

CODE OF CONDUCT

A founder-centric Code of Conduct to foster trust & respect of all in the startup ecosystem

V1.1

Introduction

Tena koutou, innovation ecosystem providers, mentors, advisors, coaches, investors and supporters.

After the tragic passing of a well-known entrepreneur in the New Zealand startup ecosystem in 2021, many of us became acutely aware of the need to focus on founder wellbeing. We took the time to reflect on the practices, behaviours and culture of the NZ innovation ecosystem, and many people began coordinating efforts to address some of the underlying issues. We acknowledge them for their commitment to startups.

As a member of the startup ecosystem, Callaghan Innovation wants to help facilitate change to create a thriving ecosystem - one that supports, encourages and builds a diverse and inclusive culture; one that recognises words and actions have power; and that acknowledges if we make mistakes, we need to address our behaviour.

To this end, we are sharing a co-developed open source Code of Conduct (the Code) for anyone working with founders and startups - in particular investors, advisors, coaches and mentors. The Code was created for the ecosystem by the ecosystem, born out of two hui representing founders, investors and providers, along with support from New Zealand Trade & Enterprise. The two hui created an initial founder-centric Code of Conduct for Aotearoa, a living document that, through future engagement with members of the ecosystem, will continue to evolve to help us better support our founders and their evolving teams.

We invite you to customise this template and apply it to your business, in addition to your existing employment and health and safety policies. Thank you for your ongoing service and support of our entrepreneurs and future leaders of Aotearoa New Zealand.

The purpose of The Code

The Code is a founder-centric document raising the visibility and awareness of what is acceptable and unacceptable behaviour in the ecosystem. The intention is to help ensure everyone understands what is good behaviour and how to identify and address unacceptable behaviour. The intention is also to encourage 'bystander intervention' and send a strong message that poor behaviour should not be tolerated.

The Code acknowledges that the power dynamics present in the founder-investor relationship, in particular, can leave founders and their teams feeling vulnerable to behaviour that is not acceptable. While the Code on its own will not lead to the extent of change needed, it is a meaningful first step that can be built on to create safe and inclusive environments.

A Guide for Founders has also been created which sets the tone for what good looks like and helps identify and address unacceptable behaviours. These two documents share similar key messages to ensure consistency across the ecosystem.

Ecosystem Values

The following core values should be fostered throughout the New Zealand startup ecosystem by those leading initiatives and programmes. The Guide for Founders provides practical examples of what the core values could look like from a founder's perspective.

Foundational values

Foundational values

Manaakitanga | Safety | Tikanga Māori

Diversity

Respect

Transparency

Accountability

Self-determination

Core Values

Manaakitanga – *Care and enhance the experience of founders and their teams on their entrepreneurial journey.*

There is a culture of compassion and care when working with founders, including acknowledging each person's unique context and valuing their wellbeing. As members of the startup ecosystem, we all have a duty of care to support founders to have a positive experience. We stand by them on good days, and even moreso on the bad ones. Failure can go hand-in-hand with the entrepreneurial journey. This is when the ecosystem rallies together to provide support.

Safety – *Create a safe space for ourselves and others.*

Founder wellbeing, whatever that looks like for that individual, is respected and supported. Professionalism is present in every engagement e.g. utilising positions of power or authority to impact their entrepreneurship journey should not be tolerated. It is part of a programme's duty of care to ensure founders and their teams feel safe with the ecosystem partners they are introduced to. It's important that they have clarity on who to go to for support and understand the process for raising concerns and how they will be addressed.

Tikanga Māori – *Programmes that promote the application and exploration of mātauranga Māori should prioritise a tikanga Māori approach by providers, investors, mentors, founders and their teams.*

Tikanga Māori is a set of binding principles, beliefs and traditions practised collectively by Māori whānau, hapū and iwi since time immemorial. The word tika means 'correct', 'just', 'decent' and 'honourable' in te reo Māori, and so tikanga is considered ideologically as the right way to do things, which accordingly guides and constrains all aspects of Te Ao Māori and Māori life including social relationships and ceremonies, moral behaviour, economic activity and so on.

As tangata whenua, Māori are the kaitiaki, or custodians, of mātauranga Māori. The interconnected nature of kaitiakitanga and whakapapa means that Māori have the right to protect and secure the integrity of tikanga Māori and

mātauranga Māori. It follows then that programmes that promote the application and exploration of mātauranga Māori should prioritise a tikanga Māori approach by providers, investors, mentors, founders and their teams.

Founders should not be expected to fill the role of a cultural capability builder for the mentors, investors or programme providers. Terms or conditions of investment should not compromise the integrity of tikanga or mātauranga Māori.

The programme providers, investors and mentors understand and are expected to have an awareness of the importance of tikanga Māori particularly as it applies to mātauranga Māori and the status of tangata whenua as its kaitiaki.

If your knowledge of te ao Māori is low and you wish to adapt these values for your own unique context it is advised to engage with experts of tikanga Māori and mātauranga Māori. We recommend you research who the most suitable person, institute, or group is.

Core values

Diversity - *Actively seek diversity, promote inclusion and value alternative or unique points of view.*

Good ideas can come from anywhere. Let's celebrate this and look for diverse points of view to seek true innovation. In practice, this means that founders' worldviews and perspectives are acknowledged and respected. Additionally, their cultural realities and contexts are considered, holistically, as part of who they are.

Respect - *Respect each other's history and future.*

Recognising and respecting that an entrepreneurial journey takes courage and grit, the ecosystem should ensure founders feel supported and that they can be true to their identities. Mentors, investors and programme providers should advise and challenge founders in a manner that demonstrates respect for the founder.

Transparency – *Communicate clearly and transparently when we engage with the founders and their teams.*

Maintaining and strengthening a culture of transparency means that:

- Intentions and expectations are clearly communicated, with no hidden agendas.
- Terminology is clearly explained and founders are empowered to ask questions, such as, why they have been matched with specific advisors or investors.
- Founders have the opportunity to provide feedback through safe channels.
- Founders are encouraged to be open and honest about team dynamics and progress.
- Founders are encouraged to be open about statistics and metrics when communicating with stakeholders.

Accountability – *Encourage everyone in the ecosystem to take responsibility for their own actions.*

Fostering a culture of accountability where everyone in the ecosystem knows they have a key role to play in a founder's entrepreneurial journey means that, in some instances, it may be necessary to call out unacceptable behaviour and be vocal in support of those who need it. For investors, accountability means they are responsible for their own due diligence process. Founders are also encouraged to hold themselves accountable to do their own due diligence on potential investors, board members or advisors.

Self-determination – *Encourage and empower founders and their teams to make decisions for their startup without external pressures.*

Founders are provided with advice, support and connections but feel free to make their own decision about whether they are ready to pitch for investment. If a founder decides not to pitch for investment, that decision should be respected. Founders feel safe to communicate major changes to their startup, including shutting it down or pivoting. They are not pressured to work with a particular investor if they don't believe it is a good fit.

Ask Yourself

This section covers specific questions aimed at programme providers, investors, mentors and advisors to help them reflect on their actions and consider the impact their actions may have on the founder community.

In an ideal world, inappropriate behaviour or harm would not take place at all. The 'Ask Yourself' series below is a self-reflection tool to help identify any potential challenges and encourage positive, inclusive behaviour.

For the questions below we suggest that you rate your answer from 1-5, with "1" being STRONGLY DISAGREE, and "5" being STRONGLY AGREE. If you have rated yourself less than 3 for any of the questions, we suggest you undertake a survey with your founders/stakeholders to see whether there are potential concerns.

PROGRAMME PROVIDERS, ASK YOURSELF...

"Have we set measures in place to ensure the physical and psychological safety of founders?"

"Are we respecting founders' views on wellbeing and safety?"

"Do we acknowledge, respect and cater for our founders' diverse needs?"

"Are our rules fit for purpose and respect the needs of founders?"

"Are we holding ourselves accountable for the actions of mentors/investors we're welcoming into our programme?"

"Are we ensuring we don't gatekeep the relationships between founders and investors or mentors?"

"Do we have a clear understanding of the importance of relevant matching of founders with mentors and advisors?"

"Do we have a diverse and relevant mentor and advisor pool to reflect a diverse founder group?"

"Do we have a complaints or reporting process for founders to utilise?"

“Have we ensured that we provide options for those drinking alcohol to return home safely?”

INVESTORS, MENTORS, COACHES & ADVISORS, ASK YOURSELF...

“Am I ensuring my unique position earns me respect and not fear?”

“Does my behaviour or ideas always make a founder comfortable?”

“Are my actions, intentionally or unintentionally, devoid of prejudice and discrimination?”

“Are my comments and recommendations coming from a place of genuine care?”

“Would my behaviour be acceptable if I was a colleague or friend? Would I be grateful if I was treated in a similar way?”

“Am I empathetic to the rollercoaster that can be the life of a founder?”

“Am I always offering unconditional help so that founders feel comfortable?”

“Do I understand the risks of investing in an early stage startup?”

“What is my perception of failure in the startup ecosystem? How is it positively impacting the founders I invest in?”

What unacceptable behaviour looks like

Unacceptable behaviour can come in many different forms. Some types of behaviour have potential legal ramifications, such as bullying, harassment, violence, and aggression. These types of behaviours are summarised below. Further detail with examples can be found in Appendix A.

Bullying - Bullying is repeated and unreasonable behaviour directed towards a person or a group which creates a risk to safety and health. ‘Unreasonable behaviour’ means behaviour that a reasonable person, having considered the

circumstances, would see as unreasonable; behaviour that is victimising, humiliating, intimidating or threatening.

Harassment - Sexual, racial or other harassment that is one-off, repeated or continuous. Anyone can be harassed, including any gender, age or background. Harassment can create a hostile environment and impact a person's sense of safety. Harassment can take many forms including threats, abuse, insults and taunts resulting from discrimination.

Violence & Aggression - Violence and aggression covers a broad range of actions and behaviours that create a risk to safety and health. These are actions or behaviours that may physically or psychologically harm another person.

Violence and aggression can harm both the person it is directed at and anyone witnessing it. Physical assault or the threat of physical harm of any form is a criminal act.

Discrimination - The Human Rights Act 1993 protects people in New Zealand from discrimination in a number of areas. Discrimination occurs when a person is treated unfairly, or less favourably, than another person in the same or similar circumstances.

Appendix A includes examples of unacceptable behaviours in the ecosystem.

There are many other types of unacceptable behaviour - behaviour which can potentially cause harm. The 'Ask yourself' questions below should help you reflect on your own actions and experiences, identify red flags and address harm before it happens.

Raising concerns

It is encouraged that programme providers and others in the startup ecosystem look for ways to ensure their Code of Conduct is followed. This should include ensuring the Code is visible and understood; there are mechanisms to identify and address any early indications of problems and the ability for people to safely raise any concerns more formally, if needed.

Appendix A: Types of harm the Code seeks to prevent

The types of harm we are seeking to avoid and reduce through the Code are behaviours which negatively impact those around us in our startup ecosystem.

If a suspected criminal act has been committed, the appropriate response is to contact the police.

What is Bullying	What is Harassment	What is Violence & Aggression	What is Discrimination
<p>Bullying is repeated and unreasonable behaviour directed towards a person or a group which creates a risk to safety and health.</p> <p>“Unreasonable behaviour” means behaviour that a reasonable person, having considered the circumstances, would see as unreasonable, like behaviour that is victimising, humiliating, intimidating or threatening</p> <p>A few Examples</p> <p>Comments or actions might include things like:</p> <ul style="list-style-type: none"> • abusive, insulting or offensive language or comments, • aggressive and intimidating conduct, • belittling or humiliating comments, • victimisation, • practical jokes or initiation, • unjustified criticism or complaints, • deliberate exclusion • spreading misinformation or malicious rumours. 	<p>Sexual, racial or other harassment can be one-off or repeated/continuous.</p> <p>Anyone can be harassed, including any gender, age or background. Harassment can create a hostile environment and impact a person’s sense of safety.</p> <p>Harassment may take many forms including threats, abuse, insults and taunts based on a person’s race.</p> <p>A few Examples</p> <p>Physical, verbal or visual conduct (which can be written or spoken) might include things like:</p> <ul style="list-style-type: none"> • material sent by email, SMS or put on a website, blog or on social networking, • verbal abuse or derogatory comments, • intrusive personal questions, • offensive gestures, • initiation ceremonies that involve unwelcome and unsafe behaviour. • offensive comments or jokes, insults or taunts based on a person’s gender, sexual orientation, race or other characteristic. • repeated or inappropriate advances in-person and/or online. • sending unwelcome pictures, content and messages of a sexual nature. • unwelcome physical contact, including unwanted touching, hugging, cornering or kissing. • actual or attempted rape or sexual assault. 	<p>Violence and aggression covers a broad range of actions and behaviours that create a risk to safety and health. These are actions or behaviours that may physically or psychologically harm another person.</p> <p>Violence and aggression can harm both the person it is directed at and anyone witnessing it.</p> <p>Physical assault or the threat of physical harm of any form is a criminal act.</p> <p>A few Examples</p> <p>Abusive behaviour, including psychological, written or verbal assault.</p> <p>Intimidating behaviour that might create a fear of violence, such as stalking or threatening to cause physical harm.</p> <p>Any form of physical assault, which might include things like biting, spitting, scratching, hitting, kicking, punching, pushing, tripping, throwing objects.</p>	<p>The Human Rights Act 1993 protects people in New Zealand from discrimination in a number of areas.</p> <p>Discrimination occurs when a person is treated unfairly, or less favourably, than another person in the same or similar circumstances.</p> <p>Harrassment, bullying or violence could be due to discrimination on the grounds of:</p> <ul style="list-style-type: none"> • age • race or ethnicity • sexual orientation • disability • religious or ethical beliefs • marital or family status • employment status • Difference of opinion • Other