Global Inclusion Index

Assessing multinational corporate DE&I efforts in Asia, Europe, Central/South America and Canada

WMM

Diversity Best Practices

Introduction

Diversity, Equity & Inclusion (DE&I) efforts in the United States have increased in the past decade, with heightened focus on racial inequity after the May 2020 killing of George Floyd. While multinational and global organizations have made strides in the U.S., they face added complexities regionally around the world, and often grapple with the best ways to define, execute and measure DE&I in a local, culturally competent manner.

Working Mother Media has produced the Inclusion Index, which is based on U.S. data, for the past five years. The requests to assess global efforts, even if they are in early stages, have accelerated each year. There's a good reason for that—of the 185 organizations that earned spots on the Inclusion Index, 93 percent have a global presence.

To address these needs, in late 2020 Working Mother Media launched our first Global Inclusion Index, assessing corporate efforts at hiring and promoting women, ability to measure other under-represented groups on a country-specific basis, creating inclusive cultures, and holding country leaders and managers accountable for results. We invited companies to apply in each of these 15 countries: Argentina, Brazil, Canada, Chile, China, France, Germany, India, Ireland, Italy, Japan, Mexico, Singapore, Venezuela and the United Kingdom.

At the time of this report, we acknowledge that few organizations are ready to share their data, as they are building their global strategies and navigating local nuances. We applaud the organizations that participated in our index for taking the steps to begin building accountability and metrics around the world. The companies that earned a place on the Inclusion Index in each country are called out in this report. The only common demographic measured everywhere is gender, although other demographics increasingly are assessed in specific countries, especially age and disability. In this report, we showcase demographics for women by region—Asia, Europe, Central/South America and Canada—and show which demographics are being evaluated (including allowing/encouraging employees to self-ID) in each of the countries we studied. Noting which groups are being counted and for which groups employee resource groups are established is particularly important because it heralds who will be considered under-represented (diverse) going forward and who may receive additional support in recruitment, retention and advancement. For each region, there are checklists of which important best practices are prevalent in the index companies, including inclusive hiring,

Of the 185 organizations that earned spots on the Inclusion Index,

93% have a global presence.

Global Inclusion Index Methodology

In Working Mother Media's first global Diversity, Equity & Inclusion survey, companies had the option of filling out surveys in 15 countries—they could fill it out for one country, all or any combination. The countries were chosen based on on our clients' expressed interest in DE&I efforts there. The countries were: China, Japan, India and Singapore in Asia; France, Germany, Ireland, Italy and the United Kingdom in Europe; Argentina, Brazil, Chile, Mexico and Venezuela in Central/South America; and Canada. We received almost 80 responses across all countries except Venezuela.

The global survey launched in July and closed in November. It included only 30 questions dealing with women's demographics, what other demographics were measured, best practices in hiring and advancement, including diverse interview slates, mentoring and sponsorship, local DE&I structure, and accountability measures by the in-country CEO or country head.

The companies that earned spots on the Global Inclusion Index achieved a score of at least 60 percent in the country in which they participated. While they admittedly have much work to do on a global basis, they have begun to implement significant programs and policies as well as accountability measures to create more inclusive paths to success. We measured these organizations in the same areas as the U.S. Inclusion Index—Transparency and Demographics (for gender only), which looks at levels of representation and willingness to show data; Best Practices in recruitment, retention and advancement; and Corporate Culture/Accountability, which includes country head/local leadership commitment. Each company that participated received a scorecard for each country in which they submitted, showing their scores overall and in those three areas.

mentoring and sponsorship for women and under-represented groups. We also highlight local leadership commitment and accountability measures, which are increasingly important in all countries as a means of assessing and committing to DE&I success. These measures include linking DE&I success to managers' performance reviews and showcasing progress to corporate leadership and employees.

A note about supplier diversity: We asked questions about supplier diversity and found a few companies on the index were starting international supplier-diversity programs, mainly aimed at women, sometimes as part of their global procurement efforts and sometimes a specific in-country effort. Supplier diversity will be increasingly important globally for several sectors (including racial/ethnic minorities, LGBTQ people and people with disabilities), but its value toward building community support and wealth and improving the supply chain is still in early stages in many countries and regions.
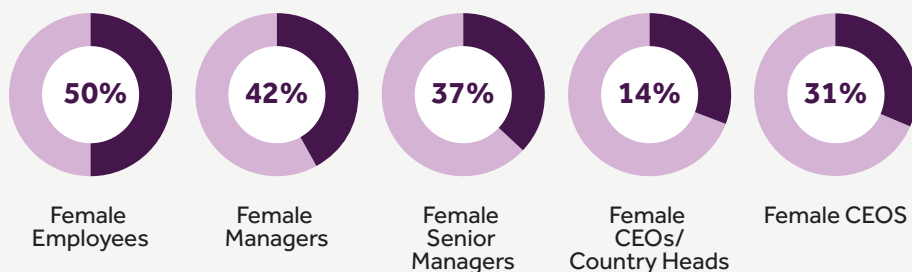
In 2022, the Global Inclusion Index will be expanded to include more countries/regions and more in-depth questions. It will be available as part of Working Mother Media's common application, in which all respondents fill out our surveys at the same time. The common application, which includes the Inclusion Index, the Working Mother 100 Best, the Best Companies for Dads, the Best Companies for Multicultural Women and the Top Companies for Executive Women (all U.S.-focused), launches in December, with applications due in March.

The companies that made our index deserve strong praise for the efforts they have begun and their commitment to the DE&I journey in these and other countries.

FOR COMPARISON

U.S. 2020 Inclusion Index

50%	42%	37%	14%	31%
Female Employees	Female Managers	Female Senior Managers	Female CEOs/ Country Heads	Female CEOS

Supplier Diversity: A Global Challenge

By Elizabeth Vazquez
CEO, President,
WEConnect
International

Increasingly, corporations are building local and global value chains that leverage all the best suppliers the world has to offer. Top corporations are market leaders because they are inclusive, and they take deliberate steps to anticipate the needs of their target markets. They actively seek out unique, innovative and cost-saving solutions from suppliers that reflect their customer base. These corporations also understand the links between whom they hire as their suppliers and their brand and reputation as an innovative and inclusive company.

Prior to the COVID-19 pandemic, corporations were obsessed with supplier consolidation. We now understand that this is very risky, and procurement professionals are moving away from this practice toward building more diverse value chains to maximize their options and help manage risk. Having diverse options from diverse suppliers is absolutely critical for building more resilient value chains, while also supporting economic equity and inclusive growth. Inclusive value chains are good for business and for society.

WEConnect International is a peer network of large buyers seeking to source more from women suppliers. Corporate buyers are seeking:

1. **Business Growth**—A "one-stop," reliable and cost-effective way to identify women-owned businesses around the world.

2. **Risk Management**—Assistance in mitigating risk and validating reported efforts to spend with women-owned suppliers that meet the global criteria for 51 percent owned, managed and controlled.

3. **Global Innovation**—Access to cost-savings and innovative services through increased competition with suppliers that mirror an increasingly diverse customer base.

4. **Vendor Development**—Efficient, in-person and virtual networking opportunities to identify suppliers.

5. **Knowledge Exchange**—A platform to engage employees through training and educational programs with women business owners seeking to enhance their capacity to supply to corporations, increase their market value and reduce risk to potential buyers.

6. **Brand Enhancement**—Ongoing opportunities to amplify inclusive sourcing efforts and increase the visibility of the brand through global and local media channels.

7. **Leadership Support**—Access to the world's largest network of leading experts and resources on supplier diversity and inclusive sourcing.

8. **Global Impact**—Opportunities to set the company apart from competitors in CSR/ESG efforts and to demonstrate a commitment to the UN Sustainable Development Goals, especially Gender Equality Goal #5.
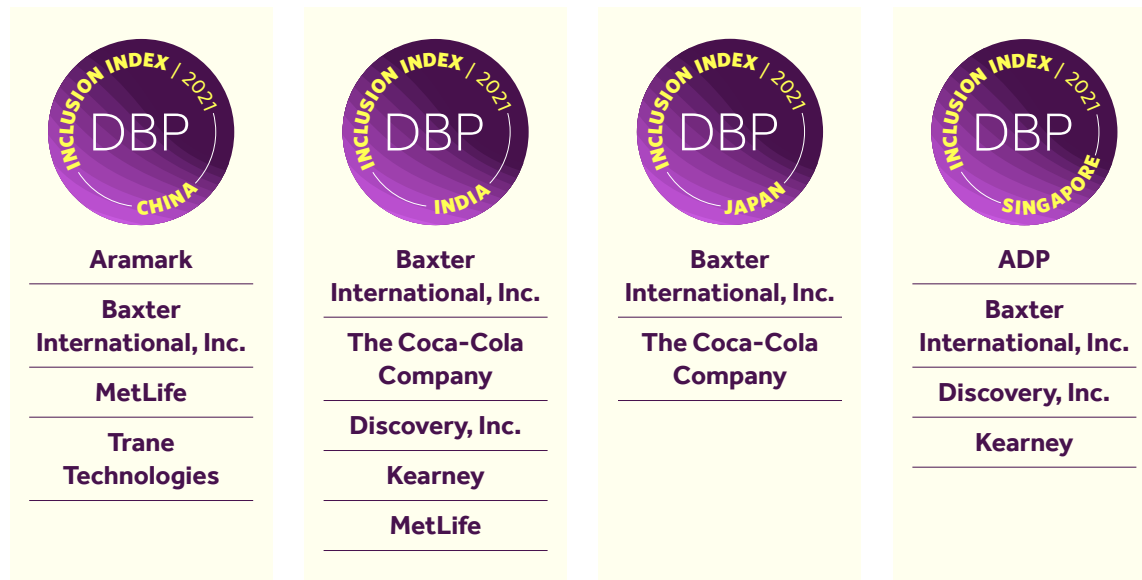
Best Practices: Global Pay Equity

Companies must be knowledgeable about and comply with local laws in countries, states and municipalities. Beyond that, here are some best practices around global pay equity.

- **Senior Leadership Must Determine Commitment:** Top country leaders must express, internally and externally, the need for pay equity and be transparent about what a pay-equity audit finds and how it is resolved.

- **Conduct Regular Pay Audits and Use Experts:** Many companies use legal teams and/or certification, such as EDGE, to ensure their pay-equity analyses are by the books. Going through a pay-equity analysis is uncomfortable but necessary, and it should be done by independent experts.

- **Clearly State Results, Especially to Those Impacted:** Transparency is critical to resolving any inequities and building trust in recruitment and promotion practices. Be open about rewards, recognition and pathways to career advancement.

- **Define Performance Metrics:** Have clear metrics on what defines good performance and ensure, through unconscious bias training, that prejudices don't influence what defines good performance. Set targets, and be as transparent as p ossible.

- **Look at Impact of Benefits:** Items such as leaves and flexibility can impact compensation.

- **Review Offer Process:** Train interviewers and hiring managers on inclusive and culturally competent hiring practices. Ensure both slate candidates and panels of interviewers are diverse.

- **Look at Each Country Differently but Have Global Standards:** Educate leaders in each country and across functions on equitable pay practices and what you want to reward.
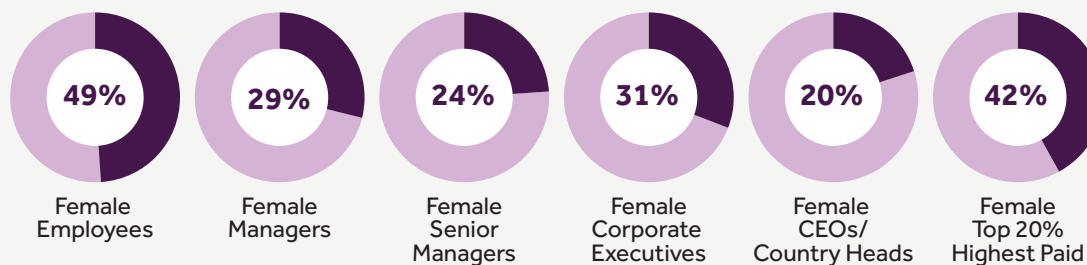
ASIA

INDEX COMPANIES

CHINA
DBP INCLUSION INDEX | 2021

Aramark

Baxter International, Inc.

MetLife

Trane Technologies

INDIA
DBP INCLUSION INDEX | 2021

Baxter International, Inc.

The Coca-Cola Company

Discovery, Inc.

Kearney

MetLife

JAPAN
DBP INCLUSION INDEX | 2021

Baxter International, Inc.

The Coca-Cola Company

SINGAPORE
DBP INCLUSION INDEX | 2021

ADP

Baxter International, Inc.

Discovery, Inc.

Kearney

GENDER DEMOGRAPHICS ASIA
Global Inclusion Index Companies

49%	29%	24%	31%	20%	42%
Female Employees	Female Managers	Female Senior Managers	Female Corporate Executives	Female CEOs/ Country Heads	Female Top 20% Highest Paid

TRANSPARENCY & DEMOGRAPHICS

*Majority of Index Companies in These Countries

	China	India	Japan	Singapore
Common Demographics Collected				
Gender	●	●	●	●
Age	●	●	●	●
Disabilities	●	●	●	
Immigrant Status	●		●	●
Race/ethnicity	●			●
Ask Employees to Self-Id				
Gender	●	●	●	●
Age	●	●	●	●
Immigration Status	●		●	
Race/ethnicity	●		●	●
Disabilities	●			
Most Common Ways to Self-ID				
Job application process	●	●	●	●
Self-Service HRIS		●	●	●

RECRUITMENT, RETENTION & ADVANCEMENT

	China	India	Japan	Singapore
Employee resource groups			●	
Requires diverse internal and external slates	●		●	
Requires diverse panel of interviewers	●			
Has ERGs for				
Women	●	●	●	●
Age/generational			●	
LGBTQ			●	
Working parents	●		●	
Sustainability			●	
Special interest	●		●	
Has informal mentoring	●		●	●
Has formal mentoring	●	●	●	●
Has group mentoring			●	
Has formal sponsorship	●	●	●	●
Has formal succession planning for under-represented groups	●	●	●	

CORPORATE CULTURE	China	India	Japan	Singapore
Has DE&I education for employees	●	●	●	●
Sets percentage goals for gender diversity in leadership	●	●	●	●
Who is accountable for goals – CEO or Country Head CEO	●	●	●	
How are managers rewarded? Positive performance evaluation	●		●	
CEO/Country Head Commitment				
Meets regularly with person responsible for women's and DE&I advancement	●	●	●	●
Makes women's DE&I statement on website	●	●	●	
Includes DE&I/women in update to employees	●	●	●	●
Embeds DE&I in business growth strategy	●	●	●	●
Requires direct reports to report on diversity metrics	●	●	●	
Holds leadership teams accountable	●	●	●	
Leads executive DE&I Council	●		●	
Has invested in women's development and advancement	●	●	●	●
Sponsors women in the org	●	●	●	●
Provides women with leadership development	●	●	●	●
Has pay-equity audits	●	●	●	
Has formal supplier diversity for women	●			
Has person in country responsible for DE&I	●	●	●	
That person Is CEO/country head	●	●	●	
Direct Report to CEO			●	
Reviewed HR processes for bias	●	●	●	

ASIA

More than three in five people worldwide live in the APAC region, representing more than 50 percent of the total global workforce, a share that's been steadily increasing for two decades. Approximately 750 million new workers are expected to enter the APAC workforce within the next five years alone, with four of the five fastest growing labor economies in the world concentrated in the region.[1]

The greatest challenge facing corporations doing business in Asia today is the talent shortfall. Asia has a young workforce—and millennials and Gen Zers tend to move from job to job quickly. The fast-growing economy in many areas, coupled with a lack of available talent, has created an increased need for recruitment, retention and advancement of under-represented groups—often defined in Asia as women but increasingly also as workers with disabilities, LGBTQ employees and ethnic minorities.Our clients in Asia have noted that multinationals with headquarters in the U.S. often have a harder time competing with local workplaces for talent, having to pay more and work harder to recruit.

Asia is one of the most diverse regions in the world—with more than 100 ethnic groups and 655 million people speaking more than 1,000 languages and dialects—but many companies have only begun to find employees from under-represented minorities there, which makes the talent shortage even greater.[2]

There is also, in countries like Japan, increased interest in trying to engage the older workforce longer, says Dr. Rohini Anand, retired senior vice president, corporate responsibility, and global chief diversity officer at Sodexo.

"The retention of talent is a key challenge for organizations given the excess of demand versus supply. The region is very disparate, so it is difficult to generalize, but young talent hops, so innovative strategies are needed to retain them," she says.

The levels of gender inequality in Asia remain discouraging. Women continue to feel that people have preconceived notions of their ability based on their gender, and they are under pressure to conform to gender stereotypes.

The number of people who say that men and women are treated equally in their organization in Asia has dropped by 20 percent, from 68 percent in 2017 to 48 percent in 2020. And almost half (47 percent) of people say that men are more respected by top management, a figure that has doubled since 2017 (28 percent). This varies from country to country, with China, for example, reporting improvements in women in senior leadership.[3]

Our inclusion index data shows a continued focus on gender equity, especially in Japan, where cultural norms expecting women to stay home remain a large focus. The age issue, as noted above, is a major source of concern for organizations with mostly very young workforces. They have increased outreach to colleges and universities and are trying hard to understand and retain their young workforces. We also see increased interest in Asia in identifying and bolstering people with disabilities, immigrants and people from different ethnic groups (the latter especially in China).

Accountability for DE&I results is also increasing significantly, our index shows, with local country heads taking responsibility for goals (still mainly for women) in representation and

leadership ranks. They primarily hold managers responsible for results through performance-appraisal forms. Pay-equity studies for women are prevalent in our index companies, as are examinations to root out bias in the HR processes.

As with most regions outside the United States, supplier diversity in Asia is still new. Women have been able to certify their businesses as women-owned by WEConnect International for a dozen years in India and China, and four years in Singapore and Japan, says WEConnect CEO and President Elizabeth Vazquez. Corporations actively seeking women suppliers in Asia are often looking to anticipate the needs of their current and future customers. Asian buyers are focused on the bottom line, and they are seeking agile women suppliers that add unique value.

Diversity, Equity and Inclusion in Corporate India: The Best Companies Edge

By Dr. Saundarya Rajesh
Founder and President,
Avtar Group

Since 2019, Working Mother Media and Avtar have partnered to host a Most Inclusive Companies Index (MICI) in India. Here are some observations about DE&I in India from Avtar's leader.

1. **Remote work is here to rule**—Yes, they have been the most distinguished, celebrated and scrutinized words of the era, the model of work that allowed organizations to roll. Our observations tell us that remote work is here to stay and in 2021, we will see more organizations becoming strategic about remote work. Because remote work can serve as a significant career enabler for diverse talent pools including women, this has huge potential to increase women's presence in the Indian workforce.

2. **Global, local workforce**—Global is now the new local, not only in India but across the globe. With the pandemic opening possibilities of a globally connected workforce, this is fast becoming a reality in India, too. To help employees thrive in such multicultural environments, organizations are ensuring they build necessary competence. Data from the Most Inclusive Companies Index 2020 shows that all companies on the index have trainings to build cultural competence of their managers.

3. **Growing accountability on DE&I championship**—Tying DE&I goals to executive compensation is seen as a growing trend among the most progressive organizations in India. Management accountability is further deepened through periodic training interventions. In short, DE&I is fast becoming everybody's business, not just an HR prerogative.

4. **The Upskilling Renaissance**—2020 has also brought a sea of possibilities, including upskilling, reevaluating operational models and optimizing the workforce. While diversity awareness is becoming non-negotiable at these progressive organizations, their initiatives are oriented toward driving deeper intent.

"Change is the only constant," goes the popular adage. Going by the trends, there is hope for inclusive change, equitable growth. However, managing the COVID-induced spike in unemployment in the country and the humongous health challenge of managing a pandemic in one of the most populous countries in the world is difficult. But even as businesses in India look at navigating the challenges in a post-COVID era, if they are able to carry the critical DE&I learnings that the past year has gifted them, India's future will indeed be promising—to both the represented and the under-represented.

Japan: Winning Over the Women

For Patrick Jordan, VP HR for Japan and Korea, the challenge in Japan has been understanding what entices women to want more demanding positions.

Coca-Cola is deeply committed to women's advancement in all its global operations, but Japan represented a special cultural challenge, he says, because there is a strong expectation of conformity in society. The family is a critical component in Japan, and women are in some ways the nucleus of the family. They represent the family image and play an important part in the success of their children's education, he says. The expectations on women are high, especially in their role at home. While the Japanese government pays two-thirds salary for parents to stay home for a year after the birth of a child, that benefit is almost entirely used by women, and most who come back prefer reduced hours and responsibilities.

"I talked to one woman who said she waited to start her career until after her children finished school. She said Western companies encourage women to sacrifice things to do better at work. This actually makes women very

uncomfortable," he says. Despite this comment, he knows women do want advancement. His challenge is finding the balance and how Coca-Cola Japan can work harder to create the right environment.

So, what does a multinational corporation do to advance women while respecting local cultural norms?

Jordan and Japan Korea President Jorge Garduno have set an aggressive goal to increase the percentage of women in senior leadership to 50 percent by 2030. A year ago, that percentage was 19, and it now is 30, so they are making real progress.

The key, he says, is to have the groundswell of support for women moving into management coming from Japanese women themselves. Using their employee-resource group, they identified women role models who tell their stories and why they want to be in management to other women. He is finding success in this small movement and will create chat rooms to share the women's stories. He has also hired a local external provider to begin female leadership training in a more local, contextual way.

Another factor has been the Lean In Circle Coping program, modeled after Facebook COO Sheryl Sandberg's Lean In advocacy, urging women to take their futures into their own hands. Keita Fukumoto, HR Strategic Business Partner, says this six-month program of 30+ women from Coca-Cola and its major local bottling partner lets women build relationships.

"We discuss the issues around the office and what prevents progress. There is a self-assessment to be aware of one's strengths and weaknesses. And we meet with female and male leaders, internal and external speakers, to talk specifically about how we can be successful in the company," he says.

"There's more attraction and receptivity when it comes from the women themselves. We have a very Japanese workforce," Jordan says. One key feedback he was given in a conversation was to create a "happy" environment by balancing the home and workplace. "I've never thought of happy as part of how to drive inclusivity, but it makes absolute sense," Jordan says.

India: Attracting and Retaining Younger Workers

At Coca-Cola's operations in India and Southwest Asia, known as INSWA (which includes India, Nepal, Bhutan, Bangladesh, Sri Lanka and the Maldives), there's been a significant shift toward a younger workforce. Of the 250 people employed there, the average employee is 38 (compared with 39 in 2018), and 56 percent of the workforce is now less than 40 years old.

"We are on a journey to build an open yet inclusive culture built on the pillars of well-being, care and support. Establishing an environment of inclusion and support, creating a sense of work-life balance and a feeling of togetherness in the virtual workplaces is paramount—and this becomes even more significant while working with a younger workforce who needs consistent guidance and support from across the organization," says Nishi Kulshreshtha Chaturvedi, VP, HR.

The company has a robust campus program to recruit directly from college campuses, supported and strengthened through an employee group, Campus Council. The council, staffed with the campus hires from the past two to three years, helps to on-board and assimilate these young leaders, while acting as a sounding board for their ideas and leadership acumen. The self-nominated members demonstrate leadership behaviors by serving as role models and mentors for the recruits, and also play an active role in evolving the campus hiring strategy in line with changing external trends.

In the current version, the council of Gen Z helping Gen Z has created a learning platform for people to openly express their need for career guidance, and they can get coaching. The council, which gets rejiggered every year to make way for new members, encompasses functions including operations, marketing, commercial, finance, HR and supply chain.

Coca-Cola has noticed strong preferences in what its Gen Z employees want and need at their workplace and is actively working toward revamping its employee value proposition. Consistent, timely and transparent communications are vital, the company says. A recent employee survey showed that the younger workers want boundaries on their time, especially in the COVID-19 era of working at home. The employees, most of them younger, recommended:
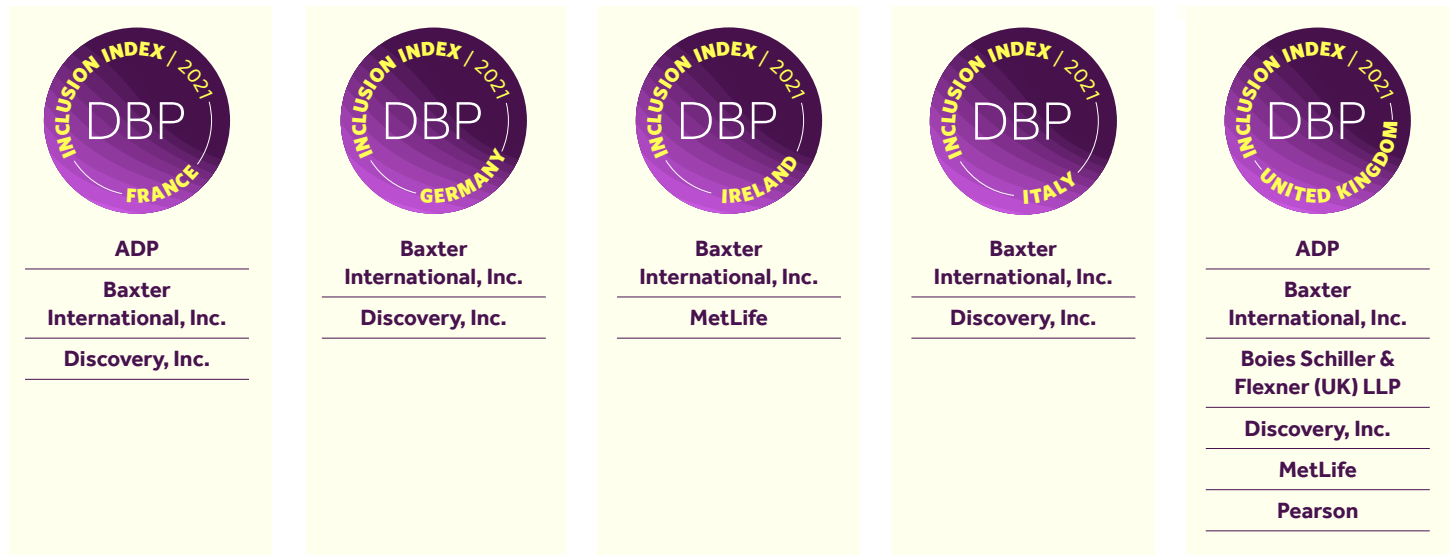
- Keep meetings short and only with key members—a maximum of four people if possible.
- If a larger group is needed, send pre-reads so everyone is on the same page. Meet to make decisions, not to speculate.
- Ensure there are breaks in meetings during the day. Schedule meetings 5-10 minutes after the person's last meeting.
- Lunch hour (1-2 p.m.) is not the time for meetings.

Keep work to workdays and work hours. The clock stops at 7 p.m. If it's urgent, send a text, and try to avoid weekend work.

In order to activate the survey feedback, the company has activated a group of Culture Ambassador Leaders to leverage their collective partnership in the overall inclusion journey. These leaders across the ranks, functions, seniority and tenure with the organization were nominated to lead this transformation journey, based on their track record in demonstrating growth behaviors at work. "Their passion to care about others, ability to speak the truth and willingness to go over and above their jobs to make an impact has resulted in achieving a robust remote working culture while introducing a refreshed approach to engagement at the workplace," Kulshreshtha says.
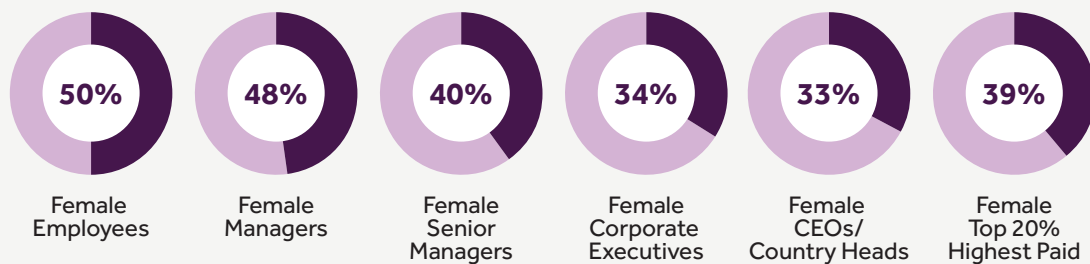
EUROPE

INDEX COMPANIES

INCLUSION INDEX | 2021
DBP
FRANCE

ADP

Baxter International, Inc.

Discovery, Inc.

INCLUSION INDEX | 2021
DBP
GERMANY

Baxter International, Inc.

Discovery, Inc.

INCLUSION INDEX | 2021
DBP
IRELAND

Baxter International, Inc.

MetLife

INCLUSION INDEX | 2021
DBP
ITALY

Baxter International, Inc.

Discovery, Inc.

INCLUSION INDEX | 2021
DBP
UNITED KINGDOM

ADP

Baxter International, Inc.

Boies Schiller & Flexner (UK) LLP

Discovery, Inc.

MetLife

Pearson

GENDER DEMOGRAPHICS EUROPE
Global Inclusion Index Companies

50% Female Employees

48% Female Managers

40% Female Senior Managers

34% Female Corporate Executives

33% Female CEOs/ Country Heads

39% Female Top 20% Highest Paid

TRANSPARENCY & DEMOGRAPHICS

*Majority of Index Companies in These Countries

	France	Germany	Ireland	Italy	UK
Common Demographics Collected					
Gender	●	●	●	●	●
Age	●	●	●	●	●
Disabilities	●	●		●	
Immigrant Status	●	●	●	●	●
Race/Ethnicity					●
Religion		●			
Non-Binary Third Gender		●			
Nationality			●		
LGBTQ					●
Ask Employees to Self-Id					
Gender	●	●	●	●	●
Age	●	●	●	●	●
Immigration Status	●	●	●	●	
Race/ethnicity		●			●
Disabilities	●	●		●	●
LGBTQ		●			●
Nationality			●		
Education				●	
Most Common Ways to Self-ID					
Job application process	●	●	●	●	
Self-Service HRIS	●	●	●	●	●

RECRUITMENT, RETENTION & ADVANCEMENT

	France	Germany	Ireland	Italy	UK
Employee Resource Groups	●			●	●
Communications campaign	●			●	
Teaching managers to encourage employees to Self-ID		●			
Website				●	
Annual surveys			●		
Requires diverse internal and external slates		●		●	●
Diverse panel of interviewers		●	●	●	●
Has ERGs for					
Women	●	●	●	●	●
Age/generational	●	●	●	●	
Employees with disabilities	●	●	●	●	●
LGBTQ		●	●	●	●
Working parents			●		●
Sustainability		●		●	
Special interest		●			
Race/ethnicity					●
Multicultural			●		
Gender equality				●	
Has informal mentoring			●	●	●
Has formal mentoring	●	●	●	●	●
Has group mentoring		●		●	
Has formal sponsorship	●	●	●	●	●
Has formal succession planning for under-represented groups	●	●	●	●	

CORPORATE CULTURE	France	Germany	Ireland	Italy	UK
Has DE&I education for employees	●	●	●	●	●
Sets percentage goals for gender diversity in leadership	●	●	●	●	●
Who is accountable for results – CEO or country head CEO	●			●	●
Senior manager	●				
Board		●			●
Corp Exec		●		●	
Senior Manager				●	
Manager				●	
Rewards or compensates managers for DE&I results		●		●	
How? Positive performance evaluation		●	●	●	
Promotions		●			
CEO/Country Head Commitment					
Meets regularly with person responsible for women's and DE&I advancement	●	●	●	●	●
Makes women's DE&I statement on website	●	●	●	●	●
Oversees management comp			●	●	
Includes DE&I/women in update to employees		●	●	●	●
Embeds DE&I in business growth strategy	●		●	●	
Provides annual update to board and global senior management	●	●	●	●	
Requires direct reports to report on diversity metrics			●		●
Holds leadership teams accountable	●	●	●	●	
Leads executive DE&I Council		●	●	●	●
Supports external women's organizations		●	●	●	
Has invested in women's development and advancement		●	●	●	●
Sponsors women in the organization	●	●	●	●	●
Provides women with leadership development	●	●	●	●	●
Has pay-equity audits	●	●	●	●	●
Has formal supplier diversity		●		●	
Has person in country responsible for DE&I	●	●	●	●	●
CEO direct report to CEO			●		
Other	●	●		●	
Reviews HR processes for bias	●	●	●	●	●

EUROPE

In Europe, the greatest DE&I issues are legal compliance driving change and concerns over the aging population and need for younger talent to fill crucial roles.

The legal compliance first came in the form of quotas for women on boards[4] in European Union Countries. Under a 2012 EU plan that was never instituted but is making a resurgence, companies that don't fill 40 percent of non-executive board seats with women would face fines.[5] Specific countries also have instituted board seat gender requirements, including Norway, Spain, Iceland, France, Italy, Belgium, the Netherlands, Germany, Austria and Portugal.[6]

According to Egon Zehnder, which tracks global board diversity: "The countries that have instituted quotas average a much larger number of women on their boards—unsurprising, given that it's a legal requirement. Eight of the 18 countries averaging three or more women have quotas or regulations in place requiring the hiring of women. Switzerland is the most recent country to add one."[7]

In addition, the European Commission has pledged to increase gender diversity in the workplace despite the toll COVID-19 is taking on women's participation.[8]

The UK has led the EMEA region in gender pay equity and reporting by requiring companies with 250 or more employees to report their gender pay gap since 2017. Since then, there have been calls from business and government leaders to expand the Equal Pay (Information and Claims) Bill to include reporting on the pay gap for Black, Asian, Minority Ethnic (BAME) employees. Although the bill is making its way through Parliament, many UK companies are already taking the initiative to begin voluntarily reporting on their ethnicity pay equity numbers ahead of the mandate.

Disability quotas (hiring of a certain percentage of people with disabilities) also are required in most countries for companies of a certain size to avoid fines. For example, in France, employers with at least 20 employees must have workers with disabilities account for 6 percent of their workforce.[9] While many of these quotas have been in place for most of the past decade, their enforcement across different countries has been spotty.

Many European countries traditionally are leery of counting demographics except for gender, especially around race and ethnicity, so getting employees to self-ID can be a challenge here. But as borders close and change, there has been increasing interest among employees of multinationals about disclosing immigrant status and ensuring immigrants and those of minority nationalities are recognized and respected in the workplace.

Europe's workforce is aging: By 2030, workers ages 55–64 are expected to make up 30 percent or more of the total workforce in many countries, according to the European Union. This has led to an upsurge both in retraining and revaluing older workers while companies continue to try to find younger employees to fill in the gaps. Those gaps mean immigrant populations as well as others from under-represented groups represent an increasingly desirable workforce demographic. Companies, especially since the advent of COVID-19, also look at ways to do the work differently to benefit both older and younger workers, which in most cases means more flexibility.

As for supplier diversity, WEConnect's Elizabeth Vazquez says it is on the increase in Europe. "Historically, European corporate legal counsels have incorrectly assumed that domestic and European Union privacy laws prohibit corporations from actively seeking women suppliers," she says, noting that this is changing.

Many companies in Europe lack a cohesive DE&I strategy. A 2019 DE&I Pulse Strategy survey of 573 European executives by Russell Reynolds found 70 percent personally saw the business advantages of DE&I but a third said their organizations had no DE&I strategy and only 34 percent of the S&P Europe 350 had a chief diversity officer.[10]

For multinationals, the issues are somewhat different as their leaders generally understand the value of DE&I but face resistant organizational cultures and lack of accountability at all levels.

Our European index results show increasing emphasis on women's development, reflected in the demographics showing workforces at our index companies are 50 percent female with 40 percent of senior managers, 39 percent of the highest paid, and 33 percent of country leaders female. We see increased emphasis on formal mentoring, sponsorship and leadership development programs for women, as well as executive succession planning for under-represented groups. At our index companies in Europe. We also note increased emphasis in self-identification for immigrant/nationality status, disabilities, age and sexual orientation/gender identity. Accountability for senior leaders to demonstrate their commitment to DE&I is increasingly common at multinationals, especially in the form of performance review evaluations.

CASE STUDY: BAXTER INTERNATIONAL, INC.
Sponsorship Key to Women's Success in Europe

For the global medical devices and pharmaceutical firm, moving more women into leadership positions in Europe is a priority. The European leadership's commitment is personal. Each of the 21 European business leaders have sponsored at least one woman (at the manager or director level), says Andrew Goldney, VP for Medication Delivery and Pharmaceuticals in Europe and the leader of the company's European Inclusion & Diversity Council.

"Sponsorship (advocacy for stretch assignments and promotions) is important. We are trying to have the conversation to give female talent additional exposure," he says. In the past two years, 34 women have been sponsored for an average of 12 to 18 months, and a third of them have been promoted or had their roles expanded.

What's key to the relationships, he says, is personal chemistry. "We want to inspire, connect and advance, and that requires a trusting relationship. Most people meet bimonthly, and it is cross border and cross functional. We think a lot of the advancement is supported by cultural and functional exposure and helping the women build different relationships and networks," he says.

The long-term goal is to move women up across the lines from manager to director to vice president level and also increase retention. "We want to make sure our female talent is retained and are not regrettable female losses," he says, adding that Baxter in Europe does de-

tailed exit interviews to understand why women leave.

The company doesn't make women's advancement a direct performance review metric for European leadership, but it is discussed in reviews and the priority is clear. "There is a collective desire in leadership to move the needle on ensuring talented women progress their careers at Baxter. Ultimately, the metrics leap out and everyone sees it," he says.

To help, the company has also held Gender IQ facilitated sessions in Europe for men and women. Seventeen of the one-day workshops were held in 15 countries with 300 participants, all senior manager and above. The facilitated discussion focused on increasing understanding of any gender bias and blind spots, and working on partnerships to leverage differences to increase collaborations and reach better decisions and business outcomes.

Feedback from women throughout Europe shows increased engagement and retention rates in the past two years, since these programs started, he says. "We are on the right trajectory."

Next, the company plans to look at candidate slates and recruitment to ensure enough women are in the pipeline, as well as continued anti-bias training. The Global Baxter Women's employee resource group also is crucial to retaining, finding and developing female talent across the entire region.

CASE STUDY: ADP
#BreaktheCeiling

If you want to move women up, take a multi-pronged approach. That's the philosophy at ADP's international operations, where #BreaktheCeiling (#BTC) has gained traction.

"A lot of women for one reason or another were not getting to the next step in their leadership. To understand their challenges and barriers, we did a survey from September to October 2020 of all our women in our international efforts," says Paul Boland, HR Divisional VP, Employer Services International. He notes that the response rate increased over a similar survey two years ago.

During the two-year period since the first survey, the company focused on three areas—having role models to inspire women at every layer, ensuring women at the director level were sponsor ready, and training leaders (men and women) on unconscious bias.

The role models are crucial, according to Guadalupe Garcia, Senior Director, Regional Talent Officer. "Seeing is believing. Putting on the spot those role models and sharing areas of focus is so important. If we have wonderful representation in the first lines, how do we bridge the gap for executive roles?" she asks.
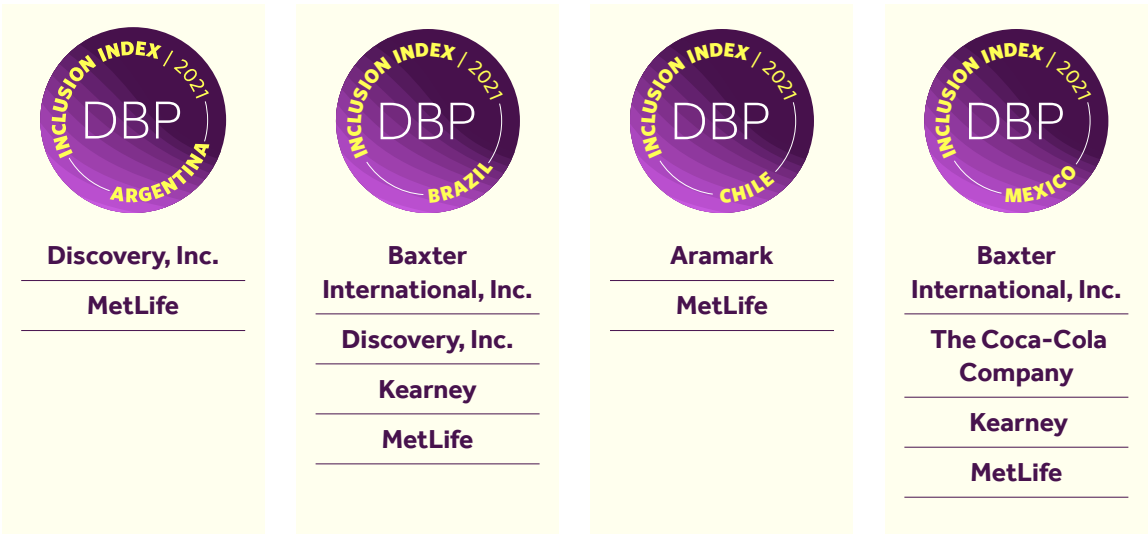
Getting the women ready for sponsorship ensures that when they meet with senior executives who can give them stretch assignments or advocate for promotions, they can effectively perform. The program allows the women to have multiple sponsors (and mentors), most of them the 20 members of the Employer Services International Senior Leadership Team. While there is no performance tie-in for the executive leader, "we make it an integral part of our talent discussions and we track their participation," Garcia says.

In the two years since the initiative started, 30 women at the director level participated across ADP's international operations. The company has been very vocal about getting more women involved and attributes the higher rate of participation in the survey to its internal communications strategy.

In the more recent survey, for which data is still being analyzed, questions were added on the impact of taking and returning from maternity leave for women who had returned in the past two years. "We are well known as a great company for working mothers, and our business resource groups work very hard to help mothers when they return. Being a mother should not be a showstopper in your career," says Garcia.

Central/South America

INDEX COMPANIES

Argentina	Brazil	Chile	Mexico
Discovery, Inc.	**Baxter International, Inc.**	**Aramark**	**Baxter International, Inc.**
MetLife	**Discovery, Inc.**	**MetLife**	**The Coca-Cola Company**
	Kearney		**Kearney**
	MetLife		**MetLife**

GENDER DEMOGRAPHICS CENTRAL/SOUTH AMERICA
Global Inclusion Index Companies

63%	48%	35%	28%	25%	42%
Female Employees	Female Managers	Female Senior Managers	Female Corporate Executives	Female CEOs/ Country Heads	Female Top 20% Highest Paid
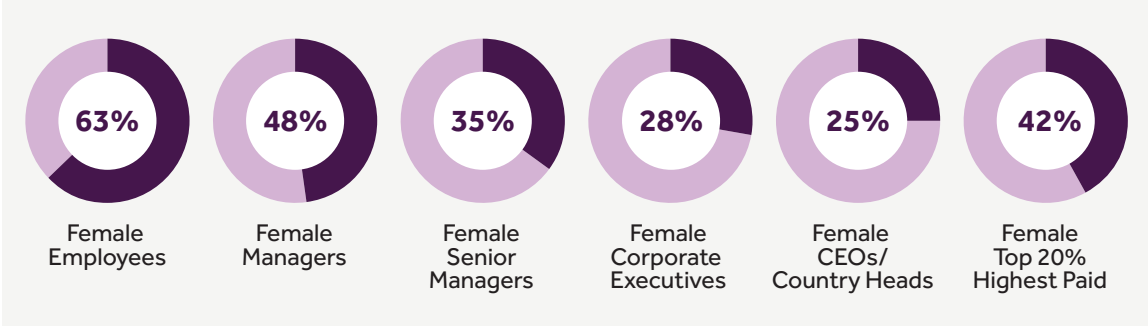
TRANSPARENCY & DEMOGRAPHICS

*Majority of Index Companies in These Countries

	Argentina	Brazil	Chile	Mexico
Common Demographics Collected				
Gender	●	●	●	●
Age	●	●	●	●
Disabilities	●	●	●	
Immigrant status	●	●	●	
Race/ethnicity		●		
Religion				
Non-binary third gender				
Nationality				
LGBTQ				
Education level			●	
Ask employees to self-ID				
Gender	●	●	●	●
Age	●	●	●	●
Immigration status	●		●	
Race/ethnicity		●		
Disabilities		●	●	
LGBTQ				
Education level			●	
Most Common Ways to Self-ID				
Job application process	●	●	●	
Self-service HRIS	●	●		●

RECRUITMENT, RETENTION & ADVANCEMENT	Argentina	Brazil	Chile	Mexico
Employee Resource Groups		●		
Communications campaign			●	
Teaching managers to encourage employees to self-ID			●	
Website				
Annual surveys			●	
Requires diverse internal and external slates		●		●
Diverse panel of interviewers				●
Have ERGs for				
Women	●	●	●	●
Employees with disabilities	●			
LGBTQ		●		●
Sustainability		●		
Race/ethnicity	●	●		
Have informal mentoring		●	●	●
Have formal mentoring	●	●	●	●
Have group mentoring	●	●		
Have formal sponsorship	●	●	●	●
Have formal succession planning for under-represented groups	●	●	●	●

CORPORATE CULTURE	Argentina	Brazil	Chile	Mexico
Has DE&I education for employees	●	●	●	●
Sets percentage goals for gender diversity in leadership	●	●	●	●
Who is accountable – CEO or country head	●	●	●	●
Board	●	●	●	●
Corp exec	●	●	●	●
Senior manager		●		
Manager		●		
Rewards or compensates managers for DE&I results			●	
How? Positive performance evaluation			●	

CORPORATE CULTURE	Argentina	Brazil	Chile	Mexico
CEO/Country Head Commitment				
Meets regularly with person responsible for women's and DE&I advancement	●	●	●	●
Makes women's DE&I statement on website	●	●	●	●
Oversees management comp	●	●	●	
Includes DE&I/women in update to employees	●	●	●	●
Embeds DE&I in business growth strategy	●	●	●	●
Provides annual update to board and global senior management	●	●	●,	●
Requires direct reports to report on diversity metrics	●	●	●	●
Holds leadership teams accountable	●		●	●
Leads executive DE&I Council		●		●
Supports external women's organizations	●		●	●
Invested in women's development and advancement	●		●	●
Sponsors women in the organization	●	●	●	●
Provides women with leadership development opportunities	●	●	●	●
Has pay-equity audits	●	●	●	●
Has person in country responsible for DE&I	●	●	●	●
CEO	●			
Direct report to CEO		●		
Direct report to CEO's direct report			●	
Other			●	
Reviews HR processes for bias France	●	●	●	

CENTRAL/SOUTH AMERICA

In this very diverse region, the major disparity is "inequality of wealth distribution, which disproportionately impacts marginalized communities and stymies social inclusion," says Dr. Rohini Anand, adding that "while gender-based violence is prevalent everywhere, it is more prevalent here than any other region." She also notes the same talent shortage prevalent in other regions, under-utilization of women and racial/ethnic issues, particularly in Brazil, where Afro-Brazilians are half the population.

Thirty-three percent of South American women have suffered violence from an intimate partner at least once in their lifetime. The Latin America and the Caribbean region holds the highest rates of femicide around the world.[11] In 2019, 4,640 women were killed across the entire region because of their gender.[12]

For many years, gender-based violence in the region has led to many protests, including the "Ni Una Menos" Argentina movement that has spread to other Latin American countries. The situation is especially critical in the context of the COVID-19 pandemic.[13]

The past two years have seen many manifestations showing inequality is still a big problem between the middle class and historically marginalized groups despite economic growth.

There are government and corporate efforts to hire more people with disabilities, such as legislation with quotas to the employers (e.g., 1 percent in Chile, 2-5 percent in Brazil, and 4 percent in Peru).[14] However, the socioeconomic disparities for those with disabilities continue to be a gap. Religious issues continue to impact equal rights for the LGBTQ population, but there has been progress in several countries, including Brazil, Chile and Argentina.

Argentina became the first country in the region to legalize same-sex marriage in 2010. Same-sex couples have adoption rights in that country as well. In terms of same-sex marriage, Argentina was followed by Brazil, Uruguay, Colombia, Ecuador and some states in Mexico. Chile has enacted same-sex civil union legislation, while other countries in the region are discussing how to legislate similar rights for the LGBTQ+ Community.[15]

Argentina, Chile, Uruguay and Bolivia have gender identity laws. Mexico, Ecuador, Colombia, Venezuela, Brazil and Costa Rica have modified their legal framework to recognize people's right to change their gender identity.

Female ethnic minorities in Latin America, representing hundreds of indigenous groups and a significant Afro-descendant population, face greater barriers to workforce inclusion than their white counterparts. Their work is usually concentrated in the informal sector, poorly remunerated and entrenched by historic patterns of inequality typified by low human capital endowments—from inadequate education to poor nutrition. Given an estimated indigenous population of 28 to 34 million (about 10 percent of the region's total population) and an Afro-descendant population of 150 million, inclusion of Latin America's racial and ethnic minorities is vital to ensuring sustainable workforce growth.[16]

The female workforce remains largely underutilized in this region. Only 45 percent of Mexican women are in the labor force, and they earn 18 percent less than men, of whom 78 percent are employed. Additionally, according to data from the Instituto Nacional de Estadística y Geografía (INEGI, National Institute of Statistics and Geography), mothers in Mexico face discrimination beginning with pregnancy largely because of the lack of daycare services. These gaps have been greatly increased in the COVID-19 era.[17]

As noted in the 2019 Social Institutions and Gender Index (SIGI) by the OECD Development Center, the Ibero-American General Secretariat (SEGIB) and the BBVA Microfinance Foundation (BBVAMF), "One of the biggest concerns regarding gender equality in Latin America lies in the family setting, where women spend three times more of their time than men on household tasks and caring for children and elderly relatives."[18]

At the board level, there has been some progress in Brazil, with an 8 percent rise in women board members over the past two years. But overall the region is a laggard in female board diversity, with Mexico and Chile particularly behind.[19]

In terms of supplier diversity, Vazquez sees it increasing in the countries we studied, especially because the U.S. government and multinational corporations have made significant investments in the regional infrastructure to find, register, train and certify women-owned businesses. She adds that "Latin women business owners are innovative, resilient and deeply connected to their families and communities."
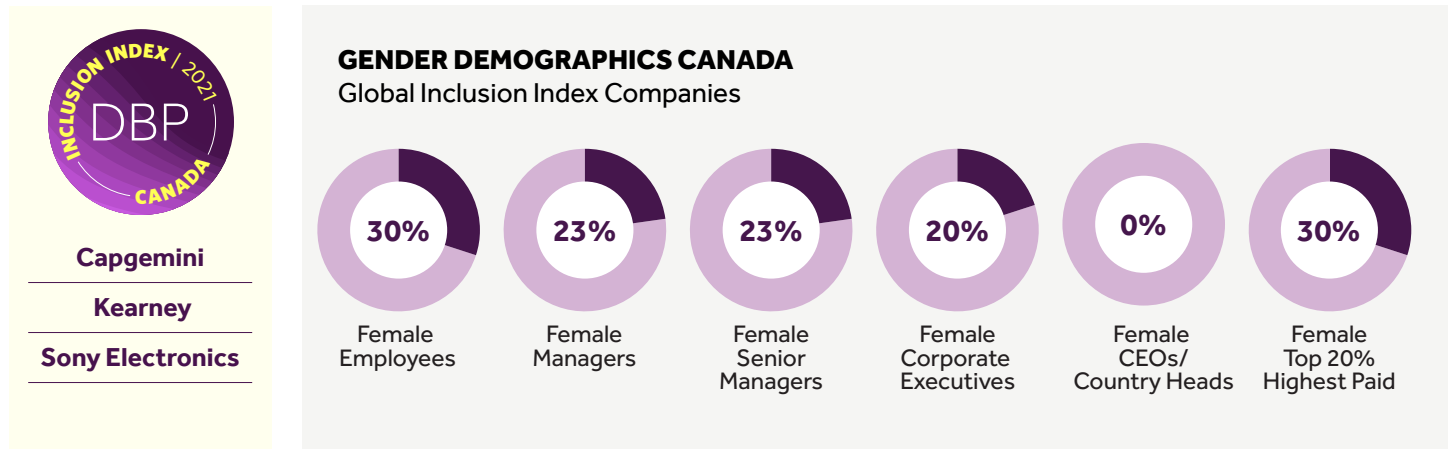
Our inclusion index data indicates that even in multinational companies that are committed to DE&I, women in this region still struggle to get to the top of organizations in these countries. For example, for our index companies, an average of 63 percent of the workforces are women, while only 28 percent of corporate executives (highest level) are women.

There are efforts to hire people with disabilities at most of these corporations, but again, the class and educational disparities impact the available labor pool. The companies on our index indicate strong efforts to hold leaders accountable for DE&I results, especially for women, with the country head, corporate executives and senior managers all being most responsible for success. Performance reviews are primarily used to determine that success.

We also note the visible role of the CEO or country head at the multinationals in our index. That includes conducting pay-equity audits, holding direct reports and others accountable for diversity metrics, making public statements about DE&I and women's advancement, and heading the local DE&I council.

CANADA

INDEX COMPANIES

INCLUSION INDEX | 2021
DBP
CANADA

Capgemini

Kearney

Sony Electronics

GENDER DEMOGRAPHICS CANADA
Global Inclusion Index Companies

30%	**23%**	**23%**	**20%**	**0%**	**30%**
Female Employees	Female Managers	Female Senior Managers	Female Corporate Executives	Female CEOs/ Country Heads	Female Top 20% Highest Paid

TRANSPARENCY & DEMOGRAPHICS	Canada
*Majority of Index Companies in These Countries	
Common Demographics Collected	
Gender	●
Age	●
Disabilities	●
Immigrant Status	●
Race/ethnicity (Aboriginal)	●
LGBTQ	●
Ask Employees to Self-ID	
Gender	●
Race/ethnicity (Aboriginal)	●
Disabilities	●
LGBTQ	●
Most common ways to self-ID	
Job application process	●
Self-service HRIS	●

CORPORATE CULTURE	Canada
CEO/Country Head Commitment	
Meets regularly with person responsible for women's and DE&I advancement	●
Makes women's DE&I statement on website	●
Oversees management comp	●
Includes DE&I/women in update to employees	●
Embeds DE&I in business growth strategy	●
Provides annual update to board and global senior management	●
Holds leadership teams accountable	●
Has invested in women's development and advancement	●
Sponsors women in the org	●
Has pay-equity audits	●
Reviews HR processes for bias	●

RECRUITMENT, RETENTION & ADVANCEMENT

	Canada
Employee Resource Groups	
Communications campaign	●
Requires diverse internal and external slates	●
Diverse panel of interviewers	●
Have ERGs for	
Women	●
Age/generational	
Employees with disabilities	●
LGBTQ	●
Working parents	●
Caretakers	●
Sustainability	●
Special interest	●
Race/ethnicity	●
Multicultural	●
Have informal mentoring	●
Have formal mentoring	●
Have formal sponsorship	●
Have formal succession planning for under-represented groups	●
Has DE&I education for employees	●
Sets percentage goals for gender diversity in leadership	●
Who is accountable – CEO or country head	●
Rewards or compensates managers for DE&I results	●
How?	
Bonus	●
Positive performance evaluation	●

CANADA

People of color, especially Aboriginal people and South Asians, are a significant under-represented minority in Canada, with people of color (often known in Canada as visible minorities) representing more than one-fifth the population and projected to be a third of the population by 2036.[20]

Effective January 1, 2020, the Canada Business Corporations Act (CBCA) required corporations to cite number and percentages of members of the board and senior management who are:

- Women
- Indigenous peoples (First Nations, Inuit and Métis)
- Persons with disabilities
- Members of visible minorities

Like the European countries, Canada has an aging population. By 2030, the share of Canadians older than age 65 is expected to double. The number of available workers is expected to limit economic growth potential.[21]

Canada has a long history of gender inclusion and women making progress moving up in many companies in this region. Vazquez notes that supplier diversity for women is strong in Canada, with women owning 16 percent of small- and medium-size companies and the Canadian government investing in and supporting women-owned businesses.

At the corporate level, we also see heightened emphasis on recruitment and talent development for under-represented groups. Some companies link their U.S. and Canada efforts together, with a North American DE&I council and focus. Our index shows DE&I efforts in Canada are similar to those succeeding in the U.S., with increasing emphasis on goals and accountability for results (in the form of both bonuses and performance evaluations), as well as formal mentoring, sponsorship and succession planning for people from under-represented groups. CEO/country head commitment also is strong, including public statements on websites, embedding DE&I in business growth strategy and holding leadership teams accountable for results.

ENDNOTES

1. The World Bank," Labor Force Participation, September 2020
   https://data.worldbank.org/indicator/SL.TLF.ACTI.1524.MA.NE.ZS?year_high_desc=false

2. BCG.com, "The Diversity Dividend in Southeast Asia," April 2020
   https://www.bcg.com/publications/2020/diversity-dividend-in-southeast-asia

3. Kantar, "The Diversity Study 2020"
   https://www.kantar.com/inspiration/equality/urgent-case-for-diversity-and-inclusion-in-asia-pacific

4. The Guardian, "EU Revives Plans for Mandatory Quotas of Women on Company Boards," March 5, 2020
   https://www.theguardian.com/world/2020/mar/05/eu-revives-plans-for-mandatory-quotas-of-women-on-company-boards

5. Egon Zehnder 2020 Global Board Diversity Tracker
   https://www.egonzehnder.com/global-board-diversity-tracker/tracker-highlights#

6. European Management Review, Mense-Klarbach, Heike and Seierstad, Catherine, "Gender Quotas on Corporate Boards: Similarities and Differences in Quota Scenarios, January 7, 2020
   https://onlinelibrary.wiley.com/doi/full/10.1111/emre.12374

7. Ibid, Egon Zehnder 2020 Global Board Diversity Tracker
   https://www.egonzehnder.com/global-board-diversity-tracker/tracker-highlights#

8. "EURACTIV.com, "New EU Strategy Must Ensure Equality in the Workplace," Oct. 9, 2020
   https://www.euractiv.com/section/economy-jobs/news/new-eu-strategy-must-ensure-equality-in-workplace-stakeholders-say/

9. SHRM, Shepherd, Leah, "French Law Requires Companies to Employ Workers With Disabilities," December 4, 2019
   https://www.shrm.org/resourcesandtools/hr-topics/global-hr/pages/france-employ-workers-with-disabilities.aspx

10. Russell Reynolds Associates, "Diversity and Inclusion Pulse: A Leader's Guide to Europe." April 22, 2020
    https://www.russellreynolds.com/insights/thought-leadership/diversity-and-inclusion-pulse-a-leaders-guide-to-europe

11. OECD: "Addressing Femicide in the Context of Rampant Violence Against Women in Latin America," February 11, 2020
    Addressing femicide in the context of rampant violence against women in Latin America

12. Gender Equality Observatory, "Femicide or Feminicide"
    CEPAL:Gender Equality Observatory for Latin America and the Caribbean

13. The World Bank, "COVID-19 Could Worsen Gender Inequity in Latin America and the Caribbean," May 15, 2020
    https://www.worldbank.org/en/news/feature/2020/05/15/covid-19-could-worsen-gender-inequality-in-latin-america-and-the-caribbean

14. Lissardy, Gerardo, BBC New Mundo, "Why Latin America is 'the Most Unequal Region on the Planet,'" February 6, 2020
    https://www.bbc.com/mundo/noticias-america-latina-51390621
    For Chile: Servicio Nacional de Discapacidad (SENADIS) (Ministry of Social Development and Family)
    For Brazil Portal da Câmara dos Deputados (Chamber of Deputies Website)
    For Peru Plataforma digital única del Estado Peruano (Peruvian Government Digital Platform)

15. Kennon, Isabel, Atlantic Council, "Costa Rica Legalized Same-Sex Marriage: Where Does the Rest of Latin America Stand on Marriage Equality?" June 2, 2020
    https://www.atlanticcouncil.org/blogs/new-atlanticist/costa-rica-legalized-same-sex-marriage-where-does-the-rest-of-latin-america-stand-on-marriage-equality/

16. Mercer, "When Women Thrive, Businesses Thrive: Challenges and Opportunities in Latin America," 2017
    https://www.mercer.com/content/dam/mercer/attachments/private/gl-2017-career-wwt-when-women-thrive-business-thrive-challenges-opportunities-latam-perspective-pov-mercer.pdf

17. NAE, Sánchez Cruz, Miguel Ángel, "The Impact of Diversity on Latin America's Economy," September 9, 2019
    https://www.mercer.com/content/dam/mercer/attachments/private/gl-2017-career-wwt-when-women-thrive-business-thrive-challenges-opportunities-latam-perspective-pov-mercer.pdf

18. SIGI 2019 Global Report, "Transforming Challenges Into Opportunities"
    http://www.oecd.org/development/sigi-2019-global-report-bc56d212-en.htm

19. Ibid, Egon Zehnder
    https://www.egonzehnder.com/global-board-diversity-tracker/tracker-highlights#

20. Catalyst, "People of Colour in Canada, Oct. 20, 2020
    https://www.catalyst.org/research/people-of-colour-in-canada/

21. Deloitte, "2020 Canada Impact Report"
    https://www2.deloitte.com/ca/en/pages/audit/solutions/corporate-responsibility-report.html