



The Prince's
Responsible
Business Network



Report

RACE AT WORK CHARTER 2023: COMMITMENT ONE

October 2023



REPORT

RACE AT WORK CHARTER REPORT 2023: COMMITMENT ONE – LEADERSHIP AND ACCOUNTABILITY

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.

	CONTENTS	PAGE
1	COMMITMENT ONE OF THE RACE AT WORK CHARTER	3
2	CHARTER EMPLOYER TRENDS 2019-2023	4
3	ACTIONS EMPLOYERS ARE TAKING	6
4	BEST PRACTICE IN ACTION	7



COMMITMENT ONE OF THE RACE AT WORK CHARTER

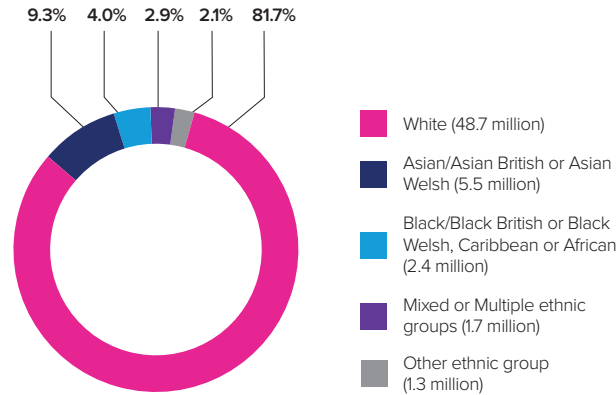
Appoint an Executive Sponsor for Race.

The role of an Executive Sponsor for Race is to provide visible leadership on race and ethnicity within their organisation. They drive action, such as setting targets for ethnically diverse representation, briefing recruitment agencies and supporting mentorship and sponsorship. As this senior role is held by someone who sits at the top table, it ensures that key issues and concerns arising from within the organisation regarding race and inclusion are addressed.

All employer signatories to the Race at Work Charter have committed to appointing an Executive Sponsor for Race. Data from the Race at Work Survey in 2021 shows an impressive 11% increase in the number of senior leaders as Executive Sponsors at the top table, promoting equality, equity, fairness and inclusion, highlighting a shift from 32% in 2015 and 33% in 2018 to 44% in 2021.

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.

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



Source: Census 2021 Ethnic Group TS021

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

Kevin Ellis, Chair and Senior Partner, PwC UK, said:

“Our actions to improve ethnic diversity are included in our targeted racial equality plan to which we remain as committed today as we did when originally published. We continue to drive change through transparency, leadership, accountability and meaningful actions – such as reporting ethnicity targets and publishing ethnicity pay gaps. Our Black Talent in Business Programme and community support through our ColourBrave charity initiative are important examples of our actions. We know there is more work to be done and we cannot be complacent, but we hope that the foundation we’ve built continues to support racial equality and inclusion.”

CHARTER EMPLOYER TRENDS 2019–2023

Trend question: Do you have a senior Race Champion or Executive Sponsor?

95% of employers participating in the Race at Work Charter Survey 2023 said yes to having an Executive Sponsor for Race. This shows an increase from 84% in 2019.

Figure 2: Percentage answering yes to ‘Do you have a senior Race Champion or Executive Sponsor?’



Source: BITC Race at Work Charter Employer Surveys

This upward trend aligns with the survey findings outlined in the [Business in the Community \(BITC\) and YouGov Race at Work 2021 Scorecard Report](#), which highlights that ‘*there has been an impressive 11% shift in the number of senior leaders as Executive Sponsors at the top table promoting equality, equity, fairness and inclusion. This has increased from 32% in 2015 and 33% in 2018 to 44% in 2021.*’ⁱⁱ

Trend question: Do you have targets (internal and public) to increase the racial diversity of your board and senior executive teams?

More than half (**53%**), of the employers participating said yes to this question in 2023. This shows an increase from 41% of employers in 2019 and 46% of employers in 2020.

Figure 3: Percentage answering yes to ‘Do you have targets (internal and public) to increase the racial diversity of your board and senior executive teams?’



Source: BITC Race at Work Charter Employer Surveys

This trend demonstrates that more employers are keen to increase their public accountability, to increase the racial diversity of their workforce at all levels within their organisations. Targets are the first step and must be underpinned by action plans and an advisory group to ensure that the commitments stay on track.

Ryan Johnson, Corporate Vice President/MD UK and Ireland, Enterprise Holdings, said:

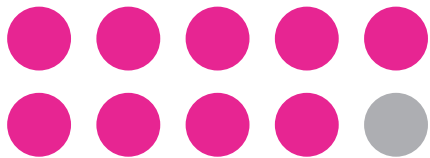
“Enterprise’s commitment to diversity, equity, and inclusion forms an integral part of our culture and identity as an organisation. Employees across the business champion these fundamental values and are determined to create an environment where everyone can bring their whole self to work.

We know that our business thrives when our workforce reflects the diverse communities where we live and operate. Creating a workplace without barriers where everyone has the opportunity to succeed is an essential part of our company’s culture. Our dedication and commitment to lead by listening allows us to learn, grow, and continue to drive positive change.”

Trend question: Do you have an advisory group that supports your Executive Sponsor?

Introduced in 2023, this is a new question based on evidence that introducing an advisory group, taskforce or council to support the Executive Sponsor is a great way to drive action, accountability and change across the organisation. The sponsor can ensure that they connect with the Employee Resource Network and resource groups, to check that key issues highlighted in employee surveys are discussed at the top table. Key individuals from within the organisation who should be asked to sit on these teams include HR, recruitment, talent management and learning and development.

88% of the employers who responded to this question said they have an advisory group that supports the Executive Sponsor.



Trend question: Is action on race in leadership, progression and recruitment included in your organisation’s strategic objectives?

84% of employers completing the Race at Work Charter Survey 2023 said yes to this question. This shows an increase from 70% of employers in 2019 and 74% of employers in 2020.

Figure 4: Percentage answering yes to ‘Is action on race in leadership, progression and recruitment included in your organisation’s strategic objectives?’



Source: BITC Race at Work Charter Employer Surveys

It is great to see this significant increase of 10% of employers reporting that they are including action on race in leadership, progression and recruitment in their organisation’s strategic objectives in 2023. Including action within strategic, business and unit plans ensures that the issue remains a focus of the most senior teams, and if followed through with bespoke unit plans and KPIs to measure impact, can help to drive change within the organisation, against the objectives and priorities identified.

David Bunch, Country Chair United Kingdom, Shell UK said:

“We aim to increase racial and ethnic representation across our workforce so that we better reflect the communities where we work and live and to support racial and ethnic equity in those communities. Our plan focuses on career development, specifically tackling the potential barriers to attracting, developing and progressing the careers of underrepresented people within Shell, and supporting racial and ethnic equity in our local communities through diversity outreach, workforce development and, where applicable, increased supplier diversity. The Race at Work Charter will help us take practical steps to tackle ethnic disparities in the workplace.”

ACTION EMPLOYEES ARE TAKING

1. Co-creating an ethnicity action plan with employees across the organisation.
2. Developing a robust allyship programme that includes inclusive leadership modules.
3. Creating a Diversity, Equity and Inclusion (DEI) strategy action group of employees committed to developing and driving topics that support the organisation's aims for DEI.
4. Introducing multi-strand activity, for example, data capture, analysis and lived experience research.
5. Promoting active anti-racism rather than being passive on the issue.
6. Asking leaders to develop and endorse a framework for racial justice.
7. Introducing Diversity, Inclusion and Belonging podcast conversations, to increase awareness of the issues faced by ethnically diverse women in the workplace, who are often invisible.

Chris O'Shea, Group Chief Executive Officer at Centrica, said:

“Creating a diverse and inclusive team is one of my top priorities. And to achieve it, we need to think and do things differently so that we can continue to break down the barriers that often block under-represented groups from the success they deserve. That’s why the Race at Work Charter Survey is so important because by sharing best practice and insight, we can evolve our approach and together, take a step closer to building a more inclusive and sustainable future for all.”

BEST PRACTICE IN ACTION

In this section, the following employers share more detail on how they approached leadership and accountability in the workplace:

- BASF PLC
- Centrica
- Direct Line Group
- Enterprise Holdings
- Greater London Authority
- Novuna
- Principality Building Society
- PwC LLP
- Ricoh UK Ltd
- Shell UK

BASF PLC

BASF UK is committed to taking action on race to improve racial diversity in its workforce.

To drive progress in this area and demonstrate its commitment, the organisation has appointed Helen Koerner, Head of Legal, as its Executive Sponsor for Race. This role is part of BASF UK & Ireland's D&I Strategy Action Group, an employee-led network, committed to developing and driving topics that support BASF's aims of an inclusive workplace.

Helen explains: *"We believe that our diversity and inclusion agenda should be shaped by our employees, so we can develop a future that addresses the things that really matter to people. By having an Executive Sponsor, we can empower action and have a voice at the leadership team table, enabling real progress. We have taken several steps since the formation of our group.*

A key milestone has been the collection of ethnicity data. We need to understand where we are today, in order to create a plan to address our leadership commitment to action on race. In addition, we have carried out an audit of our recruitment process, which has already led to recommendations being adopted to ensure diversity is a focus. We recently shared our practical example of how to sharpen recruitment processes, putting Diversity and Inclusion into

focus with the delegates at the WISE (Women into Science and Engineering) conference. I was really thrilled to see how engaged the participants were and that our session was so well received. By understanding where we are today, taking action, listening, and educating, we hope to make a tangible difference to enhance inclusivity in the workplace".

Centrica

To reach net zero, we need a diverse mix of people where different thoughts and ideas can grow. That's why Centrica has pledged in an open letter to build a more diverse and inclusive team. To do this, Centrica has set targets aligned to Census data to ensure its workforce is reflective of the growing diversity of the UK population, and has pledged to have 18% of employees and senior leaders from ethnically diverse backgrounds by 2030. To help reach these targets, Centrica is creating a culture where everyone has the best opportunities for success by investing in targeted training and development programmes for under-represented colleagues which include: (1) Cross Company Mid-Career Talent Accelerator, helping high-potential Black talent advance through the ranks to one day become a senior leader; (2) Step Up Leaders, empowering ethnically diverse manager-level colleagues to progress into bigger, broader and more complex

roles; and (3) Reverse mentoring, pairing leaders with under-represented colleagues to share experiences to learn and grow. Action like this will enable Centrica to address the social, organisational, and psychological barriers that restrict underrepresented colleagues from progressing and ultimately, build the inclusive leadership team it wants and needs. 40 ethnically diverse colleagues are expected to participate in these programmes during 2023.

“I’m excited to be the Executive Sponsor for the Talent Accelerator programme. This programme demonstrates Centrica’s commitment to maximising the potential of all of its employees, by giving them the specific skills they need to thrive.” Ed Reid, Corporate Development Director Mergers & Acquisitions

“Me and my mentee connected well and had valuable chats where I was able to provide my insight and experience. My mentee is an inspiring leader which has made me ambitious and develop myself. We’ve built a long-lasting friendship.” Smera Ahmed, Capability Analyst

Direct Line Group

Data collection is key in helping Direct Line Group understand the make-up of its workforce. It uses the data it collects to understand where barriers exist across areas such as recruitment, promotion, performance management, and engagement. The

data helps the organisation to remove barriers and develop a more inclusive environment where everyone can succeed. Following internal campaigns to encourage colleagues to share their information, and through communications to build trust and enhancements to simplify the process, the Group has achieved an ethnicity disclosure rate of 90%. Internal campaigns have focused on:

- Engaging people leaders, senior leadership and employee network leads as key stakeholders in building understanding and trust around why data collection is so important.
- Using a targeted approach to encourage disclosure in business areas with lower completion rates.
- Sharing automated notifications to remind colleagues to update their personal information, reminding colleagues directly via the HR system on an annual basis or when they’ve returned from a period of extended leave.

Direct Line Group’s high ethnicity disclosure rate has enabled it to report its ethnicity pay gap for the second year. The Group is comfortable that it doesn’t pay people differently because of their ethnicity and believes that to reduce the gap in the medium-to-long-term, it must continue its work

to address the disproportionate representation of Black, Asian, Mixed Race, and other ethnically diverse colleagues at certain levels and in certain areas of its business. To support this, Direct Line Group has re-imagined its recruitment processes – introducing new recruitment principles for senior roles, including anonymised CVs, having a stronger focus on diverse shortlists and panel-based assessments to help protect against bias. Direct Line Group is also building a future pipeline of Black, Asian, Mixed Race, and other ethnically diverse talent, focussing on internal succession planning, offering programmes to support career progression such as Solaris, and building a pipeline from the bottom up through supporting the 10,000 Black Interns programme. Through its Community Fund, the Group offer work experience, insights days, and mentoring to disadvantaged young people within their communities. Direct Line Group has also signed the Business has signed Business in the Community’s Race at Work Charter in order to continue to hold itself publicly accountable.

“The Race at Work Charter reinforces our commitment to support race equality. As a result of the steps we have taken, the ethnic diversity of our senior leadership and the experiences of our Black, Asian, Mixed Race, and other ethnically diverse communities are improving – but we know we have more to do and need to maintain momentum. That’s why we’re building on these

foundations to create equity. We're enhancing people practices to protect from bias by design, growing understanding of the barriers that prevent change and continuing to develop skills to support inclusion, so we continue to build on progress year on year." Mark Stock, Head of Audit and Executive REACH Network Sponsor

Enterprise Holdings

Over the past year, Enterprise Holdings has continued its journey to capture many facets of employee data and demographics including ethnicity, ethnic diversity status, and religion within their HR system. As one of the UK's largest graduate recruiters, Enterprise Holdings starts data collection within its recruitment process and carries this forward to several touch points in the employee journey. Today, less than 4% of its employees have not specified their ethnicity. As a result, Enterprise Holdings takes an intersectional approach when looking at other data it collects such as gender, disability, and sexuality in its 'Promote From Within' culture.

The data is used to create a Diversity Dashboard, that is reviewed monthly by senior HR leadership and quarterly with senior directors to build a strategy for inclusive talent including:

- Employee demographics at various levels.
- Progression of ethnically diverse employees into senior management roles.
- The diversity of different departments and managers to address trends quickly.

The data is also compiled into an external system to help the organisation review and analyse its ethnicity pay gap with internal stakeholders/ external consultants. Another use of the data is to understand from employee engagement surveys how engaged Black, Asian, Mixed Race, and other ethnically diverse colleagues feel about their personal engagement, leadership, and inclusion, allowing Enterprise Holdings to address attitudes and issues in real-time.

This year, Enterprise Holdings created a bespoke retention calculator on gender and ethnicity to help managers see trends and address them quickly. It shares data regularly in award submissions, with customers in best practice groups, with employees through internal HR reporting, and with its Executive Sponsor for Race, the Race, Religion and Equity ERG group, and the Managing Director's Executive Diversity Council, ensuring all leaders and managers are responsible for all DEI issues.

Greater London Authority

The Mayor of London has consistently set a clear expectation that the organisations that he is responsible for must be beacons that lead the way in tackling inequality. The GLA's workforce EDI strategy, We Belong Here, makes clear how the GLA will meet this objective. Race (through an intersectional lens) is a priority for the GLA, and one of its three strategic aims is to achieve a workforce that reflects London's diversity across all directorates and at all levels.

The GLA monitors ethnicity at the recruitment stage to track recruitment outcomes and enables employees to update their diversity information once in post. The GLA's workforce diversity target on ethnicity is 40% to reflect the percentage of working-age Londoners from Black, Asian, Mixed Race, and other ethnically diverse backgrounds. The GLA measures performance through a Corporate Performance Framework, tracking representation of Black, Asian, Mixed Race, and other ethnically diverse staff at:

- Organisational level.
- Grade 10 and above (identified as a ceiling internally).
- Senior Leadership Team level.

The Mayor of London has lobbied the government to introduce mandatory ethnicity pay gap reporting, combined with a requirement to take action in response. All GLA Group organisations have published their ethnicity pay gap since 2018, along with action plans.

Since 2016 when the current Mayor was elected, the GLA has doubled the numbers of Black, Asian, Mixed Race and other ethnically diverse employees and the proportion of the total GLA workforce has increased from 25% to 32% in that time. The representation within the Senior Leadership Team has increased from 0% to 14%, reflecting a reduction in the ethnicity pay gap, which has narrowed from 16% in 2016 to 12.6% in 2022.

“London is best served by an organisation that is equal, diverse, representative, and inclusive. That’s why improving representation of Black, Asian, Mixed Race, and other ethnically diverse employees particularly at senior levels, is vital to the Greater London Authority’s ambition. Our Black, Asian, Mixed Race and other ethnically diverse employees have been instrumental in challenging us to address representation with greater urgency. As Executive Sponsor for Race, I recognise the importance of senior White men like me using their influence to tackle persistent structural barriers. Part of my development as a leader is to ensure I learn from others’ lived experience and develop the cultural competence to do so effectively.” Phil Graham, Executive Sponsor for Race, Executive Director for Good Growth

Novuna

Novuna has launched a Diversity Leadership Council (DLC), a subcommittee of its Executive Committee, to help drive further action on Diversity and Inclusion. The council is made up of five Novuna Executive Committee (ExCo) Members, who meet to address how the organisation can tackle the challenges that different groups of colleagues face. Each Exco member takes responsibility for a different aspect of diversity at Novuna and works with the relevant colleague community to ensure that Novuna provides the best possible opportunities to all colleagues. This sponsorship helps the DLC to understand the lived experiences of others and the challenges that different people encounter, so they can best learn how to support those colleagues and enable change. The DLC includes an ExCo sponsor for Race who provides visible leadership and strategic guidance to accelerate change for ethnically diverse talent. Since the creation of the DLC, Novuna has seen a significant uplift in the engagement of senior leaders within its colleague communities, showcasing active allyship and helping them to progress their agenda.

During Black History Month (2022), several Black, Asian, Mixed Race, and other ethnically diverse senior leaders shared their stories with colleagues helping to raise awareness, share experiences through a different lens, and support inclusion, resulting in positive feedback from across the organisation.

“I am delighted that Novuna is a signatory of the Race at Work Charter and is participating in the Charter Survey for the first time. This reinforces our commitments to inclusion and diversity and helps turn our ambitions into reality. We are taking practical steps to ensure Novuna is an inclusive and welcoming place for all, including tackling barriers ethnic minority people face in employment and progression. This helps us create an engaging environment, which in turn, enables us to deliver an outstanding experience to our customers. I look forward to the progress we will make.” Vincent Reboul, Managing Director, Novuna Consumer Finance

Principality Building Society

The financial services sector often struggles to attract board members from under-represented groups, owing to the traditional make-up of the sector. Principality Building Society’s Chair took an innovative approach to ensuring an opportunity for under-represented groups to have a voice at its Board table. In 2022, two new Non-Executive Board Associate roles were created to increase the collective intelligence of the board and provide individuals looking to move into a non-Executive role in the future with greater development opportunities. The recruitment agency was instructed to provide a longlist that was far-reaching in the diversity of potential

applicants, which then ensured a diverse shortlist. The goal of this process was to ensure diversity on many levels, with one of the new appointments coming from a background in data and the other having worked at a housing association, – both providing a different, but relevant, level of experience outside of traditional financial services and adding value to the discussion at the Board table. The successful candidates and newest members of the Board are both ethnically diverse women, helping to provide perspectives of different lived experiences to the strategic direction of the organisation, and showing Principality Building Society’s commitment to improving representation more broadly. The successful candidates also act as role models for employees and the process of hiring for these new roles shows the Chair’s leadership in taking steps to address under-representation.

“As part of our Impact strategy, there is a heightened focus on attracting and retaining colleagues from under-represented groups at all levels but specifically we are focusing on gender and ethnicity at senior levels to improve visibility. We currently have a female CEO and Chair and have recently appointed our first black Non-Executive Director. We also have two female Non-Executive Board Associates who are also from under-represented groups. In seeking to support broader inclusion from under-represented groups at all levels across the Society, we have

eight mentees on the BITC cross-organisational mentoring programme along with two mentors.”
Tony Smith, Chief Governance Officer

PwC LLP

PwC’s targeted racial equality plan supports Black, Asian, Mixed Race, and other ethnically diverse colleagues and ensures they have equal opportunities for career progression. PwC monitors its people policies including recruitment, performance, promotions, and reward, and requires proportionality by ethnicity. Managers have access to real-time data to monitor proportionality and to address issues before making final decisions. Resourcing monitors fair work allocation to ensure the ethnicity profile of engagements is proportionate to the profile of the business and uses the data to intervene if necessary. PwC recognises the importance of sponsorship in progression. Therefore, high-potential Black, Asian, Mixed Race, and other ethnically diverse senior managers and directors have progression coaches to sponsor them. This sponsorship has been extended to include Black Senior Associates to support their progression. Initial findings from the sponsorship programme indicate a positive impact on progression and retention compared to unsponsored peers. As PwC is ahead of the national demographics, the firm applies stretch targets to its own employee population. In 2015, PwC set its first target for

an increased proportion of Black, Asian, Mixed Race, and other ethnically diverse managers making it to partner, to be achieved by 2020. Partners at PwC are held accountable for the delivery of their team’s ethnicity targets through a performance and reward framework. Leaders can monitor target progress via monthly dashboards. PwC continues to improve the representation of ethnically diverse talent, with ethnically diverse partner admissions rising from 13% (2021), to 14% (2022) and now 19% in 2023. The firm is on track to achieve its ethnicity targets across all grades by July 2025. In FY22, PwC hired 5,856 professionals and 39% were from Black, Asian, Mixed Race, or other ethnically diverse backgrounds, compared to 33% in FY21. PwC’s progress on increasing ethnically diverse senior representation is contributing to reducing the firm’s ethnicity pay gap including partners from 33.4% in FY21 to 32.3% in FY22.

Ricoh UK Ltd

Ricoh’s Ethnicity Executive Sponsor was appointed in 2019, as part of its overall Executive Sponsorship programme. The Sponsor has been imperative in moving the conversation on ethnicity by sharing his story via blog articles, the Employee Forum, and through ongoing activity. The Sponsor attends every Ethnicity Affinity Group meeting to hear the experiences of those from under-represented groups within

the organisation, supporting with driving any actions where investment or business change at board level is required. The group has worked with the Executive Sponsor to set its calendar of activity for the financial year. Since launching the Executive Sponsorship initiative, Ricoh has seen an increase in engagement with activities relating to diversity, including an increase of 13.02% of employees completing their ethnicity information on the HR system, attendance of approximately 150 employees at its Black History Month webinar, and requests at board level for quarterly update discussions on ethnicity, allowing Ricoh to gain a more accurate picture of its workforce composition so that it can better support its employees.

“As Executive Sponsor for ethnicity at Ricoh UK, I’m committed to progressing our D&I strategy to create a more diverse and inclusive workplace. We have made significant strides already, but we know that there is more to do. Our commitment to the Race at Work Charter has seen us focus our efforts on gathering diversity data, which ensures we can make more informed decisions to support our workforce and understand key issues, aided by our ethnicity affinity group. This is a priority at Board level as we aim to encourage more open conversations about race and diversity at Ricoh.”

Rowan Jeffreys-Hoar, Director of Partner Sales and Executive Sponsor for Ethnicity

Shell UK

Shell recognises that increasing ethnicity declaration rates requires sustained campaigns over an extended period of time. Therefore, Shell encourages colleagues to disclose their ethnicity in its HR system. In Q2 2022, 84% of employees had disclosed their ethnicity, providing the organisation with more meaningful data to publish its ethnicity pay gap and better monitor and evaluate progress.

Shell aims to continue to encourage employees to voluntarily declare their ethnicity, so it can reach a near-100% declaration rate and provide a complete picture of pay and bonuses across Shell in the UK from an ethnicity perspective. This will allow Shell to build a more complete workforce profile to track trends better, take more targeted action, and create an environment where everyone can be proud of who they are and of Shell’s inclusive culture.

REFERENCES

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

ENJOYED THIS CONTENT?

You might also like to:

- Find out more about our [Race](#) work
- [Learn more about our advisory services](#)
- [Join us for one of our upcoming events](#)



- [Talk to one of our expert team today](#) to learn how BITC membership can help you on your responsible business journey.