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What do we mean by diversity and inclusion?

Diversity is the level of representation of any dimension that reflects people’s different identities and backgrounds. This can include their ethnicity, sexual orientation, gender, gender identity, age, social background, religion and beliefs, among others.

Inclusion refers to the extent to which people are valued for their distinctive identities, experiences and perspectives and are provided with equal opportunities for participation.

A full list of terms and their definitions can be found in the WDI glossary.
What causes poor diversity and inclusion?

Structural inequality

Businesses do not operate in a vacuum. As a result, structural inequalities and systematic biases in society that exist outside of companies, such as racism and sexism, are reproduced within the workplace. If companies do not take active steps to improve diversity and inclusion, these inequalities can be perpetuated.

Diversity: Failing to recruit or retain workers from different groups

As diversity and inclusion are distinct but complementary concepts, there can be different drivers for poor performance in each area.

Organisations that are not diverse may be failing to recruit, promote or retain staff from a broad range of groups. This may be due to conscious or unconscious biases in recruitment or promotion processes, either from the staff leading these processes or through more subtle exclusionary measures built into the processes themselves, such as a requirement to have a university degree that isn’t necessary to apply for a job. Alternatively, poor diversity may be due to a disproportionately high turnover rate for certain groups of workers, with a failure to create a supportive environment compelling staff to leave, or bias and discrimination leading to higher levels of involuntary turnover among certain groups.

Inclusion: Creating or facilitating a detrimental working environment

If an organisation is not inclusive, it may not offer adequate safeguards from discrimination and harassment, either through effective policies or equitable access to grievance mechanisms, enabling harmful behaviour to continue. The company may not take sufficient action to combat negative perceptions and stereotypes of certain groups or may also fail to recognise that different groups have different needs, instead, implementing policies and practices that advantage certain groups. For example, an organisation may fail to implement flexible working, which has been shown to limit women’s progression.\(^1\)

Organisational drivers

More broadly, there are several organisational drivers of poor diversity and inclusion. Leadership may fail to make diversity and inclusion a priority, or a company may not take a strategic approach, meaning initiatives are patchy and poorly implemented, if they are implemented at all. The company may also simply not understand the constitution of their workforce due to a lack of data, and so cannot identify what action needs to be taken to improve diversity and inclusion, or cannot assess how effective any action it is taking is. Lastly, a lack of diversity can, in and of itself, serve as a barrier to more diverse and inclusive organisations. It has been shown that gender-diverse boards are more likely to advance LGBT-friendly workplace policies,\(^2\) demonstrating the reinforcing effect that diversity can have within companies.
What are the consequences of poor diversity and inclusion for workers?

As freedom from discrimination is a human right, poor diversity and inclusion can result in rights violations, with the consequences of corporate failure on these issues being felt by workers across all stages of employment.

People may face greater barriers when accessing employment. For example, studies from the UK and USA have shown that even when applying with identical CVs, applications with names that suggest the applicant is from an ethnic minority are significantly less likely to receive a response than those who appear to be White. Barriers to employment for certain groups can have severe ramifications: in Australia, lower employment levels have resulted in people with disabilities living in poverty at the highest rates in the OECD.

The consequences of a failure on diversity and inclusion also continue when people are employed, manifesting in, for example, pay inequality and a lack of representation in senior roles. Even when experience and education are controlled for, Black men in the USA still earn 2 per cent less than their White counterparts and men’s promotion rates were 2.2 per cent higher than women’s when other variables are controlled for. Workers may also be subjected to microaggressions, bullying and harassment, and if insufficient policies and grievance mechanisms are in place (or are not properly applied or equally accessible), their ability to access remedy may be limited or non-existent.

Experiences of both overt and more subtle forms of discrimination can have a detrimental impact on workers’ mental wellbeing. For instance, it has been shown that LGBT people suffer from high rates of poor mental health due to discrimination. Certain groups may also face more severe risks to their physical health. In the USA, Black and Hispanic workers are significantly more likely to suffer injury or death at work, even when working in the same organisation.
Data from the 2020 cycle of the WDI provides an insight into how companies are addressing diversity and inclusion:

Companies reported data on women in leadership positions more than any other gender metric, including the gender composition of the total workforce. An average of 86 per cent of companies could provide the percentage of women in leadership positions (the board, executive committee and senior leadership), 11 per cent more than the proportion of companies that could give their overall workforce gender breakdown.

The focus on leadership data contrasts significantly with levels of data on the most precarious or vulnerable female workers. Only 36 per cent of companies could explain how many female workers have a basic salary that is equal to or just above the legal minimum wage, and just 9 per cent could give the gender breakdown of their contingent workforce.

138 companies could explain their plans to address diversity and inclusion, but only five companies gave information for every gender indicator in the WDI.

While the majority of companies (78 per cent) stated how the company has addressed, or intends to address, pay gaps and pay ratios, only 57 per cent of companies provided data on their gender pay gap and just 4 per cent provided data on their ethnicity pay gap.*

More than twice as many companies can provide data on the gender breakdown of their workforce (75 per cent of companies) than on the workforce’s ethnic composition (36 per cent of companies).

*This figure only includes companies that did not indicate that they were legally prohibited from collecting ethnicity data.
Positive steps and areas for improvement in company practices

Positive steps

Some companies are taking action to address these issues. Businesses are signalling support through global initiatives, such as the UN’s Women’s Empowerment Principles, a set of principles supported by 3,000 companies offering guidance to business on how to promote gender equality, and the Partnership for Global LGBTI Equality, a coalition of organisations working to leverage their power to accelerate LGBTI equality and inclusion globally.

Businesses are also working with their peers through initiatives such as CEO Action for Diversity & Inclusion, a CEO-driven business commitment to advance diversity and inclusion within the workplace, and the 30% Club, a global campaign led by Chairs and CEOs that is taking action to increase gender diversity at board and senior management levels. Companies are also engaging with civil society through organisations such as Business in the Community, where companies work together on several diversity and inclusion initiatives, covering issues such as race, gender and age.

Areas for improvement

There are, however, numerous examples of failures by businesses to effectively address diversity and inclusion issues. Representation continues to be a problem at the highest levels of corporate leadership, with women holding just 16.9 per cent of all global board seats in 2018. Only 6.8 per cent of directors on FTSE 350 boards are people of colour, and 59 per cent of FTSE 250 companies have no directors of colour on their boards. The lack of senior representation has knock-on effects for pay: at Lloyds banking group, Black employees make up 1.5 per cent of Lloyds staff, but only hold 0.6 per cent of the most senior jobs, with Black staff being paid nearly 20 per cent less than their colleagues.

Companies are also failing to tackle discriminatory assumptions and stereotypes. A global survey by McKinsey showed that only 43 per cent of men in senior management positions strongly agree that women are equally good leaders as men. Even on practices that are the minimum requirements for action on diversity and inclusion, such as implementing anti-discrimination and harassment policies, some companies are still lagging behind. For instance, in the USA, 7 per cent of Fortune 500 companies still do not include sexual orientation in their anti-discrimination policies.

Many well-documented cases of discrimination and harassment show how far there is still to go on diversity and inclusion. In 2020, more than a dozen people made allegations of sexual harassment and abuse against employees at Ubisoft, highlighting endemic cases of sexism and sexual assault over several years, the majority of which were ignored, mishandled, or undermined. Workers at Adidas in the USA have claimed that the company has failed to tackle a racist working environment, stating that Black employees are afraid of speaking out and their complaints are often disregarded.
What is the legal framework for diversity and inclusion?

**International law**

- Article 2 of the Universal Declaration of Human Rights
- Articles 2, 4, 24, 26 of the International Covenant on Civil and Political Rights
- Article 2 of the International Covenant on Economic, Social and Cultural Rights
- Convention on the Elimination of All Forms of Discrimination against Women
- Convention on the Elimination of All Forms of Racial Discrimination
- Convention on the Rights of Persons with Disabilities
- ILO Convention 100 on Equal Remuneration
- ILO Convention 111 on Discrimination
- ILO Convention 156 on Workers with Family Responsibilities
- ILO Convention 159 on Vocational Rehabilitation and Employment
- ILO Convention 190 on Violence and Harassment
In the USA, The Age Discrimination in Employment Act protects certain applicants and employees 40 years of age and older from discrimination based on age in hiring, promotion, discharge, compensation, or terms, conditions or privileges of employment.

In Norway, Section 6-11a of the Companies Act mandates that men and women must both be represented on corporate boards in all public limited companies in the private sector, with women making up at least 40 per cent of all board members.

In the UK, The Equalities Act legally protects people from discrimination in the workplace and wider society based on age, gender reassignment, disability, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

In India, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act provides protection from sexual harassment for women working in the formal and informal sector. It requires all employers with 10 or more employees to set up internal committees to address sexual harassment claims.

In Japan, The Law concerning the Promotion of Women’s Career Activities obliges public and private companies with 301 or more employees to establish quantitative targets to promote women’s career progression.

In France, The Act for the Freedom to Choose One’s Future Career sets out that companies with over 50 employees must report on several criteria relating to pay equality between men and women. If the company scores below the designated threshold on these criteria, it must define a plan to rectify these discrepancies.

Globally, Discrimination in employment based on sexual orientation is illegal in 40 per cent of UN member states.

The following provides an overview of some legislative developments that have occurred relating to diversity and inclusion across the world. For a more comprehensive understanding of the legal framework in different jurisdictions, always consult local legal experts.

Key developments in national law
What does this mean for investors?

For effective stewardship to take place and to eradicate malpractice, investors need to understand the full risks associated with an investment. Legislation and reporting on non-financial information, including for the financial sector, is becoming more prolific, making an understanding of workforce issues, and how and where they affect investee companies, even more valuable. The following sections set out some of the key information investors need to effectively respond to risk relating to diversity and inclusion in their investments.

A note on investment and diversity and inclusion

There is a strong business case for ensuring the consideration given to diversity and inclusion in investee companies is reflected in investors own operations as well, with the benefits of diversity and inclusion also applying to investors. For example, hedge funds that are run by women reported returns that were twice as high as their male counterparts. Additionally, a study of more than 800 institutional investors by the CFA Institute showed that 55 per cent of investors believed that gender diversity in investment teams leads to better performance.

The same can also be said for the risks relating to diversity and inclusion. Research by PwC has shown that external perceptions of diversity and inclusion in the investment management industry is less favourable that in other industries, posing reputational risks. The financial services sector scored just 46 per cent for its perceived performance on diversity and inclusion, compared to 54 per cent for technology companies and 56 per cent for consumer and industrial products businesses.
Disclosure score by country

- **Australia**: 5 companies
- **Belgium**: 2 companies
- **Canada**: 6 companies
- **China**: 1 company
- **Denmark**: 1 company
- **Finland**: 2 companies
- **France**: 17 companies
- **Germany**: 9 companies
- **Italy**: 3 companies
- **Japan**: 3 companies
- **Mexico**: 1 company
- **Netherlands**: 6 companies
- **Norway**: 1 company
- **South Africa**: 1 company
- **Spain**: 5 companies
- **Sweden**: 3 companies
- **Switzerland**: 3 companies
- **UK**: 56 companies
- **USA**: 16 companies
- **Overall**: 141 companies

**Overall disclosure score for entire WDI survey**

- 0%
- 10%
- 20%
- 30%
- 40%
- 50%
- 60%
- 70%
- 80%
- 90%
- 100%
What we can see from this graph

Across all countries, most companies are willing to be open about the data they have on diversity and inclusion, even if the actual levels of data collected is low. A stark example of this is companies based in Spain, which made almost three times the amount of their responses public (93 per cent) than the amount of data they provided (33 per cent). While the high level of public disclosure is positive, this is not significantly higher than for other sections of the WDI, where companies made an average of 79 per cent of their response public.

Levels of disclosure between geographies is much more uneven than between sectors. When looking at data for countries, there are much starker differences in companies’ disclosure scores. Companies headquartered in Italy, Norway and Switzerland outperformed other geographies. This is potentially due to stronger legislative frameworks surrounding diversity and inclusion data collection, such as mandatory reporting on the gender composition of corporate boards. This is a stark difference to the lowest scoring country, Mexico, which scored 28 per cent in this section.

While some European geographies performed well, this was by no means universal. Companies headquartered in Spain and Sweden had the second and fourth worst levels of disclosure, respectively, calling into question assumptions that European countries are more advanced in this area.
Disclosure score by sector

**What we can see from this graph**

Most sectors provided less data on diversity and inclusion than they did across the entire WDI. Every sector, bar consumer discretionary and healthcare, provided less data on diversity and inclusion than their average for the entire survey, highlighting the fact that the increasing focus on the importance of diversity and inclusion is yet to be entirely reflected in companies’ workforce reporting.

Sectors vary more when it comes to levels of disclosure than how much of their response they will make public. Despite sometimes significant differences between the levels of data different sectors provided on diversity and inclusion, the difference between the percentage of the response made public on this section was much smaller (a difference of 18 per cent from the lowest to highest levels of public disclosure by section, compared to a difference of 31 per cent between the lowest and highest disclosure scores for this section).

In the 2020 WDI, real estate and energy companies are leading the way, while the IT sector lagged slightly behind, echoing broader concerns around D&I in STEM fields.
How can diversity and inclusion affect investments?

Corporate approaches to diversity and inclusion can have significant impacts on companies’ performance and risk exposure, which may ultimately result in an increase or decrease in shareholder value.

Risks to investments in practice

Litigation, which can have significant financial and reputational consequences

In 2010, General Electric settled a lawsuit after Black workers claimed a supervisor repeatedly called them racial slurs. Between 2001 and 2008, 4,500 Black truck drivers that applied to work at Walmart filed a class-action suit against the corporation for recruitment discrimination, which Walmart settled for 17.5 million USD. Google, IBM and Verizon have all been accused of age discrimination, with Google and IBM both settling class-action lawsuits alleging discriminatory practices on the basis of age.

Company operations

In South Africa, more than 200 mineworkers staged a nine-day sit-in at the Lanxess Chrome mine in Rustenburg to protest the alleged sexual harassment and victimisation of a female employee.

Reputation and brand

During the Black Lives Matters protests in 2020, public campaigns called for the boycotting of businesses that did not align themselves with the movement or stayed silent on it. In the UK, there have been calls to boycott brands due to the size of their gender pay gap following the release of gender pay gap reporting data.
Opportunities for investments in practice

Reputation and brand
Accenture has received several awards and accolades due to the strength of its approach to diversity and inclusion, including earning a perfect score on the Human Rights Campaign’s Corporate Equality Index on LGBT+ inclusion, being included in the Hall of Fame for Working Mothers’ 100 Best Companies, ranking in the top five for DiversityInc’s Top 50 Companies for Diversity and being recognised as one of BLACK ENTERPRISE’s Best Companies for Diversity, among many others.29

Talent attraction and retention30
IBM’s Girls’ Outreach Programme has had a positive impact on increasing interest from girls in future careers with IBM. In the programme, 120 girls are invited to an annual event where they can hear about opportunities available in IT, take part in activities, and hear from inspirational women. This is then followed by work experience for over 100 girls across two weeks. Feedback from participants indicates that two-thirds of girls who have attended events or work experience are likely or very likely to consider a career with IBM in the future.31

Employee engagement and satisfaction32
A study of 4,597 employees at a large healthcare organisation showed that diversity practices were related to higher levels of employee engagement, with strong links between diversity, trust and engagement.33

Resiliency in the face of competitive pressures34
Research by AXA has shown that companies that are more diverse saw greater sales stability and are better positioned to discourage new entrants, discourage brand/product substitution, and to foster innovation.35

Profitability and reduced financial returns,36 including return on sales, return on invested capital and return on equity37
Internal research by Sodexo showed that when women are more represented in management positions in the company (between 40 and 60 per cent women), there was also better performance on measures such as customer satisfaction and employee engagement. Research by McKinsey showed that Sodexo was one of the most gender-diverse organisations in its industry and home country, while also being among the most financially successful in the data set used, with value creation that was 13 per cent above the industry average.38

Productivity39 and capacity for innovation and creativity40
AIG took steps to drive innovation through diversity and implemented this as a key pillar of its diversity and inclusion strategy. It implemented trainings on career progression for underrepresented groups, reaching 350 employees in nine countries, provided broader diversity and inclusion training for staff addressing bias, and significantly grew its employee resource groups. As a result, these efforts had a positive impact on workplace innovation and the reduction of business risk.41
What should you look for to understand companies’ approaches to diversity and inclusion?

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<td>The following questions provide insight into the essential foundations that companies need to establish in order to begin tackling these issues.</td>
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Has the company taken, or does it intend to take, any action to improve diversity and inclusion?
- Yes
- No

Are these actions part of a formal diversity and inclusion strategy?
- Yes
- No

Structural inequality and conscious and unconscious biases mean that diversity and inclusion do not happen without concrete actions from companies. If a company has not taken steps to improve diversity and inclusion or does not intend to, the likelihood of the company being exposed to the risks related to low levels of diversity and inclusion are high. Given the extent of recognition of the benefits of diversity and inclusion, it also suggests a broader failure to recognise and address workforce risks.

While planned or actual corporate action on diversity and inclusion is an essential first step for creating change, these initiatives are significantly more likely to be successful if they are part of a considered, documented strategy. Having a diversity and inclusion strategy demonstrates a company’s commitment to diversity and increases the likelihood that actions are considered and relevant to the organisation’s internal context, thus increasing the likelihood they will have a tangible impact on the organisation.

Checklist continues on next page
The first step to creating a diverse and inclusive organisation is ensuring that the policies are in place to protect staff from discrimination and harassment. While some organisations may claim to be guided by national anti-discrimination legislation, the scope and robustness of these laws vary considerably, making them an inadequate basis for the protection of staff. If a company does not have a discrimination and harassment policy in place, it indicates they are not taking the minimum steps required to begin improving diversity and inclusion, and likely have high levels of exposure to diversity and inclusion related risk as a consequence.

Parental leave policies can have a knock-on effect on gender equality in the workplace. They serve as an incentive to return to work after having a child, can reduce the gender differences in labour force participation rates, and can positively impact job satisfaction and organisational commitment. While the statutory minimum requirements in some jurisdictions may be considered sufficient, in the vast majority of contexts, this will not be the case. If a company does not offer enhanced parental leave, it can be indicative of a failure to take comprehensive action to not discriminate against parents and to improve diversity and inclusion. The company may also have a reduced ability to attract and retain workers compared to other organisations that offer more competitive benefits.

Effective management of diversity and inclusion risks requires leadership from the highest levels of authority in a company. The level of seniority of those responsible for diversity and inclusion indicates the degree to which a company prioritises these matters, as well as how management of diversity and inclusion matters shapes the overall business strategy. This even more the case when an organisation has clear processes for assessing and incentivising performance on diversity and inclusion. Organisations that can set out who is responsible, but not how that responsibility is monitored or enforced, are less likely to have successful diversity and inclusion outcomes than those that can demonstrate clear mechanisms for accountability and motivation on these topics.

Assessing companies checklist, Getting Started questions continued

Does the company have a public policy on discrimination and harassment, or similar?

- [ ] Yes
- [ ] No

Does the company have a shared parental leave policy that exceeds the statutory minimum requirements?

- [ ] Yes
- [ ] No

Are diversity and inclusion issues subject to senior level oversight (the board, executive committee and/or senior leadership)?

- [ ] Yes
- [ ] Somewhat
- [ ] No

How does the company assess and incentivise performance on diversity and inclusion for those with senior level oversight?

Checklist continues on next page
Context-dependent practices

How advanced a company is in this area depends on the groups they can provide data for, something that is often shaped by national legislation and the local context in their operating locations. In general, providing data disaggregated by gender and age should be one of the first steps companies take in this area. In operating locations where it is legally possible and culturally safe to do so, leading companies may also collect data on, for example, race or ethnicity, and sexual orientation and gender identity.

Variations between jurisdictions in the legality and safety of collecting different categories of data on workers mean collecting comprehensive data across all diversity strands may be impossible or unwise. If a company has not assessed the extent to which it is legally possible and safe to collect data on different groups, there may be unnecessary gaps in their data collection, negatively impacting the extent to which they understand their workforce and can respond to their needs through diversity and inclusion initiatives. In contrast, a lack of assessment may lead to companies collecting data where it is not safe to do so, exposing workers (and potentially companies) to risk.

A company cannot meaningfully address diversity and inclusion if it does not understand the composition of its workforce. Without this data, companies cannot see if they are attracting and retaining a diverse pool of talent and are unable to design initiatives that will respond to the needs of their workforce. If a company is not collecting this data, it signals that, at best, their approach to diversity and inclusion is not sufficiently data-driven, or, at worst, is superficial, ineffective, or non-existent.

If a company does not understand the levels of diversity in its leadership, it is unable to identify any gaps or areas for improvement. It also means initiatives to improve diversity in leadership are not informed by data and are not responding to the organisations’ unique circumstances.
A core component of increasing diversity throughout an organisation is monitoring internal hire rates for workers from different groups. Companies that do not collect this data cannot assess if different groups can access opportunities for promotion and if any systematic bias is present in internal hiring decisions. It also means the company cannot properly evaluate the effectiveness of initiatives to address these issues. As a consequence, these initiatives may be less effective, and the company may be exposed to greater levels of diversity and inclusion-related risk.

Data on employee turnover can serve as an important indicator of the success of a company’s efforts on diversity and inclusion. If a company has high rates of voluntary turnover from one particular group, it suggests that there is a failure by the company to create an environment that supports those workers. Alternatively, if involuntary turnover is particularly high for a certain group of workers, it suggests there is a systematic bias, indicating the likelihood of discrimination that poses litigation and reputational risk.

Pay gaps are a useful tool for identifying disparities in the treatment and experience of certain workers across an organisation. High pay gaps can indicate issues relating to progression and/or hiring practices, with certain groups being underrepresented in leadership positions and thus the highest salary bands. If a company has identified pay gaps but has not taken any action to address them, it raises questions about their commitment to improving diversity and inclusion.
## Leading practice

The following questions provide insight into whether companies are demonstrating leadership and providing the tools for comprehensive, innovative responses to workforce management.

### Can the company explain the number of discrimination and harassment incidents reported and resolved?

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The number of incidents raised and resolved indicates the scale of discrimination and harassment in a company and the effectiveness of a company's approach to dealing with this. A sustained high number of incidents raised over time, regardless of how many of these are resolved, may suggest the company is failing to address the underlying causes of discrimination and harassment and is failing to provide an inclusive environment. While a low figure is generally more positive, it may still hint at additional concerns over whether workers can access and use the mechanisms available to them to raise complaints. Whatever the figures may be, a company’s willingness to be transparent around these numbers and to enter into dialogue about them is a good indicator that they take these issues seriously and understand their business and workers.

### Has the company taken, or does it intend to take, any action to improve diversity in leadership positions?

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Diverse leadership is associated with better organisational performance and greater levels of innovation. It also provides role models for other employees, and can also positively impact employee satisfaction. If a company is not taking, or does not intend to take, action to improve diversity in its leadership, the organisation will likely not be able to capitalise on these benefits. If an organisation has a diversity and inclusion strategy, but concrete details on diversity in leadership is not a part of this, it also suggests that the depth and rigour of this strategy may be cause for concern, undermining the strength of a companies’ broader approach to these issues. Additionally, given the centrality of diverse leadership in any meaningful corporate action on diversity and inclusion, it also calls into question more broadly the extent to which the company recognises the importance of diversity and inclusion and thus the scope and effectiveness of other actions it is taking to address it.
Examples of good disclosure

Without meaningful and comprehensive data on companies’ practices relating to diversity and inclusion, it is impossible to drive change. The following answers from the 2020 WDI cycle are positive examples of transparency on diversity and inclusion.

WDI indicator 4.1: What action has the company taken, or intends to take, to improve diversity and inclusion? State any time-bound diversity and inclusion targets and/or KPIs set and progress achieved, as applicable. Attach or upload documents or policies as relevant.

The Group has strengthened its focus on diversity and inclusion to drive a broader agenda of equality, opportunity and progression, supported by a culture that values difference and authenticity where colleagues can bring their whole self to work. A range of initiatives support this aim, including:

Targets: As signatories to the Women in Finance charter, the Group achieved its target of 30% females in senior leadership roles by the end of 2019. It has now set a new target of 35% representation by the end of 2022. Additionally, the Group has signed Business in the Community’s Race at Work Charter and set new targets for ethnic minority leadership representation of 13% by the end of 2022, including a specific target for Black representation.

Training and education: Through ongoing communications and awareness activities, the Group is encouraging greater empathy and building a deeper understanding of issues across its employees. The Group has recently launched a reverse mentoring programme to help its senior leaders build a greater understanding of difference, which will complement broader inclusive leadership training.

Involvement: The Group has a thriving Diversity Network Alliance run by employees to champion and celebrate diversity and inclusion across seven different areas: Gender, ethnicity, social mobility, disability & neurodiversity, LGBTQ+, working families, generations & carers and belief. These networks play an important part in helping to develop strategy, policy and drive change, as well as to advocate for and provide a support and network for colleagues.
WDI indicator 4.10: Does the company have a shared parental leave policy that exceeds the statutory minimum requirements? 4.10a If yes, provide a link to or attach the relevant document and give information on uptake of parental leave/ the scope of this policy.

Our global Family Leave policy offers female employees in all markets a minimum of 26 weeks of fully paid maternity leave and we’ve also set a global minimum standard of four weeks paternity leave on full pay in all markets. And in more and more markets, we’ve introduced 26 weeks fully paid paternity leave – including in the United Kingdom, North America, Thailand, Philippines, Singapore, Spain, Netherlands, Ireland, Italy, Russia, Colombia, Venezuela, and Australia. Since we launched our Family Leave policy in 2019, we’ve seen our employees’ use of parental leave increase significantly. In the 2020 financial year, our people took more than 163,000 days of parental leave - and the average number of days taken by men increased from 23 to 105. Our aim for the policy is that it will support employees to focus on the joy of raising a young family, while continuing to thrive at work.

Relevant WDI indicators
Several indicators in the 2020 WDI provide a useful insight into companies’ practices relating to diversity and inclusion:

1.1, 3.4, 3.6, 4.1 - 4.12, 5.2 - 5.6, 6.1, 7.3
Resources

**Why Diversity Matters, Delivering through Diversity, and Diversity Wins: How Inclusion Matters** - McKinsey & Company
A series of reports outlining the business case for diversity and inclusion, demonstrating the benefits to and outcomes of diverse and inclusive organisations.

**The Inclusion Index 2019 - Kantar**
A summary report outlining the findings from the 2019 Inclusion Index, which evaluates the extent to which companies, sectors and countries are diverse and inclusive.

**Discrimination in Employment Law Guide - DLA Piper**
An outline of the legal context surrounding discrimination in 63 countries across the world.

**Global Workplace Briefings - Stonewall**
A suite of briefings that advise employers on how they can create inclusive and equal workplaces for LGBT employees around the world.

**Managing an Age-Diverse Workforce: What Employers Need to Know - CIPD**
A guide providing insights into the experiences of workers of different ages and recommendations for employers on how to promote and support an age-diverse workforce.

**Magnet for talent: Managing diversity as a reputational risk and business opportunity - PwC**
A guide outlining the risks and opportunities relating to diversity and inclusion, and giving examples of practical steps businesses can take to improve diversity.

**A Lifetime of Gender Inequality: What Investors Can Do** - AXA IM
An analysis of gender inequality in four major investment markets, Japan, Germany, China and India.

**ESG Viewpoint - Racial justice - The imperative for investor action - BMO Global Asset Management**

**ESG Viewpoint - Gender diversity – Are German companies keeping up? - BMO Global Asset Management**

**Newton’s diversity engagement and voting policy - Newton Investment Management**

**Does Diversity Provide a Profitability Moat? - AXA IM**
A study exploring the impact of diversity on the profitability and resilience of investments.

**Global Gender Gap Report 2020 - World Economic Forum**
A report benchmarking 153 countries on their progress towards gender parity. It also examines gender gap prospects in the professions of the future.
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