

# LEADERS FOR RACE EQUITY

CEO CROSS-COMPANY ADVOCACY PROGRAMME

Accelerating racial and ethnic ExCo representation in UK business



INFORMATION PACK



# LEADERS FOR RACE EQUITY

Taking decisive action to increase racial and ethnic participation in UK businesses by creating cross-company learning partnerships.

Leaders for Race Equity brings senior voices from different organisations together to learn, collaborate and create clear action plans for their racial and ethnic diversity agendas.

Join our programme and be a leader in the field driving real change in your industry.



“ More than ever our industry needs access to all the talents that exist in the UK, this is a critical area where we can do so much better. ”

James Wroath, CEO, Wincanton

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# WELCOME

## FROM LORD BILIMORIA, CHAIR OF CHANGE THE RACE RATIO CAMPAIGN

“ I am delighted that you are interested to find out more about the Leaders for Race Equity programme. First, I wanted to explain a bit more about the Change the Race Ratio campaign and its development programme to you. The campaign ultimately aims to increase racial and ethnic minority participation at the upper levels of UK businesses, while building a talent pipeline from diverse communities of future leaders.

Since I spoke about it in the House of Lords, over 100 leading organisations have signed up and pledged to increase racial and ethnic diversity in senior leadership, offer more transparency on targets, actions and ethnicity pay gaps, and by creating an inclusive culture in which talents from all diversities can thrive. While progress has been made, and businesses are voluntarily reporting their data, more needs to be done. We have seen the progress made on gender diversity; now it is time to do the same for racial and ethnic diversity.

My good colleague, Ann Cairns (Executive Vice Chair, Mastercard and Global Chair, 30% Club), and I are now inviting you to join our new Leaders for Race Equity cross-company development programme, an initiative that is close to my heart.

Run in partnership between the CBI and the 30% Club, and guided by inclusion and diversity specialist, Moving Ahead, this nine-month programme offers two impactful learning opportunities:

01. CEOs will be partnered with a talented executive level businessperson (ExCo -1 to -3), from an underrepresented minority racial and ethnic background. Through these two-way learning partnerships, carefully overseen and matched by Moving Ahead, leaders will come to understand and connect to the lived experiences of others outside their professional networks and echo chambers, with the aim of effecting systemic change.

02. Cross-company listening circles will bring opportunities for deeper insight and discussion on key topics that will support learning and development of stronger racial and ethnic diversity agendas.

I truly believe we can drive this change within business, and to quote from the Harvard Business Review:

**‘Diversity without inclusion is useless’.**

I strongly believe this programme will achieve real results to benefit all of us. ”



**Lord Karan Bilimoria CBE, DL**

President of the  
Confederation  
of British Industry



**Ann Cairns**

Executive Vice Chair,  
Mastercard;  
Global Chair, 30% Club

# WHY DIVERSITY IS VITAL

It is statistically proven that diversity is good for business, yet the 2016 Parker Review, led by Sir John Parker, found that the boardrooms of Britain's leading companies do not reflect the ethnic diversity of either the UK or stakeholders that those companies seek to engage and represent. It made a series of recommendations, underpinned by "strong industrial logic". These included a target to appoint a director from a minority ethnic group by 2021 – known as 'One by 2021' – and that businesses develop mechanisms "to identify, develop and promote people of colour to ensure a pipeline of board-ready candidates".

The latest updates show that **89 FTSE 100 firms met the target of at least one ethnic minority person on their board by 2021, but there are still only six CEOs and 12 other executive directors from a minority ethnic group.** In the FTSE 250 only 55% of companies that responded had achieved one minority person on their board.

The business case for change is clear. Large investors are increasingly highlighting the greater need for ethnic minority diversity, with greater pressure from investors and the proposed listing rule changes. McKinsey data from 2019 highlights that in the case of **ethnic and cultural diversity, top-quartile companies outperformed those in the fourth quartile by 36% in profitability**, slightly up from 33% in 2017 and 35% in 2014.

In the 2020 Parker-Tyler update, Sir John appealed directly to Chairmen and CEOs when he said: "We need to understand that in today's world, failure to act can be just as damaging to our companies' reputations, not to mention weakening shareholder and stakeholder confidence."

He added: "This is not just a matter of social justice. Many of those who invest in us and trust us as our customers are now monitoring our performance on leadership diversity, because they see it as a sign of whether we are truly ready to face up to the challenge of the modern world."

In the 2022 update, then Business Secretary Rt Hon Kwasi Kwarteng MP highlighted the need for continued momentum.

“ By maintaining our focus on building fully inclusive workplaces, diversity will maintain its rightful place as a key prong of our industrial strategy. In turn, UK business will be better able to meet the needs of diverse markets; to lead innovation and progress in global growth; and to advance the UK's standing on the world stage. ”

This programme can help achieve that by driving change from CEOs and building the pipeline that will give Britain's businesses the boardroom diversity to become more competitive and better represent society's make up.

“ This programme brings D&I up the agenda more, compared to some of the others. The mix of participants involved in the programme bring different perspectives from different experiences. They were not all in agreement, which is fine. ”

Amra Mirza, Natwest

# HOW THE LEADERS FOR RACE EQUITY PROGRAMME WORKS

A select group of senior participants from 20 companies will be brought together in a shared learning community over nine months. An emphasis will be on developing CEOs to be better allies through one-to-one learning partnerships with minority racial and ethnic talent. CEOs will be empowered to drive and deliver change in their companies through listening circles and events, attended by other senior participants in the company, that explore key topics that will support learning and the development of stronger racial and ethnic diversity agendas.

## Participants

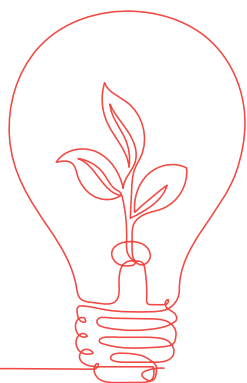
The Leaders for Race Equity cross-company development programme involves up to 20 organisations (consisting of Change the Race Ratio signatories and 30% Club signatories) forming cross-company learning partnerships.

## The participants from each organisation will be:

- ▶ Head of DE&I (the person accountable for DEI at board level).
- ▶ The CEO or their deputy.
- ▶ One individual who sits at ExCo level minus 1 to 3, is an ExCo talent pipeline and who is an ethnic and/or racial minority talent.
- ▶ Chair or Vice Chair of ERG (network) for race and ethnicity.

**Duration:** Nine-month programme. (May 2023 to February 2024.)

**FEES | £12,000 PER ORGANISATION**



“ (The programme) provides a great opportunity for me to reflect regularly on how to ensure AMS is as fully inclusive an environment as possible. Having Yasharn Smith as my thought partner makes it even better. ”

David Leigh, CEO AMS

# STRUCTURE OF THE PROGRAMME

**A shared learning community will be formed through:**



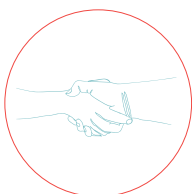
**A launch event**, in-person in London, will set the scene for the programme vision and equip partnerships to start. The event will include brief training on key skills required to get the most out of the listening circles and learning partnerships and set out the core intention for the programme – being open, vulnerable, curious and willing to learn.



## **Listening circles**

Virtual listening circles where the CEOs, ExCo talent pipeline and ERG leads from different organisations will be brought together in psychologically safe spaces to share experiences, ambitions and ideas. Listening circles will be centred on a core theme for discussion and begin with a keynote stimulus followed by group discussion.

There will be four, two-hour listening circles, over nine months. Themes for discussion will include such topics as C-Suite culture, sponsorship, and intersectionality.



## **One-to-one Learning Partnerships**

CEOs and ExCo talent pipeline participants will be matched into one-to-one cross-company learning partnerships. Both participants will meet for 60 minutes, over Zoom, after each listening circle to further reflect and discuss ideas from the listening circles.



**A closing event**, in-person in London, will be an opportunity to reflect and build organisational specific action plans. Organisations will explore their “so what?” next steps cross-company and within their own organisation.

## OBJECTIVES

- ▶ To convene and support businesses to make progress together.
- ▶ To enable leaders to connect to the lived experiences of a diverse ExCo -1 to -3 talent pipeline.
- ▶ To create psychologically safe spaces for CEOs, ExCo -1 to -3 talent pipeline and HRD/DE&I to openly share their ambitions, vulnerabilities and ideas.
- ▶ Enable and empower diverse talent by providing access to a community of CEOs.

## BENEFITS

### For CEOs

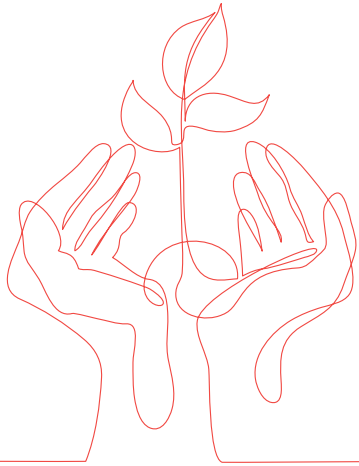
- ▶ Access to the ExCo pipeline so that they can develop an understanding of the challenges facing the ExCo pipeline.
- ▶ Shine a light on personal blind spots.
- ▶ Confidence and capability to talk about race.
- ▶ Empowered to influence, drive, promote and deliver genuine change.
- ▶ Explore challenges (as leaders and at an organisational level) and create clarity on a future strategy and messaging for race, ethnicity, and wider inclusion.
- ▶ Develop better allies and opportunities to use their power in a sponsorship capacity.

### For ExCo talent pipeline

- ▶ Provide access to and the opportunity to develop connections with those at the C- Suite Level.
- ▶ Exposure to strategic thinking at the top level.
- ▶ Being a thinking partner to influence change for their own company and across other companies.
- ▶ Personal development growth and career strategy.

### For HRDs and ERG Leads

- ▶ Equip with a clear plan for next steps to keep momentum and drive forward change within their organisations.





## MAXIMISING THE IMPACT

### Participation expectations

Organisations that benefited most from the first cohort fully proactively organised internal de-brief meetings as a cohort. This supported an acceleration of commitment and change as a result. We advise you meet as an internal cohort at least twice during the programme. We will provide a toolkit to support these discussions.

It is expected that all participants commit to attending all events. We have built in opportunities for peer-to-peer networking in this cohort. There will be opportunities to connect as a peer group within, and immediately after some of the events.



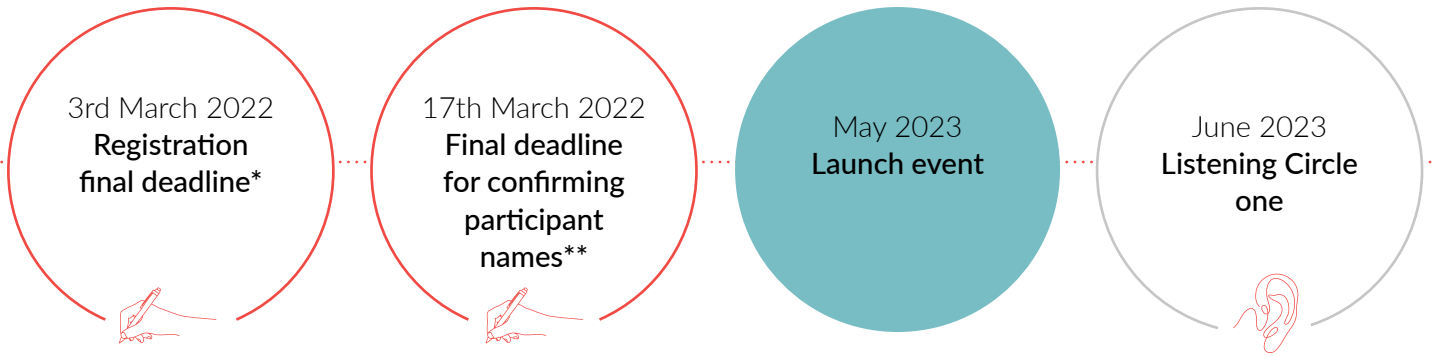
“ The opportunity to speak my truth to someone like John (CEO) is brilliant!

Abi Sowande,  
Wincanton (ExCo talent) ”

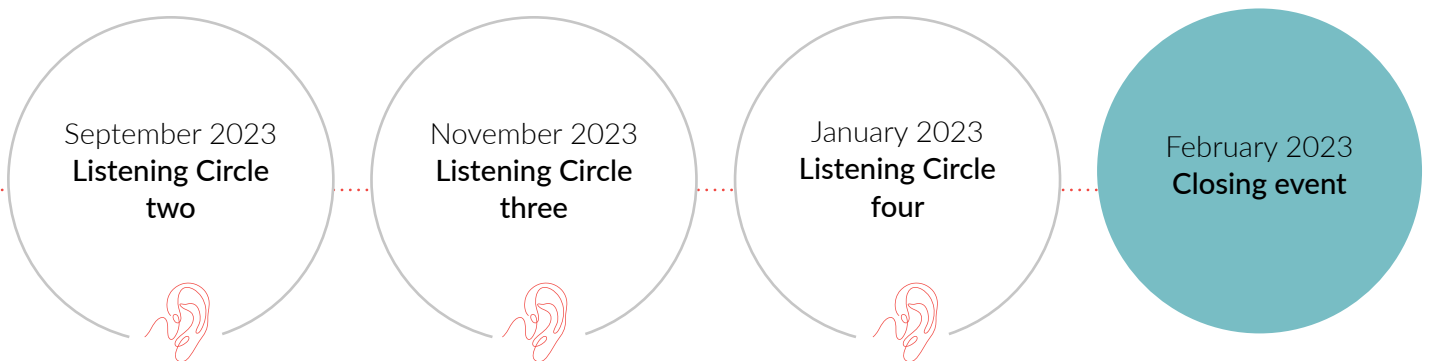
“ I'm proud that National Grid is taking part in LfRE... It's clear that companies need to do more to address the lack of diversity at the top, and I urge more companies to join us in changing the race ratio. ”

John Pettigrew, CEO, National Grid

# KEY DATES



**Location:** Zoom. We hope to include one face to face listening circle session and the closing event. Face to face events will be held in London.



We are delighted to be joined by **two of the most celebrated speakers** from cohort one:



**Matthew Syed**  
Best-selling author, journalist and former table tennis player  
*The value of diversity*



**Megan Reitz**  
Director at Ashridge Business School, author and researcher.  
*Speaking truth to power*

“We were blown away with the launch and first listening circle. The insight and information from Megan we’ve shared internally, have opened up discussions and are exploring how to engage with more people internally on that topic.”

**Zoe Ashdown, AXA**

“I’m quoting Megan and Matthew outside of the programme. It’s not just for the C-suite; these are concepts that I am using as I progress my career. I watch each session twice to remind myself what to pull out for the (one to one) conversation.”

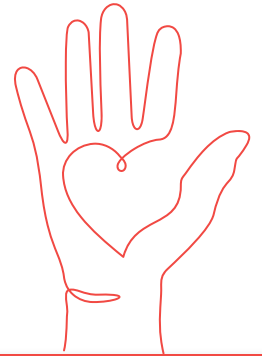
**Abi Sowande, Wincanton**

\*Organisations to submit details of participating CEO or deputy, ERG lead and Head of DEI

\*\*Submit your ExCo talent pipeline participant

# ABOUT CHANGE THE RACE RATIO

Change the Race Ratio is a business led campaign to accelerate racial and ethnic minority representation in UK businesses. The campaign is co-founded by the CBI with the support of 13 founder organisations including Aviva, Deloitte, EY, Schroders and Unilever.



It calls for businesses to make four commitments to change:

01.

To set and publish targets for racial and ethnic minority participation on boards, in line with the Parker-Tyler Review recommendations.

02.

To set and publish targets for racial and ethnic minority participation at an executive level and executive level minus 1 pipeline within 12 months of joining.

03.

To publish a race action plan and commit to publishing their ethnicity pay gap within two years of joining the campaign.

04.

To create an inclusive culture that allows talent to thrive.

The campaign provides signatories with a peer community, enabling signatories to share good practice, work together to find solutions and support each other to make progress. The campaign has developed an events schedule designed to support progress against our four commitments and provide a safe space for discussion and knowledge exchange. We also support boards and executive committees on a one-to-one basis through our ambassador network of experts and business leaders.

Change the Race Ratio gives signatories the platform, support and confidence to speak publicly about the importance of representation at a senior level and the actions they are taking to make progress. Ethnic representation at the top of business is important, as is board and executive accountability for diversity and inclusion. Representation matters at a senior level, it provides under-represented groups with role models and a voice in decision making, it has a positive impact at all levels; 'if you can see it, you can be it.'

“IF YOU CAN  
SEE IT,  
YOU CAN  
BE IT.”

Since launch in 2020, **the campaign has attracted over 100 signatories** and includes many businesses in the **FTSE 100** and **FTSE 250**.

## ABOUT THE 30% CLUB

When the 30% Club was first established in the UK in 2010, women accounted for less than 12% of FTSE 100 board members. This campaign set out to change that by calling on chairs and CEOs to commit to gender diversity as a business objective and aim for at least 30% female representation. Parity is its ultimate goal, and while we're now inching towards 40% women at board level, at the executive committee level we're stuck at around 20%. There are just ten female CEOs in the FTSE 100 and there are still 100 all-male executive committees in the FTSE 350. So the campaign won't be changing its name any time soon!

Something else you should know – the 30% Club stands to advance corporate leadership opportunities for ALL women. That's why it has broadened its targets to include beyond 30% female representation at board and ExCo level of the FTSE 350, as well as one person of colour – and preferably a woman – at each level by the end of 2023.

The campaign now has **20 chapters all over the world** - from the US and Mexico to Malaysia and Australia and its global chair is Ann Cairns, executive vice chair of Mastercard.



The campaign believes diversity and inclusion is good for business – there's plenty of research to prove it. And judging by its membership, more than 1,000 business leaders of the world's biggest companies agree.

## ABOUT MOVING AHEAD

Moving Ahead is a specialist social impact organisation dedicated to advancing workplace diversity, equity and inclusion. One of the core levers in how Moving Ahead creates change is through structured cross-company programmes - including their pioneering mentoring schemes on behalf of the 30% Club, the largest of their kind globally. Operating cross-sector, cross-company and cross diversity-strand, these award-winning programmes help organisations and individuals achieve diversity of thought and better performance. In the last ten years Moving Ahead has supported **more than 30,000 learners from more than 300 organisations in 30 countries.**

## NEXT STEPS

Moving Ahead will provide full assistance during onboarding to help identify the right participants. Find out more about how Moving Ahead can help you select your development partner by emailing [race.equity@moving-ahead.org](mailto:race.equity@moving-ahead.org).

Please contact [race.equity@moving-ahead.org](mailto:race.equity@moving-ahead.org) to schedule a call with one of the team to find out more information.



MOVING AHEAD