan on Actuaries' Code and DEI guidance