The NZ Hi-Tech Foundation

A vision for long-term impact
The Tech Sector // economic impact

New Zealand’s Tech Sector had 23,229 companies in 2020
Source: Statistics NZ 2021

New Zealand’s Tech Sector employed 111,760 people in 2020
Source: Statistics NZ 2021

NZ’s Top 200 Tech Exporters reported $13.9b revenues in 2021
Source: TIN Report 2021

NZ’s Top 200 Tech Exporters revenues grew 11.5% between 2020 to 2021
Source: TIN Report 2021

New Zealand’s Tech Sector employs 5% of the NZ workforce
Source: Statistics NZ 2021

Each new Tech Sector job creates 4.8 new jobs

New Zealand’s Tech Sector contributes 8% to GDP

Each 4% growth in Tech Sector productivity creates $2.7b additional GDP

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The Tech Sector

- New Zealand's Tech Sector employed 111,760 people in 2020 (Source: Statistics NZ 2021)
- New Zealand's Tech Sector employs 5% of the NZ workforce (Source: Statistics NZ 2021)
- New Zealand's Tech Sector median base salary $100,000 per annum (Source: Absolute IT Survey 2021)
- NZ's Top 200 Tech Exporters employ 57,262 people globally (Source: TIN Report 2021)
- 27% of New Zealand's IT workforce are Women (Source: Digital Skills Aotearoa Report 2021)
- 4% of New Zealand's IT workforce is Māori (Source: Digital Skills Aotearoa Report 2021)
- 2.8% of New Zealand's IT workforce is Pasifika (Source: Digital Skills Aotearoa Report 2021)
- 50% of New Zealand's Tech Sector employees are in Auckland (Source: Statistics NZ 2021)

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The Tech Sector // education

13,403
Year 13 students enrolled in digital tech courses in 2020
Source: Ministry of Education 2021

28%
of Year 13 students enrolled in digital tech courses in 2020 were Female
Source: Ministry of Education 2021

12%
more Year 9-13 students enrolled in digital tech courses in 2020
Source: Ministry of Education 2021

2,250
Students moved into IT degree courses from school in 2020
Source: Ministry of Education 2021

11,905
Computer Science, InfoTech & Software Engineering
domestic students studying IT degree level in 2020
Source: Ministry of Education 2021

Domestic students studying IT degree level qualifications decreased
-3% in 2020
Source: Ministry of Education 2021

2,400
Computer Science, InfoTech & Software Engineering
domestic students graduated with IT degrees in 2020
Source: Ministry of Education 2021

Domestic students graduating with IT degree level quals decreased
-7% in 2020
Source: Ministry of Education 2021

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### The Tech Sector // Education

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Details</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>26%</td>
<td>of students studying IT courses in 2020 were Female</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>10%</td>
<td>of students studying IT courses in 2020 were Māori</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>7%</td>
<td>of students studying IT courses in 2020 were Pasifika</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>9%</td>
<td>of students studying IT courses in 2020 were over 40 years old</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>425</td>
<td>Female students graduated with IT degrees in 2020</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>120</td>
<td>Māori students graduated with IT degrees in 2020</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>85</td>
<td>Pasifika students graduated with IT degrees in 2020</td>
<td>Ministry of Education 2021</td>
</tr>
<tr>
<td>80</td>
<td>Students over 40 graduated with IT degrees in 2020</td>
<td>Ministry of Education 2021</td>
</tr>
</tbody>
</table>
The NZ tech sector has two big challenges...

**Talent shortage**
- NZ needs up to 5,000 tech skilled people per year
- Some skills have a chronic shortage (data science, product management, developers...)
- Immigration will not plug the gap, and the tertiaries are not doing the job either
- The problem is getting worse

**Low participation**
- There are shockingly few Māori, Pasifika and women in the tech sector...
- 27% of total workforce are Women
- 4% are Māori
- 2.8% are Pacific people
- There aren’t pathways for neurodiverse people (eg dyslexia)

...which are a huge opportunity

It’s a no-brainer. We need to solve **both these problems** at the same time

Source: Digital Skills Aotearoa Report, 2021
The good news...

<table>
<thead>
<tr>
<th>Talent is ubiquitous</th>
<th>There is a real desire for the sector to step up and make a difference</th>
<th>There are great programmes emerging</th>
<th>We have proven momentum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent is widely distributed across the nation (it’s opportunity that’s missing).</td>
<td>Everyone is crying out for a solution, and while the government can do some things to help, they’ll never work as fast or as effectively as an industry-led response.</td>
<td>Programmes like EAF, Take2, People 4 People, Tupu Toa, Computer clubhouse etc etc show that ‘grassroots’ initiatives really work, and have a big impact at a local level.</td>
<td>The Hi-Tech Foundation has established an endowment fund, received seed funding and already starting funnelling money into programmes that have made a difference already.</td>
</tr>
<tr>
<td>The lack of participation from key sectors provides a massive new talent pool for the industry</td>
<td>Companies and individuals have created point solutions which show a real desire to be part of the change.</td>
<td></td>
<td></td>
</tr>
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The NZ Hi-Tech Foundation Endowment Fund

The gap is **funding** – which is where we come in...

- We are building a $25m endowment fund
- An endowment fund is a permanent and evergreen investment. No principal is expended, just the earned interest & returns
- Our Hi-Tech Endowment Fund will help grow the capability and capacity of the hi-tech sector, and contribute to its increasing success and impact for many years to come
- Each year, the fund will continue to grow as the tech community contributes, to make an asset for the future
- When at scale, the fund should return over $1m per year into initiatives
- The fund is managed by Perpetual Guardian, and overseen by a group of specially chosen custodians
The Hi-Tech Trust has a unique, respected position in the sector

• For 25 years we’ve led the celebration of the success of the tech sector through the Hi-Tech Awards

• Thanks to the good work of many people, over many years, the Trust has a strong reputation and solid support

• The Hi-Tech Trust is in a unique position in the NZ high tech sector - not representing companies, individuals, or government

• As such, we stand as an organisation that has no particular agenda, apart from promoting the high tech sector and the people in it

• To better fulfil our purpose we’ve established the Hi-Tech Foundation, a charity to support diversity in the NZ Tech Sector
March 2021: The NZ Hi-Tech Foundation is excited to introduce the six winners of its first He Whetū Mārama Ngā Karahipi Leading Light Scholarship. The foundation distributed a total of $30,000 in financial assistance to support its six incredible scholarship recipient’s journeys into tech.

**Vaifoa** is 18 years old and has entered study this year to pursue a career in tech with a dream of one day working in the gaming, animation and design industries.

**Ramari** is a Software and Web Development student who has returned to study after a 20-year professional career and is now upskilling to fulfil her dream of being a developer and growing the tech sector in Northland.

**Jasmine** is a Software and Web Development student who has recently pivoted from her career in construction to now chasing her dream of one day working in tech in the cyber security.

**Jonson** is a passionate learner now studying a Bachelor of Creative Technologies at AUT with a dream of one day working in the gaming industry.

**Huni** is a recent graduate of a Bachelor of Information Science and is passionate about growing representation of Pacific people in tech.

**Alfred** is a talented aspiring engineer and committed member of his local church, currently into his second year at the University of Auckland studying a conjoint degree in a Bachelor of Engineering and a Bachelor of Commerce.
Scaling through others

As well as our own direct scholarship funds, we have supported other initiatives...
Outcomes we are after

<table>
<thead>
<tr>
<th>Build the fund...</th>
<th>Short term (Years 1 - 3)</th>
<th>Medium term (Years 3-6)</th>
<th>Long term (Years 7+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>...so we can fund the programs...</td>
<td>$2-5m</td>
<td>$5-12m</td>
<td>$25m</td>
</tr>
<tr>
<td>And achieve real outcomes</td>
<td>Small scale scholarships</td>
<td>Scale up the scholarships</td>
<td>Scholarships regularly run – 10 pax per year</td>
</tr>
<tr>
<td></td>
<td>Ad-hoc project assistance</td>
<td>Planned approach to project assistance</td>
<td>$1m+ per year invested into projects</td>
</tr>
<tr>
<td></td>
<td>Land of Voyagers launch</td>
<td>Launch of Mātauranga Māori v2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20 people on scholarships</td>
<td>60 people on scholarships</td>
<td>20 people on scholarships per year</td>
</tr>
<tr>
<td></td>
<td>5 people into employment</td>
<td>40 people into employment</td>
<td>Stats for sector materially changed:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+Female</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+Māori</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+Pacifica</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+Diverse thinking</td>
</tr>
</tbody>
</table>
Who is contributing?

A wide variety of individuals and companies will contribute towards the goal of $25 million in the Endowment Fund. To date we have founders, senior managers and corporates.

Over the years, many people have benefitted from the growth of the sector. While some have their own approaches for ‘giving back’, the NZ Hi-Tech Endowment Fund will offer a unique way for them to work together, to have a combined impact for NZ.

We’re approaching some of the luminaries of the hi-tech sector to participate and we’re looking to scale our initial seed funding to hit our $25m target.

In addition, we’re asking some of our long-term sponsors to look at a strategic investment into the Fund.
Contribution examples

We are open to all contributions as we grow the fund.

To give you an idea of the scale, here are specific examples of actual contributions made so far to the fund.

- **Annual gift**
  - Eg a retired founder is gifting $10k per year

- **One off gift**
  - Eg a successful entrepreneur has made a $100k gift

- **Bequest**
  - Eg a tech leader has $250k committed in their will

- **On exit**
  - Eg a commitment of $100k when the founder exits

- **Corporate**
  - Eg $30k per annum from one company

- **Hi-Tech Trust**
  - Contributes a portion of awards revenue each year

We expect the fund to grow over the next 5 years, to hit $25m under management.
Some of our supporters

And many other individuals and companies who want to remain anonymous...
Call to action

• To contribute to the NZ Hi-Tech Foundation’s endowment fund, please contact:

• David Downs, Chairman, NZ Hi-Tech Foundation
  david@hitech.org.nz
  021 758967

Nā tō rourou, nā taku rourou ka ora ai te iwi

With your food basket, and my food basket, together we will feed the people.