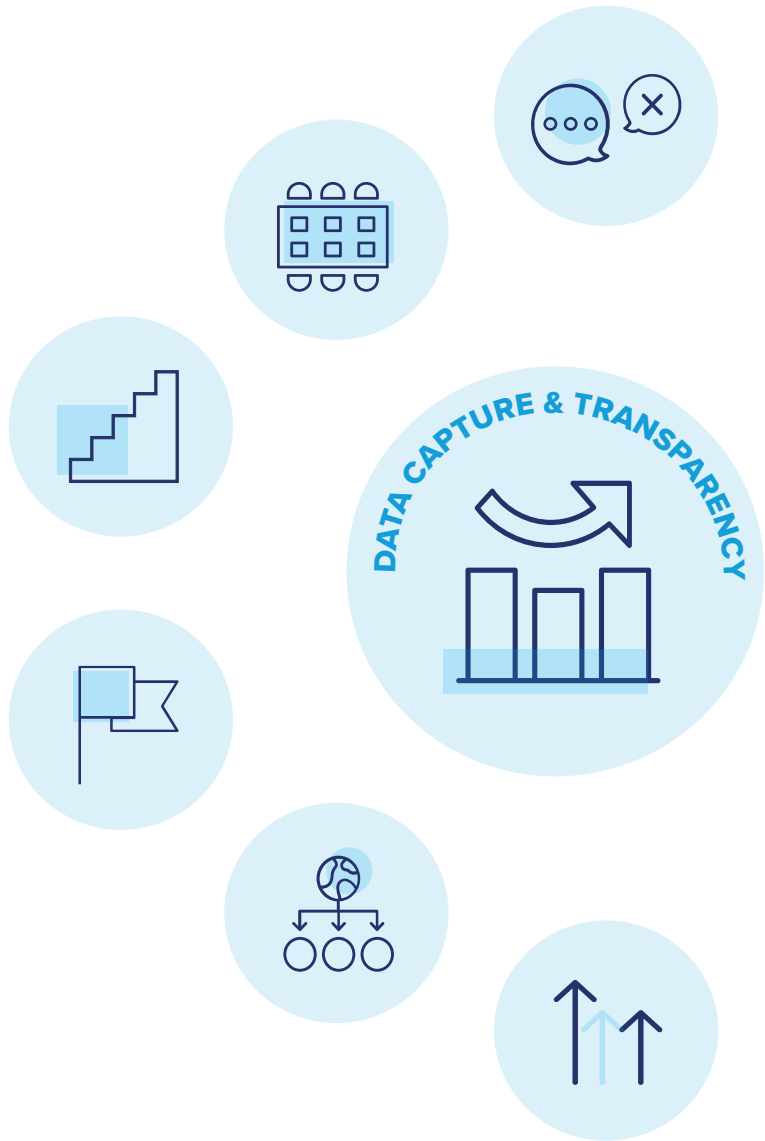




The Prince's
Responsible
Business Network



Report

RACE AT WORK CHARTER 2023: COMMITMENT TWO

October 2023



REPORT

RACE AT WORK CHARTER REPORT 2023: COMMITMENT TWO – ETHNICITY DATA CAPTURE & TRANSPARENCY

The Race at Work Charter, launched in 2018, has seen an increase of signatories from 85 employers at launch, to over 1000 signatories in 2023. 238 employers completed the Race at Work Charter Survey 2023. This amount of employers participating has more than doubled compared to previous years, with 114 employers participating in 2020 and 108 employers participating in 2019.

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COMMITMENT TWO OF THE RACE AT WORK CHARTER

Capture ethnicity data and publicise progress.

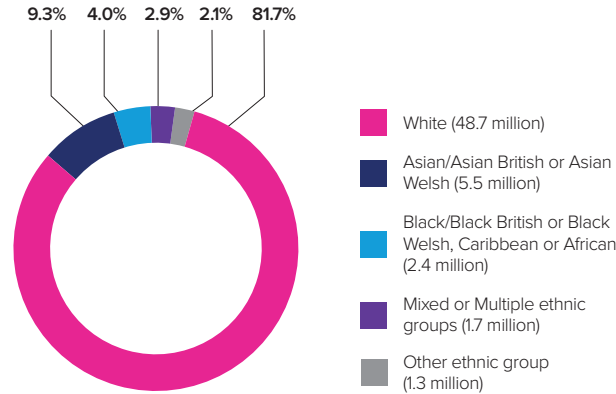
Capturing ethnicity data is important for establishing a baseline to measure progress against. Therefore, it is a crucial step for organisations that are planning to report on ethnicity pay gaps and track performance against targets.

Some employers who have signed the Race at Work Charter are not waiting for the government to implement mandatory ethnicity pay gap reporting and are choosing to take concrete action, voluntarily.

With ONS Census 2021 data evidencing that 18.3% of the resident population of England and Wales are from a Black, Asian, Mixed Race or other ethnically diverse background, transparency and representation have never been more important. It is also key to note that ethnically diverse people also make up almost one in five (19.3%), of the working-age population.

For more information please see BITC's [Race Regional Factsheets](#).

Figure 1: Population of England and Wales by broad ethnic group categories: Census 2021



Source: Census 2021 Ethnic Group TS021

Chelsey Sprong, Head of Social Impact, Beazley, said:

“We are committed to improving diversity and inclusion, specifically when it comes to race and ethnicity within our organisation and the wider insurance industry. We aim to reflect the communities that we operate within and serve. In 2021, we committed to improving the representation of Black, Asian, Mixed Race, and other ethnically diverse employees in our global workforce from 19% to 25% by the end of 2023. We were pleased to meet this original target a year ahead of our initial goal. We have now added an additional target to improve the representation of ethnically diverse colleagues in our senior leadership team by at least 6% by the end of 2027.”

CHARTER EMPLOYER TRENDS 2019–2023

Trend question: Do you monitor your workforce by ethnic group at each management level in the organisation?

89% of employers participating in the Race at Work Charter Survey 2023 said yes to this question. This shows an increase from 81% in 2020 and 83% in 2019.

Figure 2: Percentage saying yes to ‘Do you monitor your workforce by ethnic group at each management level in the organisation?’



Source: BITC Race at Work Charter Employer Surveys

Business in the Community (BITC) has published 11 [Regional Insights on Race Factsheets](#) to help employers review their local data against key demographic changes that have occurred since the ONS Census 2011. The factsheets provide insight into the most diverse locations within the UK, including information on religion, location and languages spoken, as well as the demographic breakdown of students within universities and primary schools. The factsheets also include fresh

regional insights from the BITC Race at Work 2021 Survey, with thousands of workers sharing their views on the workplace.

Commitment Two of the Race at Work Charter is where we have seen the biggest uplift in positive responses from employers to questions about monitoring ethnicity pay data and publishing ethnicity pay data. This correlates with the BITC Race at Work 2021 Scorecard Report findings,¹ where we saw a significant shift in the number of organisations voluntarily capturing their ethnicity pay gap data. This increased from 11% in 2018 to 19% in 2021.

Trend question: Do you monitor data on pay and ethnicity?

67% of employers in the Race at Work Charter Survey 2023 said yes to this question. This shows an increase from 63% of employers in 2019 and 60% in 2020.

Figure 3: Percentage saying yes to ‘Do you monitor data on pay and ethnicity?’



Source: BITC Race at Work Charter Employer Surveys

Michael Davison, Deputy CEO, REAHL Network Executive Sponsor, Hogan Lovells, said:

“Our commitment to delivering on diversity, equity, and inclusion is a strategic priority for the firm and we are actively working towards creating an inclusive workplace where all of our people can reach their full potential within an inclusive and supportive culture. In 2020, we set a global goal of 15% partners from ethnic minority backgrounds by 2025.. We take a multi-faceted approach to achieving this, from building accountability through leadership, sponsorship and mentorship to embedding, diversity, equity, and inclusion into our key processes such as pitching and work allocation.”

Capturing the ethnicity data of your workforce will ensure that employers can analyse insight on pay and reward.

It is important to build trust with employees, to ensure they feel safe to disclose their protected characteristics on race and/or other protected characteristics under the Equality Act 2010.

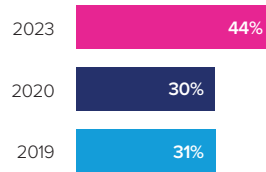
Many employers launch internal campaigns to drive up employee disclosure. Some senior leaders speak out publicly and share personal stories about why the data matters and its importance. This has helped to increase employee confidence to disclose.

Trend question: Do you publish data on pay and ethnicity?

44% of employers completing the Race at Work Charter Survey 2023 said yes to this question. This shows an increase from 31% of employers in 2019 and 30% of employers in 2020.

The [McGregor-Smith Review: Race in the Workplace 2017](#) found that a potential boost of £24 billion per annum into the UK economy could be gained by tackling the racial disparities in the labour market, be they linked to recruitment, pay or progression.

Figure 4: Percentage saying yes to ‘Do you publish data on pay and ethnicity?’



Source: BITC Race at Work Charter Employer Surveys

As mentioned, one in five (19.3%) of the working-age population in England and Wales is from an ethnically diverse background. In addition to this, 26%, more than one in four, of the university population, secondary and primary school population are from an ethnically diverse background. As a result, there will be increasing demand for transparency in pay in the future.

We are very pleased that the government has now published [voluntary guidance](#) to support employers to voluntarily publish their ethnicity pay gaps. We will continue to campaign for this to be mandatory.

Christos Tsaprounis, People & Culture Director, Auto Trader UK, said:

“We are all galvanised behind our purpose to ‘drive change together, responsibly’, and ensuring we have a diverse workforce and an inclusive culture is critical to this as it enables us to unlock the full potential of our people. We have joined forces with other FTSE100 companies to encourage more companies to report and to campaign to make ethnicity pay gap reporting mandatory in the same way that it is for gender. We believe a greater level of transparency will drive more accountability and more action, which is needed to close the gaps.”

ACTION EMPLOYEES ARE TAKING

1. Over the next three years (2023–26), taking steps to establish an employee population in line with national benchmarks for all categories, including race and ethnicity.
2. Using an applicant tracking system that will enable better tracking of applicant to hire conversion in underrepresented groups.
3. Setting targets to increase data declaration to 90%, by driving data declaration campaigns.
4. Setting targets for Black, Asian, Mixed Race and other ethnically diverse employees in senior leadership roles.
5. Setting targets for Black, Asian, Mixed Race and other ethnically diverse women in senior roles.
6. Analysing retention rates and growth potential in teams.
7. Each executive member has a bespoke target in place which underpins the group target.

Lisa Fernihough, Chief People Officer and Executive Committee Member, KPMG LLP, said:

“In 2022 we set bold and ambitious targets for inclusion, diversity and equity by 2030. The targets include 20% ethnic minority representation and 5% Black heritage representation in our Partner population. All business leaders are accountable for their team’s targets and action plans, with ultimate accountability sitting with our Chief Executive and my fellow Executive Committee members. We are proud of our achievements making KPMG fairer for all, whilst acknowledging we still have important work to do to drive racial equity even further for our colleagues, clients, and suppliers.”

BEST PRACTICE IN ACTION

In this section, the following employers share more detail on how they approached ethnicity data capture and transparency in the workplace:

- Auto Trader UK
- Beazley
- Hogan Lovells
- Impax Asset Management
- JLR
- KMPG LLP
- Leidos
- Midcounties Co-operative
- NatWest Group
- Santander
- Softcat
- The Sage Group plc

Auto Trader UK

Auto Trader is proud of its accomplishments when it comes to its diversity data completion rates, but the organisation recognises the challenges it has faced to get to this point. The two key challenges Auto Trader faced in obtaining diversity data was building trust with its employees to encourage them to share personal and sensitive data, and also system constraints. These issues were critical to overcome to help drive Auto Trader's diversity agenda. Auto Trader has always been mindful about the sensitive nature of diversity data and has been careful about what it asks for, why it asks for it, and who will have access to it. Access is kept to a small group in the People Operations team with data only ever reported in a high-level, aggregated way. Auto Trader champions the belief that encouraging employees to provide their data enables the organisation to build a better, culture-first business that encourages everyone to act authentically and be treated fairly, regardless of their background. Auto Trader's networks and guilds have been pivotal in driving this message across the business by sharing personal stories, creating safe spaces for all employees to truly be themselves, and pushing the importance that by providing diversity data, Auto Trader becomes accountable to building a workforce that is representative of the

communities in which it operates. This has been crucial to breaking down any systemic concerns there may be around sharing diversity information. Auto Trader currently has a 95% disclose rate for ethnicity data and has been publicly disclosing its ethnicity pay gap since 2020.

Beazley

Beazley originally aimed for at least 25% of the company to be from Black, Asian, Mixed Race, and other ethnically diverse backgrounds by the end of 2023. This target was achieved a year ahead of schedule. The organisation set this target globally, based on Census data available in its main geographies, and by analysing company data; looking at joiners, leavers and attrition rates, in order to understand how challenging or likely reaching the target was. By providing bespoke training and support to individual departments and teams, Beazley was pleased to reach this initial target for its group population and is now aiming to improve the percentage of Black, Asian, Mixed Race, and other ethnically diverse employees in its senior leadership team, by at least 6% over the next five years. This time scale was chosen based on how often changes are made to this group and by analysing retention rates and the growth potential of the team. By focusing on its recruitment channels

and enhancing and consolidating external partnerships, Beazley has been able to attract a more diverse workforce. Each executive member has a bespoke target in place which underpins the group target, based on the geography and skillset required for each department.

“We are committed to improving diversity and inclusion, specifically when it comes to race and ethnicity within our organisation and the wider insurance industry. We aim to reflect the communities that we operate within and serve. In 2021, we committed to improving the representation of Black, Asian, Mixed Race, and other ethnically diverse employees in our global workforce from 19% to 25% by the end of 2023. We were pleased to meet this original target a year ahead of our initial goal. We have now added an additional target to improve the representation of ethnically diverse colleagues in our senior leadership team by at least 6% by the end of 2027.” Chelsey Sprong, Head of Social Impact

Hogan Lovells

Since 2018, Hogan Lovells has had a strong focus on gathering and reporting diversity data. As of January 2023, 95% of its people had shared their ethnicity data with the firm, enabling it to accurately measure representation of ethnic minority colleagues at key stages in the employee life cycle. Building on this, Hogan Lovells wanted to understand more about how its people feel about race in the workplace, as this ultimately drives retention and progression outcomes. The firm has partnered with [FLAIR](#), a racial equity technology company that helps organisations measure and build racially equitable cultures – the first law firm to do so. Through a short survey data was collected across four areas: racial diversity, racist behaviours, levels of racial awareness, and racial inclusion barriers. In the first year of its three-year relationship with FLAIR, 79% of the firm completed the survey, providing a robust data set. This is an innovative tool generating additional insights from data which has not been collected before by providing a numeric score for each quadrant enabling Hogan Lovells to see areas of strength and improvement. These insights led to a series of recommendations which form the firm’s Racial Equity Action Plan. Running the survey annually will enable Hogan Lovells to monitor its progress

in key improvement areas, such as increased awareness of how to respond appropriately when witnessing racial microaggressions, improved communication of key data points and firm-run programmes, and a focus on improving the experiences of Black colleagues, who scored lower across all four quadrants. This partnership will support Hogan Lovells as it continues to build an inclusive organisation and improve the retention, progression, and inclusion of its people from racially diverse backgrounds, and work towards its global target of 15% partners from ethnic minority backgrounds by 2025.

Impax Asset Management

Understanding the demographics of its workforce and sharing this information with its stakeholders is a key pillar of Impax Asset Management’s Diversity, Equity, and Inclusion strategy to make sure that the organisation is finding diverse talent to help Impax and its clients thrive, is seeing diversity and advancement across the firm and is creating an inclusive workplace at all levels of the organisation. Impax conducts an annual demographic survey for all employees as well as collecting and reporting on data from new hires on an ongoing basis. It analyses these changes year-on-year and reports to senior management and the Board on progress against its goals.

Impax tracks and reports on ethnicity by total company employees, Executive Committee, and Investment team, as well as progression measures for Promotions and Hires. The data Impax collects illustrates its demographic profile based on self-reported, anonymous employee data collected annually. The survey is conducted by an independent third party whereby all permanent colleagues across the global firm are asked to self-identify or choose not to disclose, with a 92% response rate in November 2022. Impax is currently providing demographic data in percentages, in keeping with the Firm's philosophy and General Data Protection Regulation (GDPR) permissions regarding providing demographic data at a statistic analysis level to protect individual identify.

Impax views diversity, equity, and inclusion as constantly evolving and is always discussing ways to improve initiatives within the firm to promote diversity as well as transparency and reporting.

JLR

The second pillar of JLR's five-year approach to diversity and inclusion is dedicated to implementing progressive policies, benefits, and support for all its colleagues. Gaining insight into the demographics of its workforce is critical to guiding JLR's strategies for developing the talent it already has and ensuring all its people want to stay, grow, and flourish. In the past 12 months, JLR

has taken the following actions towards this goal:

The organisation ran a voluntary self-declaration campaign across all its global locations. In the UK, it achieved a 97% completion rate of employees declaring their ethnicity. JLR promoted this campaign through its employee networks, company-wide communications, and this data has facilitated essential conversations on diversity and inclusion across the business, tracking its progress against the BITC Race at Work Charter commitments and informing the organisation's culture strategy.

In April 2023, JLR published its first ethnicity pay gap report alongside its gender pay gap. This was done using the government's guidance to voluntary reporting. This marked an essential step in JLR's journey to be increasingly transparent with its data as part of its ongoing commitment to integrity. The second pillar of JLR's five-year approach to diversity and inclusion is dedicated to implementing progressive policies, benefits, and support for all its colleagues. Gaining insight into the demographics of its workforce is critical to guiding JLR's strategies for developing the talent it already has and ensuring all its people want to stay, grow, and flourish. In the past 12 months, JLR has taken the following actions towards this goal:

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"At JLR, we want to ensure we are recruiting from the widest and most diverse pool of talent as possible. This approach is key to unlocking future productivity, performance, and ultimately our company purpose. Research shows Black, Asian, Mixed Race, and other ethnically diverse colleagues still encounter significant disparities in employment and progression. As a business, we recognise the importance of signing the Race at Work Charter and making progress against the seven commitments to ensure our organisation creates a working culture where people can grow and flourish, regardless of their race or background." Beverley Fairbank, People Partner, Industry Operations, JLR

KPMG LLP

At KPMG we understand that data underpins our decision making and provides a framework for many of our inclusion, diversity and equity interventions. We are committed to collecting, storing and sharing data in the right way that is both legally compliant, fair and meaningful, ensuring our colleagues feel safe and confident in disclosing their personal information to us.

When colleagues join our firm they attend a Values Day session. This is an in-depth session built around our firm's values, where the importance of sharing personal data is discussed, along with how the business uses this to drive decision-making – the more accurate our data, the more focused our decision-making can be. Time is allocated in the session for colleagues to disclose their information anonymously. For ethnicity, we use the ONS 19 category system, whilst also including an additional 'Jewish ethnicity' category; allowing us to understand the experiences of all our colleagues. When aggregating to the ONS 5 category system, this category is rolled up into the 'Other ethnic group' category.

We also run a yearly campaign to encourage colleagues to share their data. Although our declaration rates are relatively high at around 80%, we want to maintain this momentum and engage regularly with our colleagues through

various mediums, including colleague stories and animation videos.

Since 2017 we have published our ethnicity pay gap externally. Although not a legal requirement, we're absolutely committed to listening, learning and challenging ourselves on where we can go further. We understand that different ethnicities have varying workplace experiences, which is why in 2020 we also started to publish our Black heritage pay gap (BHPG).

Alongside publishing pay gaps, we ensure this information is cascaded internally through our employee-led networks and business leaders. For example, our Head of IDE joined an African-Caribbean Network event to discuss and explain our BHPG.

Leidos

Leidos' HR systems record various types of workforce demographic data, some mandatory but most voluntary for employees to disclose. Having noticed a low rate of disclosure for many demographic characteristics, including ethnicity, Leidos created a project team to explore this further. It was keen to understand both why colleagues disclosed their data and why they chose not to. The organisation aimed to increase disclosures to better understand the makeup of its workforce, identify any potential issues/ biases, and look at how it might make

positive changes to ensure that the workplace is as diverse and inclusive as possible. Having explored the situation in many ways, such as through existing data, external research, and discussions with colleagues, both individually and in groups, Leidos recognised trust, awareness, and understanding across its workforce were key.

Leidos began making improvements including:

- Updating the company policy around demographic data.
- Creating an infographic to summarise for employees why demographic data is so important.
- Developing an FAQ page on its intranet.
- Adding reminders across other intranet pages and employee communications.
- Holding roundtables to allow colleagues to discuss their thoughts and fears.
- Engaging with leaders/managers so they could in turn discuss with their teams.
- Sharing employee case studies.
- Setting up a monthly auto-alert on its HR system to remind colleagues to populate any missing data (or give them the option to opt-out).

Since Leidos began this project, it has seen noticeable increases in disclosure rates across ethnicity and other demographic data fields. Helping colleagues with the practicalities of updating their data has been part of this but perhaps even more important has been the broader inclusion activity and communications, particularly through the organisation's Employee Resource Groups such as REACH (Race, Ethnicity and Cultural Heritage).

"We're committed to creating a diverse and inclusive workplace, where every colleague has the opportunity to contribute and share their unique ideas and talents." Simon Fovargue, Chief Executive

Midcounties Co-operative

The Midcounties Co-operative is committed to the capturing and reporting of ethnicity data, beyond the basic legal requirement of reporting on the gender pay gap. Since 2020 the Midcounties Co-operative has published its Gender and Ethnicity Pay Gap report, both of which are available on the company website. The report is now published every year and provides transparency around the organisation's data and its commitments to pay equality. In 2022, 4.3% of White colleagues were paid more than those from a Black, Asian, Mixed Race, or other ethnically diverse background.

This gap has widened since 2021, when the measurement was just 3.1%. This shows a decline in ethnicity pay equality, but nonetheless, highlights where Midcounties Co-operative needs to improve. The information provided in the report extends to mean & median pay by ethnicity, bonuses received by ethnicity, and overall pay quartiles across the organisation. The metrics have highlighted gaps of potential inequality, which allows the Midcounties Co-operative to pinpoint the causes and solutions, and work on specific supports to create an equally paid workforce regardless of ethnicity.

"At The Midcounties Co-operative we are proud to have signed the BITC Race at Work Charter as it enables us to have a clear framework to improve racial equality within society, and it supports our core values. I'm pleased to be the Executive Sponsor, ensuring that our Board, Executive, and Leadership teams drive our diversity agenda on behalf of all our 6,500 colleagues, our members and all stakeholders. We are committed to take long-term, sustainable & meaningful steps that continue to make us an employer of choice for new and existing colleagues from all backgrounds – and ultimately ensures that our colleagues are representative of the communities in which we trade." Peter Westall, Chief Values Officer

NatWest Group

Pay gap reporting is a critical part of NatWest's fair pay charter. Since publishing our first ethnicity pay gap report in 2019, NatWest has gradually increased its transparency, enabled by good disclosure rates, with 83% of colleagues disclosing their ethnicity. This disclosure rate is the product of many years' efforts, including diversity, equity, and inclusion (DE&I) campaigns and peer encouragement.

Transparent pay gap reporting demonstrates that colleagues' data is being used productively. NatWest uses the same calculation methodology as UK gender pay gap regulation, adding data on Black, Asian, Mixed Race, and other ethnically diverse colleagues by pay quartile in 2022 and will follow the same process for 2023, which we will report on in 2024.

NatWest also, breaks down its ethnicity pay gap data into four groups – Black, Asian, Mixed Race, and other ethnically diverse colleagues – compared to White colleagues in Great Britain.

NatWest has enhanced its data presentation this year, changing the layout of pay quartile and bonus recipient data, to tell a clearer story. It has added a methodology and definitions page to improve understanding.

Pay gap data forms part of the range of insights used to inform NatWest's DE&I strategy and pinpoint the interventions that will make the most difference. NatWest regularly benchmarks itself with external partners and against best practise.

NatWest consults representatives from its Multicultural Network and Racial Equality Taskforce prior to publication and takes questions from employees following publication. The Taskforce has been critical in pushing for progress, not only for pay gap reporting, but through our Banking on Racial Equality commitments.

Pay gaps are one indicator of progress on DE&I. Communicating pay gap data effectively gives NatWest an opportunity to highlight disparities in distribution and engage colleagues with its DE&I plans. Through this work NatWest has significantly improved ethnicity and gender leadership targets – from 8% in 2018 to 11% in 2022 and 29% in 2015 to 40% in 2022 on gender representation. In 2020, NatWest also set a target to improve the number of Black colleagues in its CEO-5 and above UK roles.

Santander

Santander's purpose is to help people and businesses prosper, and its Everyday Inclusion strategy sits at the heart of this. It aims to create a thriving workplace where all employees feel they belong and can succeed. Increasing data disclosure and race inclusion were key priorities to enable the publishing of Santander's ethnicity pay gap, grow understanding of lived experiences, and embed Everyday Inclusion.

Through a successful data disclosure campaign and ongoing work to embed belonging and psychological safety, Santander was able to significantly improve its data disclosure rate for ethnicity by 5% within a 12-month period. As of December 2022, its overall disclosure rate was 78.2%, (As of August 2023 2022, its overall disclosure rate was 80.60%,) providing a strong visibility of ethnicity across their organisation. This enabled Santander to be one of the first organisations to voluntarily publish its ethnicity pay gap in 2020. Since then, the organisation has increased the levels of information reported by providing individual pay gaps by ethnic group as part of their commitment to transparency and accountability.

By taking an intersectional approach through its Everyday Inclusion Strategy, Santander was also able to improve its sexual orientation disclosure rate by 5.7%, and both disability and gender identity disclosure are almost complete at over 99%.

A psychologically safe culture encourages people to disclose their personal characteristics and gives reassurance that information is used to make further positive steps towards Everyday Inclusion. Santander has a strong culture of inclusion and belonging, scoring above external benchmarks on all key metrics, with an overall score of 8.7/10 for diversity and inclusion, +0.5 vs. external benchmark. This is supported by scores of 9.1 (+0.5) for "People of all backgrounds are accepted for who they are", and 8.8 (+0.3) for "I'm confident I won't be discriminated against at Santander UK." This strong culture is created through an ongoing focus on inclusion throughout the year, supported by their ethnicity action plan:

An "always on" approach to inclusion communications, focused on colleague stories, celebrating successes, and raising awareness linked to external campaigns such as Black History Month and Race Equality Week.

Ongoing engagement and two-way communication with their REACH (race, ethnicity and cultural heritage) network, with dedicated Board and Executive sponsors ensuring a voice at the top tables.

- Regular Ethnicity Listening Circles to delve more deeply into issues and co-create solutions based on lived experiences.
- A clear commitment to ethnicity inclusion at Santander through action, including dedicated development programmes for Black, Asian, Mixed Race, and other ethnically diverse colleagues and ongoing allyship, inclusive leadership, and unconscious bias training.
- Being a visible voice for change externally through membership of Business in the Community's Race Campaign, and as signatories of the Race at Work Charter and "If Not Now, When" campaign.

Santander's disclosure campaign focused on asking existing colleagues to talk about "Why they share" their personal data, helping bring to life how sharing helps to create an inclusive environment through tangible examples. For ethnicity, this focused on the launch of Santander UK's Black Inclusion Plan, and its bespoke Black Talent Programme, developed in response to data showing a need to grow Black representation in Senior Roles as a priority.

It is important to build on that culture of inclusion and psychological safety when asking colleagues to disclose their personal data. Santander UK made sure to:

- Provide reassurance about how the data will be used, stored, and who will have access to it.
- Make clear that data is aggregated and anonymised so that no individual will be identifiable.
- Make sure that people can change or remove their data at any time in the future if they wish.

Santander also developed targeted communications for its Ethnicity@Work network and areas of the organisation where data disclosure was understood to be lower. It was also key to ask regularly – each Santander communication focused on inclusion/ethnicity has an additional reminder to update personal information, linking back to the overall campaign.

Santander UK worked with its REACH network to ensure that the options presented for Ethnicity accurately represented the way people choose to identify. This co-creation led to improvements such as ensuring that people from any ethnic background could identify as British, and enhancements to how people from mixed backgrounds could choose to identify. Santander also took an intersectional approach here, with additional enhancements, including

options for sexual orientation, and the ability to share multiple disabilities. These changes help to drive data disclosure, but also to embed Everyday Inclusion by ensuring all people feel seen, counted, and heard.

Softcat

Softcat began publishing its ethnicity pay gap report in 2020. The organisation is transparent about its data, and this means change can be driven as a result. Softcat recognises that no organisation is perfect and that no company has perfect pay gap reports, but publishing ethnicity pay gap reports like Softcat does, holds the organisation accountable for the actions it is taking to improve it.

Off the back of publishing its ethnicity pay gap data, Softcat has been able to continue to grow its work experience programme by partnering with schools with a higher percentage of students from Black, Asian, Mixed Race, and other ethnically diverse backgrounds. This has allowed Softcat to inspire the younger generation by showcasing the varied career opportunities within the technology sector. The organisation also promotes its apprenticeship scheme to help address the skills gap across the industry, ensuring the representation of people from Black, Asian, Mixed Race, and other ethnically diverse backgrounds is increasing.

Softcat was pleased to have 100% of ethnicity data at the time of reporting its latest ethnicity pay gap report for 2022. Creating an inclusive environment at Softcat through a variety of initiatives, such as an allyship programme and an ‘ethnic & cultural diversity’ employee resource group allows Softcat to create a safe and transparent culture where employees feel confident to disclose their ethnicity.

"It's clear that we won't see a big shift in our ethnicity pay gap until we are able to recruit more Black, Asian, Mixed Race, and other ethnically diverse talent, particularly into sales and technical roles. We remain totally committed to making further progress. I couldn't be more pleased with the ongoing activities and awareness driven by our ethnic and cultural diversity network. Their effort complements our engagements with the wider industry, such as TC4RE where we are a founding member. We've received several industry awards over recent years recognising our efforts and initiatives demonstrating we are on a positive track."

Anushka Davies, Head of Employee Engagement, Diversity & Inclusion

The Sage Group plc

As a global company, Sage knows that it must reflect the diverse world in which it works, and needs a range of voices, backgrounds, and experiences to make balanced decisions that

reflect the customers and communities it serves. The organisation is focussed on data informed solutions to address root causes of problems and avoid performative actions, Sage has prioritised the availability and completion of a voluntary self-identification survey called “All About Us”.

With 78% completion in the UK in September 2023, up from 19% a year ago, the Sage now has statistically significant data to understand where under-representation and barriers exist, so that it can target resources more effectively. The company has set targets in alignment with the Parker Review recommendations, and these are embedded in the remuneration targets for the Executive Leadership Team. It has begun pilot projects that are exploring different approaches, to help build a library of best practices that can be scaled over time. Since 2021, Sage has published its ethnicity pay gap data on a voluntary basis. The organisation shares its full diversity data with the ExCo Sponsor, Global Network Sponsor, and UKI LT so they can understand the position and target areas of focus from a data informed perspective. To mitigate the data integrity and privacy risks associated with data analysis, the organisation will collect and analyse data by individual countries. They started with Canada, Ireland, South Africa, the UK, and the US, then expanded into France, Austria, Germany, Spain, and Portugal, with India to follow in 2024.

The company will also ensure the Sage leadership teams drive engagement to maximise

participation, whilst recognising that participation is voluntary. Data will be transparently managed to set targets and address under-representation. This supports the ExCo Sponsor, Global Network Sponsor, and UKI LT to be more informed when they talk about racial representation and inclusion. Sage has also linked its understanding of data to its drive for successful business outcomes, with a strong business case that shows the correlation between diversity and high performance, equity and breaking down socio-economic barriers, and inclusion and innovation. As Sage's data builds globally, and its dashboards and self-service mechanisms evolve, the organisation will continue to build data into its people process analytics and support the business to evaluate race and ethnicity representation in a self-serve but supported way. Moving accountability into the business is key for long term change.

"The Race at Work Charter is a priority for Sage. We are breaking down barriers so everyone can thrive, building a workplace that attracts, develops, and retains the best talent, and is reflective of the communities we serve. As the global Executive Sponsor for Race, and with the help of Sandra Kerr CBE and BITC, we are using the seven principles of the Race at Work Charter to provide direction for the actions we are taking. We are still very early in our journey, but we will be ramping up the pace of progress over the next 12 months." Derk Bleeker, President EMEA

References

ⁱ [BITC Race at Work 2021 Scorecard report](#)

ⁱⁱ [BITC Race at Work 2021 Scorecard report](#)

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