



GLF[™]
GLOBAL LEADERS' FORUM

2021

GLF DIB Report

BUILDING A MOVEMENT, NOT A
MOMENT

August 2021

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This report has been commissioned by:

The ITW Global Leaders' Forum (GLF) is a network of the leaders from the world's largest international carriers, who convene to discuss strategic issues and to agree collaborative activities with the aim of driving the next phase of growth for the industry.

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INTRODUCTION

from Eric Cevis, Chair of the GLF Diversity, Inclusion and Belonging Working Group

We are on a transformational journey as we evolve as an industry to provide opportunities for diversity, equity and inclusion initiatives. The past year has reinforced to me the importance of the GLF's work and being a 'voice' leading the global carrier industry. Many of our industry's employees, customers & partners have been impacted by the COVID-19 crisis; to them all, I acknowledge their individual and collective resilience to persevere and work together to make a difference to the 'greater good'.

I am proud of the industry's first, inaugural thought leadership paper on gender equity that we developed and shared in 2020. It captured the telecom carrier industry's readiness to have an open dialogue on diversity. Many of my peers and their organisations amplified their voices and promoted awareness and focus on initiatives to improve gender equity within each of their organisations.

This year, we committed to communicating the progress made on gender equity and focus on racial equity initiatives. There are many dimensions of diversity that require focus by us all; gender and race were selected by the GLF as the first two areas for the working group to focus on. Understanding privilege in each of our lives, societies and nations helps us to understand and respect marginalised populations in each. The definition of each may vary by geography and will require all of us to create programs to enable equity, representation and accessibility.

We believe the GLF is uniquely positioned to play the role of not just a voice amplifier but also that of a compass. As a voice amplifier, the GLF can ensure that themes of diversity, equity & inclusion are consistently at the top of leaders' agendas. As a compass, the GLF can provide guiding support to its members, and the wider carrier industry, on how to best navigate these issues.

Unfortunately, many of the systemic injustices that we have globally witnessed in the last year, have existed long before the pandemic. Whether it is excessive police force targeting Black Americans, the increased violence against Asian communities, or inequities experienced by many marginalised populations across the globe, these events have highlighted the need to broaden our horizons beyond gender and focus also on other dimensions of diversity.

By advocating inclusivity for all diverse groups, across gender, ethnicity, sexual orientation, disability, and age, we want to deliver a consistent and strengthened message for the GLF to raise awareness, lead thoughts and advocacy on a topic that has never been more crucial than it is today. I hope that, by focusing on racial equity and injustice as a second area of focus, we will contribute to driving awareness and promoting actions.

This report has been created to continue the conversation started last year on gender. Building on last year's gender baseline, we will assess our progress as a group in the last 12 months. We will also support knowledge sharing of what has previously worked so that all participants will be able to benchmark ourselves and hopefully achieve our goals faster.

I want to thank the increasing number of colleagues who have contributed through their participation in our survey and their insightful interviews that were key inputs for this report. Like last year, we will deliver this report with joint and anonymised information along with case studies. It will help each organisation to assess their journey, get inspired by others and keep building their own unique path.

Eric Cevis
President, Verizon Partner Solutions
August 2021

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EXECUTIVE SUMMARY

Industry status

- The COVID-19 crisis, far from diminishing the DIB agenda for carriers, has reinforced the crucial role that companies need to play in supporting under-represented employees. 87% of survey respondents classed Diversity, Inclusion and Belonging (“DIB”) as a strategic or top priority for their company.
- Gender and race are the DIB axes of greatest focus, with 87% / 78% respectively of companies ranking them as high focus. There is a correlation between companies’ focus and the high visibility of gender and racial diversity within societies.
- Addressing diversity varies across carriers. For some, it means reaching target representation and inclusion KPIs, whilst for others it means building an environment providing equal opportunities and launching initiatives – GLF members concept of ‘progress’ on diversity is driven by their individual context.
- Carriers are on their DIB journey, but there is still progress to be made – whilst 43% state that they are diverse in at least one axis of diversity only 17% of respondents believe that they are diverse across both gender and race.
- CEOs are increasingly accountable for leading DIB initiatives - 30% of the surveyed organisations stated DIB was CEO-led vs 20% in 2020. CEO-led DIB organisations demonstrate broader diversity focus, higher achieved progress, more gender-related initiatives implemented than other companies.

Racial diversity

- Racial diversity is uniquely complex to define and implement. There are local variations to racial diversity, setting objectives is heavily market-dependent, and addressing racial issues is highly sensitive.
- Racial diversity is the second most prioritised DIB topics within respondent’s DIB policies, with a score of 4.1/5. 26% of the GLF members believe that they are diverse on race. However, due to differences in how racial diversity is defined and the media / societal focus at a national level, unlike gender there are greater differences between regions in how carriers have responded.
- On race, the survey respondents increasingly acknowledge the commercial benefits of diversity, perceive less barriers for racial minorities to advance careers & less complexity to implement support policies; 65% respondents perceive progress on racial diversity and 65% implement initiatives.
- In comparison with gender, less companies are implementing mentoring -39pts, management programs -31pts, and hiring initiatives -18pts. Perceived progress on race is also lower (35% highly or fully diverse on gender vs. 26% highly or fully diverse on race).

- Companies will need to carefully evaluate their racial diversity execution as a prominent gap between focus and actions could highlight a risk to not deliver up to expectations. Where programs are implemented, they can lead to rapid representation improvements.

Gender diversity

- Gender diversity tops the DIB agenda across companies. 70% of companies rank it with the highest focus (5/5) because of the size of the issue, the public attention that it has received, and the benefits expected from improved parity.
- 83% companies report some form of progress on gender-related diversity. Survey respondents increasingly acknowledge the commercial benefits of diversity, perceive less barriers in their organisations for women to advance careers and less complexity to implement policies.
- Members report substantially more gender-related categories of initiatives implemented to promote gender diversity than in 2020, which fuels the perception of achieved progress. Across selected categories, companies report more mentoring +17pts, management programs +14pts, return to work +5pts, and job sharing +11pts.
- There is a substantial gap between perceived progress and achieved representation. This is potentially because it takes time to reach equitable representation levels and companies may perceive progress when there is limited representation progress: awareness increases without always resulting in better representation.
- With 35% of the GLF members believing that they are diverse on gender representation, the journey ahead is long. Survey respondents replied that it will take time to transform: (1) the job deficit remains high for many organisations, (2) job creation is low for the industry; (3) the number of people leaving the workforce due to retirement is low; (4) companies are constrained by limited talent pools.

Delivering progress

- To create long-term change, companies will need to measure, organise and execute diversity and inclusion programs to drive equitable outcomes. They will need to align on unified measurement definition to assess progress, set the required policies to structure their initiatives. Without measurement and organisation, diversity initiatives will remain disparate, and their impact may not last.
- On **measure**, the industry should adopt a minimum set of consistent KPIs to align on diversity definition and to be able to compare progress in the future. Beyond measuring consistent KPIs, additional initiatives could include the implementation of voluntary internal sharing of diversity information to be able to build knowledge and the implementation of DIB roadmap to prioritise axes and initiatives.
- On **organise**, disparate initiatives should be structured via implementation of policies, especially in larger companies to ensure they become part of the organisational DNA. Another key aspect of organise consists in empowering the executive level to champion diversity and inclusion employee groups ensuring a mandate for prioritisation and execution.

- On **execute**, initiatives should seek to improve recruitment, retention, representation, influence. Diverse recruitment panels, mentoring and sponsoring programs for diverse groups have been key initiatives. In addition, companies have launched COVID-19 programs targeting all employees, but which especially benefitted diverse groups. On-going initiative execution is key to increase diversity and inclusion across diversity axes.
- On **communicate**, the internal communication gives visibility about DIB to all employees including executives and external communication, especially transparent sharing of workforce data relevant to DIB representation data including pay gaps, have been key for some carriers.

GLF is creating a call to action for its members to support four initiatives:

- 1. Adopt industry KPIs for measuring diversity,**
- 2. Create an industry network of diversity leaders from their own organisation,**
- 3. Personally serve as champions to ensure the adoption and adherence of policies and processes to enhance diversity,**
- 4. Commit to champion STEM programmes within their own organisations and work together to ensure consistent action within the GLF community.**

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Organisations that responded to the survey or had interviews



INTRODUCTION

Workplaces are both a microscope and a petri dish. As a microscope, they reflect and magnify existing human interactions, social roles, and inequalities. They are also their own petri dish: their environment can be altered to differentiate from the society. Innovating on the diversity front in Telecommunication can have a large impact: the sector was employing around 5.1 million people in 2020¹ and telecommunication contributes to around 5% of the global GDP². Telecommunication companies' supply chain is consequently large: for example, the global 5G value chain and employment is expected to raise a gross output of 3.5 trillion USD and employment of 22 million by 2035³. As such, workplaces face the risk of reproducing inequalities that structurally affect societies, but they can also act on it to create spaces of safety and inclusion for all people and witness the consequences of such change.

The past few years have seen an accelerated shift in expectations regarding the role of corporations to contribute to diversity. With the #MeToo movement and Black Lives Matter, advancing diverse representation in the workplace across industries has become crucial to address what employees, customers, and shareholders want. Companies started to adapt as diverse workplaces have also proven to perform better, to innovate more, offer truer representation of the customer base, and to be more resilient to crisis.

On this matter, the Telecommunication industry has historically been lagging behind other industries in terms of diversity and inclusion, with characteristically low gender balance for example. Last year, the GLF was noting that female representation in the Telecom industry averaged 18% and that the female representation at board level was up to four points lower than that of other sectors like life, sciences & healthcare, consumer business, financial services, and energy & resources⁴. Women hold 16.9% of board seats worldwide⁵. This lag is a risk for companies, which may not be able to reap the rewards that a diverse workplace has to offer.

In this context, the ITW Global Leaders Forum ("GLF") has compiled its second Diversity, Inclusion and Belonging ("DIB") report. After initiating its work in 2020 on the theme of Gender Diversity, this second edition's goal is two-fold: to set a baseline on racial diversity, and to measure the progress that we have taken on diversity over the past year. By doing so, the GLF hopes to support its members to start the dialogue across diversity topics, to implement initiatives and measure success.

Within this year's report we will:

- 1) Provide a view on where the GLF members stand, how they define diversity across diversity axes, how they perform and how they govern DIB initiatives.
- 2) Assess the progress made on gender diversity since our last publication.
- 3) Set the baseline for racial diversity, highlight its specificities, and compare it against gender.
- 4) Investigate what can be done across the virtuous triangle of measurement, organisation, and execution, supported by communication, so that actions can turn into programs with long-term impact.

1 <http://www.globenewswire.com/news-release/2020/09/17/2095009/28124/en/Global-Telecommunications-Network-Operators-Market-Review-1Q20-Track-Revenue-Capex-and-Employees-for-138-Individual-Telecommunications-Network-Operators.html>

2 https://link.springer.com/chapter/10.1007/978-3-030-62151-3_12

3 <https://cdn.ihs.com/www/pdf/IHS-Technology-5G-Economic-Impact-Study.pdf>

4 GLF, 2020, GLF Thought Leadership, "Driving gender diversity and inclusion in the Telecoms Industry"

5 <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Risk/gx-risk-women-in-the-boardroom-sixth-edition.pdf>

PART 1

WHERE DOES DIVERSITY,
INCLUSION AND BELONGING
("DIB") CURRENTLY STAND IN THE
GLF ORGANISATIONS?



PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?

1

The COVID-19 crisis, far from diminishing the DIB agenda for carriers, has reinforced the crucial role that companies need to play in supporting under-represented employees. 87% of survey respondents classed Diversity, Inclusion and Belonging (“DIB”) as a strategic or top priority for their company.

2

Gender and race are the DIB axes of greatest focus, with 87% / 78% respectively of companies ranking them as high focus. There is a correlation between companies' focus and the high visibility of gender and racial diversity within societies.

3

Addressing diversity varies across carriers. For some, it means reaching target representation and inclusion KPIs, whilst for others it means building an environment providing equal opportunities and launching initiatives – GLF members concept of ‘progress’ on diversity is driven by their individual context.

4

Carriers are on their DIB journey, but there is still progress to be made – whilst 43% state that they are diverse in at least one axis of diversity only 17% of respondents believe that they are diverse across both gender and race.

5

CEOs are increasingly accountable for leading DIB initiatives - 30% of the surveyed organisations stated DIB was CEO-led vs 20% in 2020. CEO-led DIB organisations demonstrate broader diversity focus, higher achieved progress, more gender-related initiatives implemented than other companies.

1. THE ON-GOING CRITICALITY OF DIB

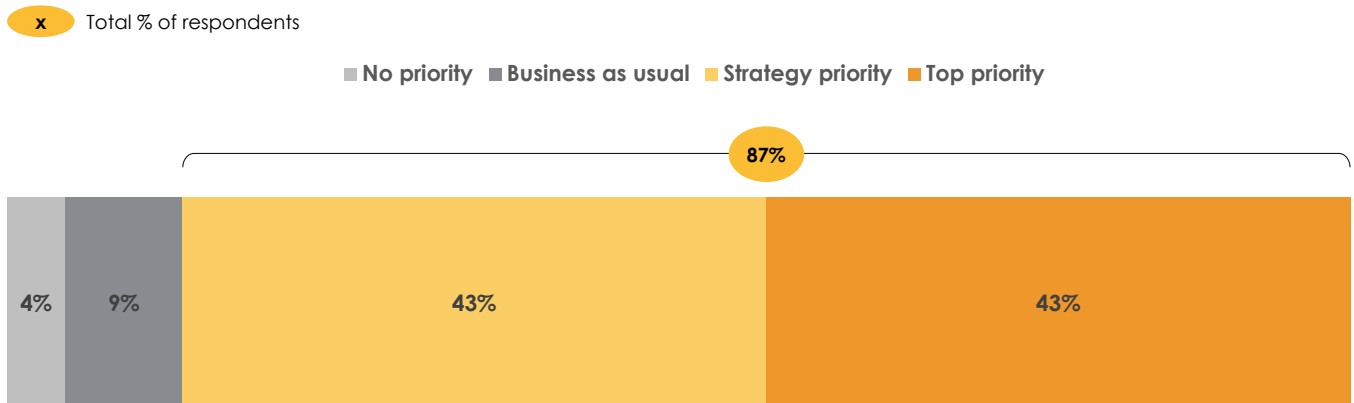
With the COVID-19 pandemic and its challenges, the Diversity, Inclusion and Belonging (“DIB”) agendas of carriers were at risk of being deprioritised against focus on commercial growth and cost cutting. This was at least partially mitigated, as carriers maintained their focus on DIB as a part of their strategic agendas: within this year’s survey 87% of respondents declared that DIB had remained for them a “strategic” or a “top” priority. As stated by one carrier, *“Diversity, Inclusion and Belonging is part of our DNA. As we do fully believe in its commercial*

and strategic benefits, we have kept pursuing our DIB agenda during the pandemic”. Another carrier also noted that the strong belief in its diversity had helped the company in 2020 and had shed light on the importance to keep working on the DIB agenda. This is aligned with cross-industrial research surveying 1,100+ executives in 11 countries, which found out that 9 out of 10 executives have kept DIB as a moderate up to high priority⁶ during the pandemic.

EXHIBIT 1: STRATEGIC IMPORTANCE OF DIB TO GLF MEMBERS

Within your organisation, what importance does the overall concept of Diversity, Inclusion and Belonging (“DIB”) have:

(% of total respondents)



Source: GLF Survey n = 23; Note: due to rounding, sums may not add up

In discussions with carriers, it is evident that the reasons for pursuing DIB efforts vary across organisations. There are five primary reasons:

- 1. Moral belief that it is the right thing to do.** Leaders have raised that investing in DIB during the pandemic was a “moral imperative”. 70% of the survey respondents raised this point. For instance, a respondent to the survey said: *“Diversity and inclusion is part of who we are. We have not made any employee redundant during the pandemics and kept working on our DIB agenda. We could not call ourselves diverse if we had done otherwise.”*

- 2. Demanded by stakeholders, e.g., clients, employees, shareholders.** Amongst the respondents of the survey, 43% noted that they want to reflect their customer base. A respondent to the survey explained: *“We do perceive that our clients start being sick of having to deal with the same old boy club. They want people who can be different and bring fresh ideas to the table”*. Recent news has also highlighted the role of activist shareholders in demanding diversity: for example, in April 2021, 12 public companies were sued by their shareholders for failing to diversify their C-Suite and Boards⁷.

⁶ McKinsey, 17th Nov. 2020, “Diverse companies are struggling the most during COVID-19.”

⁷ <https://www.skadden.com/insights/publications/2021/04/the-informed-board/shareholder-suits-demand-more-progress>

PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?

3. Long-term risk to not be able to deliver the same value, innovation & resilience if diversity is lost.

Studies have shown a direct correlation between more diverse companies and improved commercial profitability and value creation⁸, improved innovation⁹ and improved resilience during crises¹⁰. Amongst the survey respondents, 39% noted that commercial benefits yielded by DIB are part of the key reasons why their organisation kept investing in DIB. Respondents also emphasised diversity's importance in attracting and retaining talents, driving innovation, and improving team's performance.

4. Potential loss of diversity exposes companies to risks of homogeneity, over-confidence,

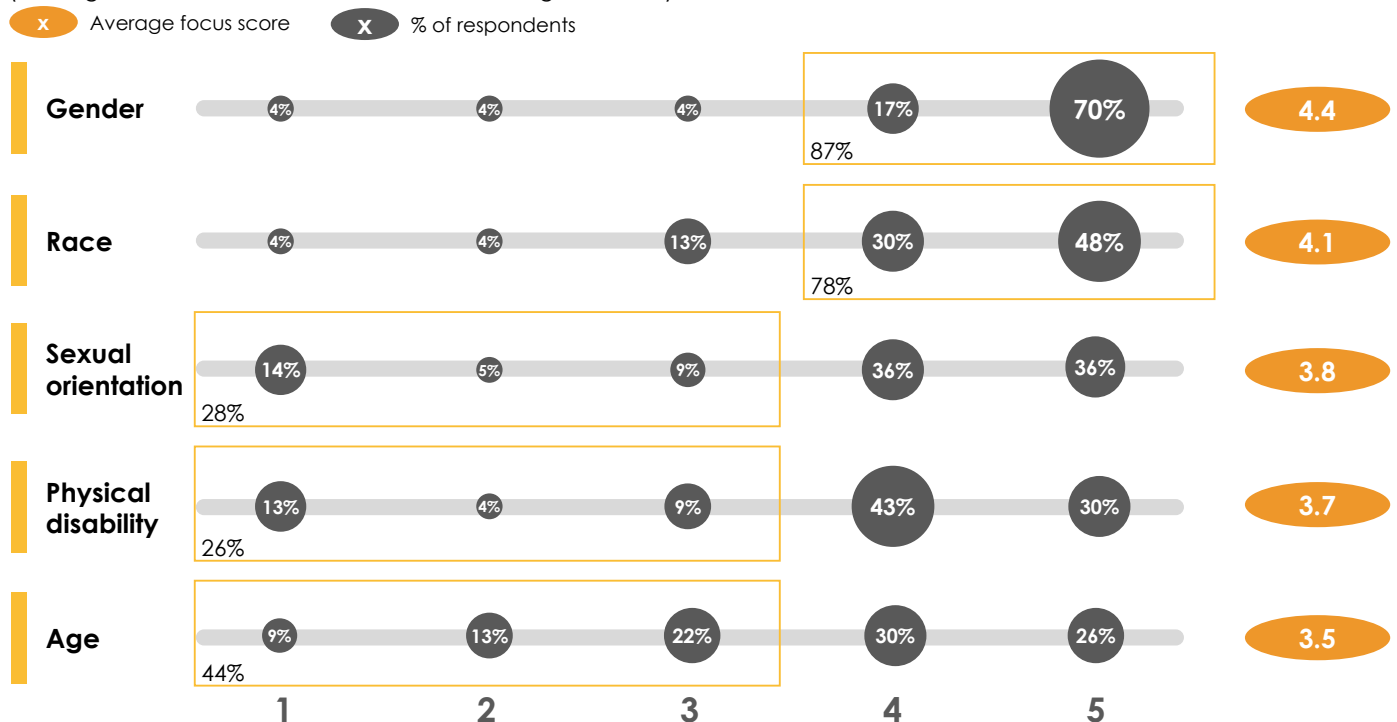
and reputation. Research has highlighted non-diverse companies' risk of sharing the same beliefs as their peers in an urge to belong; men's tendency to underestimate risk and overrate past performance; diverse groups choice to not work with or invest in companies suffering reputational damage linked to scandals like #MeToo¹¹.

5. Opportunity to rethink the workplace. The pandemic has played the role of a catalyst, accelerating technologic transition. It offers the opportunity to open the dialogue to support all employees and diverse employee groups.

EXHIBIT 2: GLF ORGANISATIONS' FOCUS ACROSS DIB AXES

What is the level of focus within the organisation on different axis of DIB?

(Average: Score 1-5, with 1 = no focus and 5 = highest focus)



Source: GLF Survey n = 23

8 <https://www.forbes.com/sites/shereatcheson/2018/09/25/embracing-diversity-and-fostering-inclusion-is-good-for-your-business/?sh=4efb43d172b1>

9 https://images.forbes.com/forbesinsights/StudyPDFs/Innovation_Through_Diversity.pdf

10 <https://www.hrdiver.com/news/belonging-can-spur-resilience-during-a-crisis-study-says/580449/>

11 <https://www.weforum.org/agenda/2019/08/3-reasons-why-business-leaders-cant-afford-to-ignore-diversity/>

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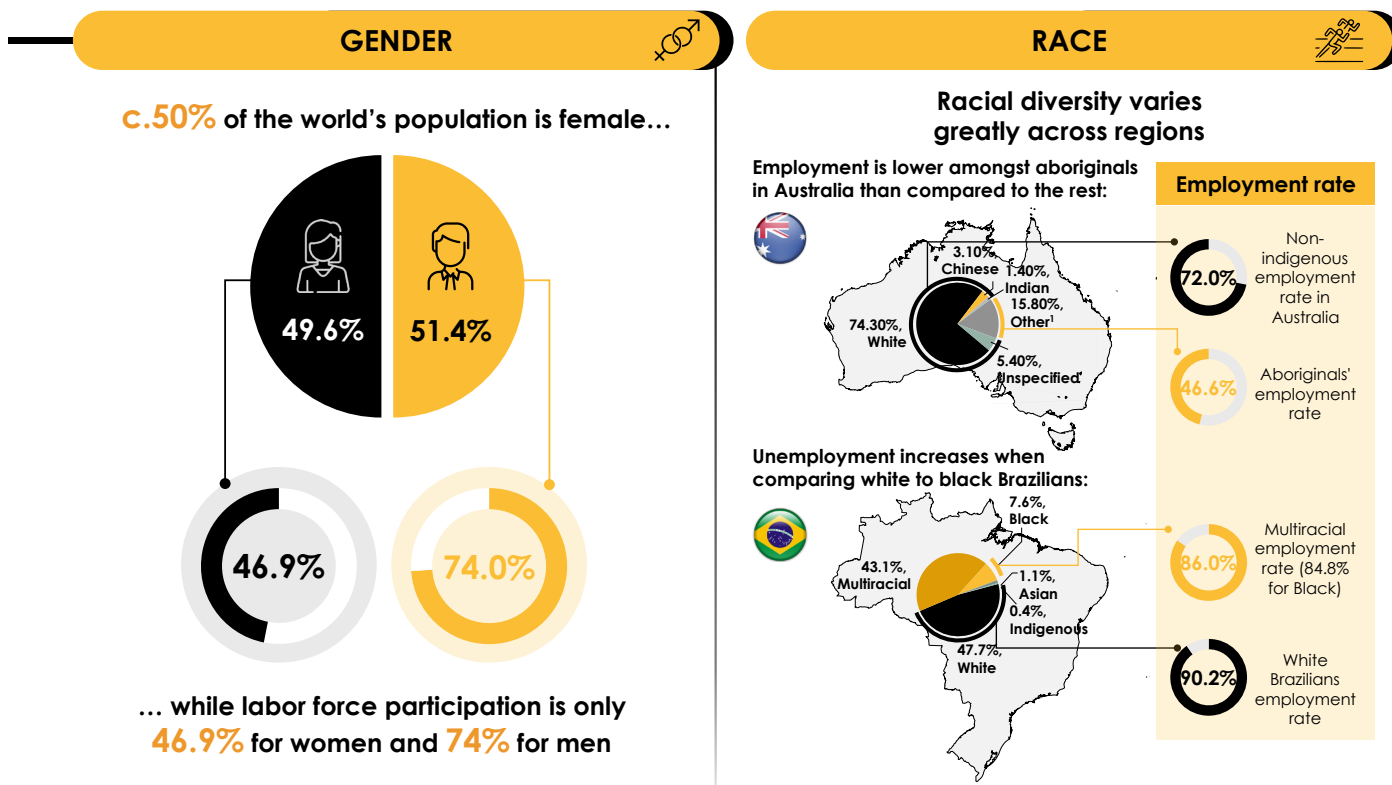
In addition to gender, which was the GLF starting point on diversity in 2020, racial diversity needed to be addressed to provide a more comprehensive view of what diversity means, as well as sexual orientation, physical disability, and age. The broadening of the GLF's scope of diversity across new axes led to investigating how companies define their own diversity programs and agenda. The GLF organisations were asked to rate the focus of their DIB efforts and policies across diversity axes. From the results, it appears that GLF organisations do not allocate the same efforts to all DIB axes equally. Gender and racial diversities are the two most prominent points of focus, with 4.4 and 4.1 out of five points of focus on average respectively. This compares to physical disability, sexual orientation and age that demonstrated greater variance making it evident that they are not treated uniformly

as priorities, as is the case with gender and race. Results also show that 5 out of 10 companies have a high focus¹² across all the diversity axes.

Through discussions with survey respondents, it is evident that there are several factors that explain this data, specifically:

1. Gender and race can be perceived as larger issues as the affected population sizes can be large.

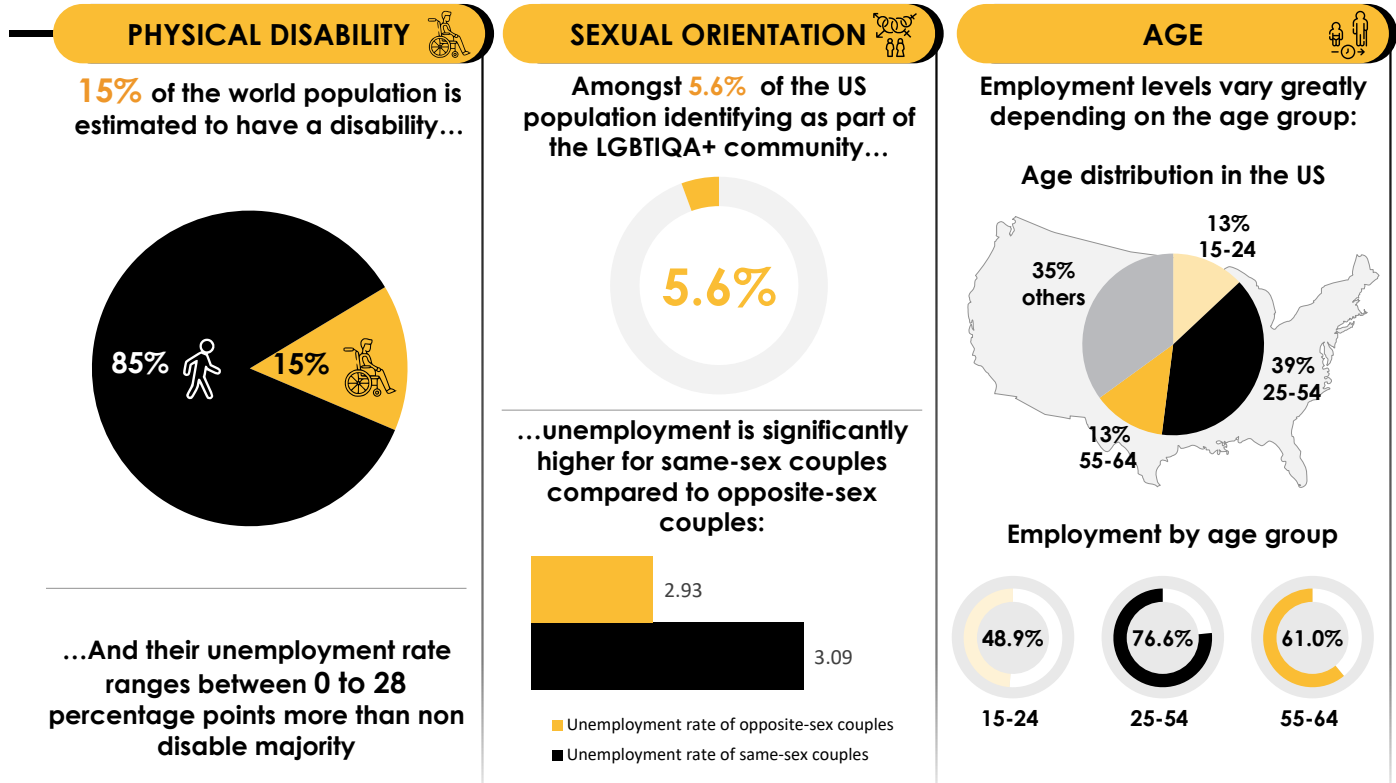
Gender and race appear as large issues, due to their contribution to an important share of the population facing substantial employment gaps compared to most of the population.



Source: McKinsey, Census.gov, aihw.gov.au, riotimesonline.com; Note 1: others include Australian Aboriginal 0.5%

¹² High focus corresponds to any 4 or 5 points given on a scale from 1 to 5 by respondents to any given diversity axis.

PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?



Source: ILO <https://ilostat ilo.org/international-day-of-persons-with-disabilities-how-disability-affects-labour-market-outcomes/> , news.gallup.com, americanprogress.org, OECD library, Statista

2. Ability to correlate diversity improvement and value creation

Some companies perceive a number of axes of diversity potentially yielding unequally different benefits, such as profitability, enterprise value, innovation – from discussions with carriers as part of this study it was shared that gender is seen to have a greater correlation than some of the other axes in which it was harder to build a link between diversity improvement and corporate value. As explained by one telecoms executive: *“I can understand the potential that a more diverse workforce can bring on gender. But do you really believe that if two people come from the same country and educational background, their thinking will be different due to their race?”*

3. Disparity in public focus

Due to events such as the #MeToo and the Black Lives Matter movements, certain axes of diversity have been placed at the forefront of public interest. As a GLF survey respondent highlighted: *“With the murder of George Floyd, we have reprioritised our Diversity and Inclusion*

agenda to address racial diversity earlier in our roadmap.” These events have furthermore accentuated the interest for these diversity axes as public attention is rising, leading to pressure for companies to do more to address these issues.

4. Where information is accessible it can drive action

Information about employees may not be available in two cases:

- i. There is a variance in the ability to collect data across axes depending on the market. For example, it can be sensitive or illegal in certain countries to gather information on race, ethnicity and religion. Most European countries do not allow for the data collection that would enable KPI tracking regarding race, emphasised during an interview with one of the GLF survey respondents: *“We do find that addressing racial topics is difficult in many European countries. It is sensitive and the legal environment does not allow us to collect individual information on race, ethnicity or religion.”* This has led some

companies to put an increased focus on gender, as “data access shapes our program.”

- ii. Some demographic information is “visible”, such as gender, race, and age. Disabilities are more complex as research shows that only 39% of the disabled workforce share about disability with their employers¹³. Related to this matter, one of the GLF survey respondents mentioned that they “have struggled to identify our employees suffering from disabilities. These employees do not usually share about their disabilities with us.” There is a stigma around disabilities, and people are still reluctant to share such information in the workplace; they fear harassment, potential changes in their interactions with co-workers, and in the way others perceive their capabilities. Ultimately, they think that speaking about their diversity may negatively impact their opportunities.

Companies’ different areas of focus on diversity axes is supported by the fact that there is no single definition of “diversity” and what is meant by “progress” is a combination of where in the diversity journey the company is, and what their organisational context is. Through this year’s GLF survey, three key differences in defining what diversity means were observed:

1. Equal representation result vs. equal opportunities without a goal to reach equal representation

Some companies define their diversity based on the share of individuals from diverse employee segment they work with; some other companies did see diversity through the angle of the means implemented to reach diversity. For these companies, offering equal opportunities and support to evolve within the company did not necessarily have to result in parity. For instance, one company noted: “We are highly diverse as we have a high number of women in the company” while another one noted: “We offer all the opportunities to our collaborators and recruit based on talent. Gender, race, sexual orientation, or age are not taken into consideration.”

2. Aggregated vs. disaggregated results

Some companies perceive their diversity on an aggregated basis, such as the number of women in the company overall where some other companies assessed their diversity based on segmentation such as management vs. non-management or technical vs. non-technical. As a GLF survey respondent amplified in a related statement: “We are highly diverse, but I would not say that we are fully diverse. We can do more in the managerial segment to raise the number of women.” Another company offered insights into their segmentation by types of roles, stating that they are “highly diverse, and many women occupy commercial and financial positions within our company.”

3. Targeting national vs. regional standards

Some companies perceived their diversity benchmarking national representation standards while others were accounting for regional differences to adjust their definition of what diversity means. In this case, a GLF member explained that racial diversity was defined as the capacity of the company to represent people of colour based on regional workforce availability, as 60% of the Black-American workforce lives in the southern states. Being able to “offer opportunities to represent racial minorities across markets” has been pointed out as a key objective by one of the GLF survey respondents, as well as the target to “achieve racial representation of the local workforce for each level of seniority. The racial split on each territory is not homogeneous per each region.”

Differences are also noted regarding how respondents define progress in their DIB policies, as some evaluate their progress comparing representation KPIs (e.g. % of women or of racial minorities as a share of total number of employees) when other companies focus on initiatives implemented and raised awareness. Having noted progress measured by KPIs, one GLF survey respondent mentioned: “we have substantially progressed this year, as the share of women in our company has increased from less than 20% to 36%, mostly due to inorganic activities”, while another company progressed through “implementing

13 <https://hbr.org/2019/06/why-people-hide-their-disabilities-at-work>

PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?

many measures and recent programs to facilitate a sustained and important progress this year." Overall, although different sets of KPIs were used for measurement, they could be split between two categories:

1. Representation KPIs:

- i. These are the "hard" KPIs whose role is to measure the number of people belonging to a certain minority group within a company.
- ii. Representation KPIs are ultimately the northern star, as they should be the result of all initiatives implemented.
- iii. Some of the Representation KPIs shared by the respondents include:
 - 1) Women /racially diverse representation overall, in %
 - 2) Women /racially diverse representation at senior executive level, in %
 - 3) Women /racially diverse representation at technical positions, in %
 - 4) Share of self-identified employees belonging to under-represented minorities, in %
 - 5) Initiative-specific KPIs (% of racially driven applications, etc.) linking an initiative to the broader KPI.

2. Inclusion & Belonging KPIs:

- i. These are KPIs which measure the feeling of inclusion and belonging of employees. They are mostly measured through participation in activities and surveys.

These differences have important implications as they highlight the need for a unified definition of diversity to align understanding and view on progress and improve result comparability overall.

2. THE CONTINUATION OF THE DIB JOURNEY

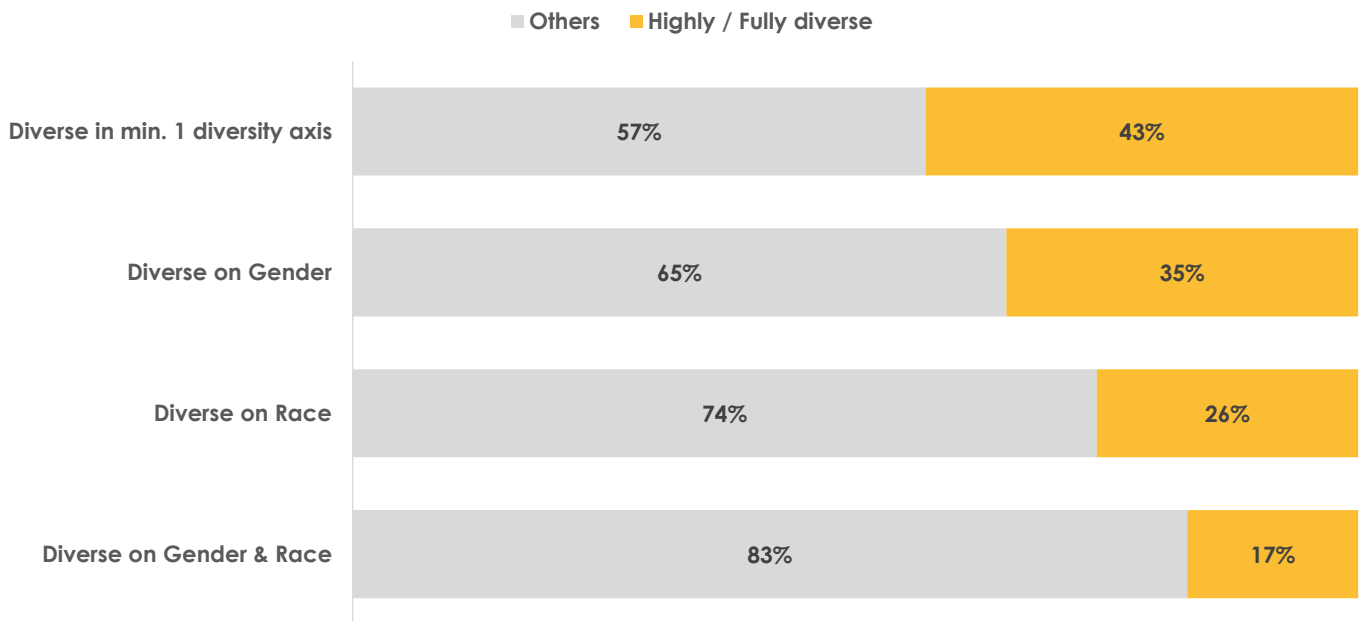
Having set the landscape and highlighted important differences in definition, we now focus on the results. 43% of the GLF members shared that they believe to be diverse in at least one axis of diversity¹⁴. Taking

a stance on the key axes of gender and race, 17% of the companies believe that they are diverse on both. It implies that the road is still long for companies to reach diversity.

EXHIBIT 3: CURRENT LEVEL OF PROGRESS ACROSS SELECTED DIVERSITY AXES

On the 'journey' of evolving DIB, what is the status of current progress?

(Average %)



Source: GLF Survey n = 23

A second finding is that companies perceive themselves as more diverse on gender versus race, with nine percentage points of difference. Therefore, gender diversity can be regarded as more mature than racial diversity. Most companies acknowledge that gender was an obvious start and that racial diversity is newer to them. However, companies have sometimes been implementing DIB policies for over five years and 35% see themselves as diverse. It has several important implications:

1. The larger the scale of an issue, the more complex the resolution: Some of the diversity issues raised by the GLF to tackle are complex and will require multiple years of work to

achieve sustainable improvement across employee segments. Ex: reaching more equal levels of participation of women for a company can appear daunting when the start base, especially in Telecom, is low. A respondent interviewed stated: "For us, the obvious issue was gender. We are quite racially diverse, due to our socio-economic context. But historically, we are starting from a low base on gender."

2. The realistic speed to drive wide-spread change:

- i. **Societal limitations:** companies can be hindered in reaching their objectives

¹⁴ "Diverse" means that a respondent has replied that it is either highly or fully diverse across at least one of the axes of diversity

PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?

due to societal limitations. For example, if a company aims at raising the share of women in its technical talent pool, it will have to overcome limited talent pools available: in the USA, women get 21% of the bachelor's in engineering¹⁵; in Germany, 28%¹⁶ and in India, 28%¹⁷. One survey respondent observed this situation within their own context and noted: "It is complex for us to recruit technical talents here, as there are so little women graduating from our engineering schools." Another stated: "What should diversity be for a technical position? Men are still more inclined to become field technicians, to dig in the earth and draw cables."

ii. Cultural transformation: Diversity transformation is an organisational transformation journey. It takes time. A

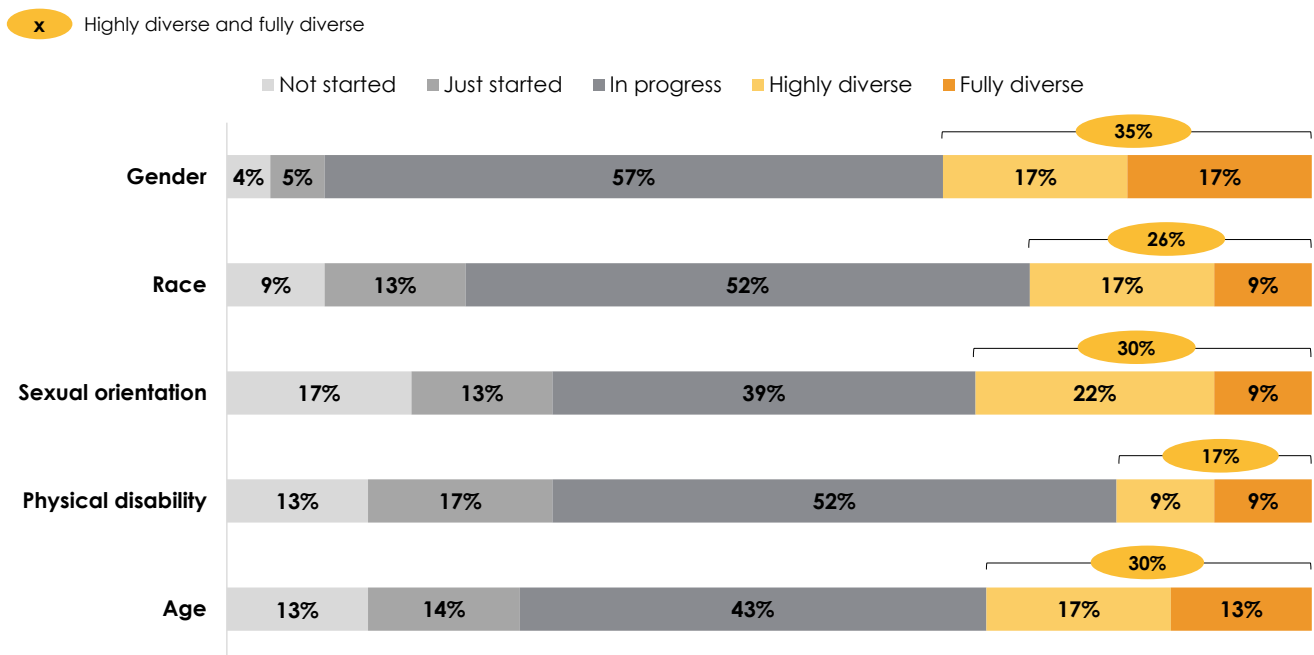
respondent stated: "Ten years ago, DIB was imposed on us. Now, things are natural and organic. It took time for people to adjust. We are not talking anymore about the benefits of having diverse teams. We are now focused on how we can make it happen". Diversity journeys take time because many stakeholders need to start, get onboard, the organisation needs to structure itself, and people need to adjust behaviors.

The implications of these findings are important as it is to be expected that efforts and initiatives will have to be pushed during a long period of time to address the multiple challenges posed by diversity. In addition, companies cannot expect to work sequentially on diversity axes, as each axis will independently require sustained efforts to show long-term progress.

EXHIBIT 4: PERCEIVED CURRENT PROGRESS, COMPARISON ACROSS DIVERSITY AXES

On the 'journey' of evolving DIB, what is the status of current progress?

(Average %)



Source: GLF Survey n = 23; note: due to rounding, sums may not add up

15 <https://www.bestcolleges.com/resources/women-in-stem/#:~:text=In%20the%20U.S.%20in%202019,pursue%20degrees%20in%20STEM%20fields.>

16 <https://www.studying-in-germany.org/study-engineering-in-germany/#:~:text=Mechanical%20Engineering%2C%20Electronic%20Engineering%20and,of%20them%20are%20female%20students.>

17 <https://research.swe.org/2018/07/india-undergraduate-education/#:~:text=More%20recently%2C%20women%20represented%2028.1,about%205.1%25%20of%20these%20participants.>

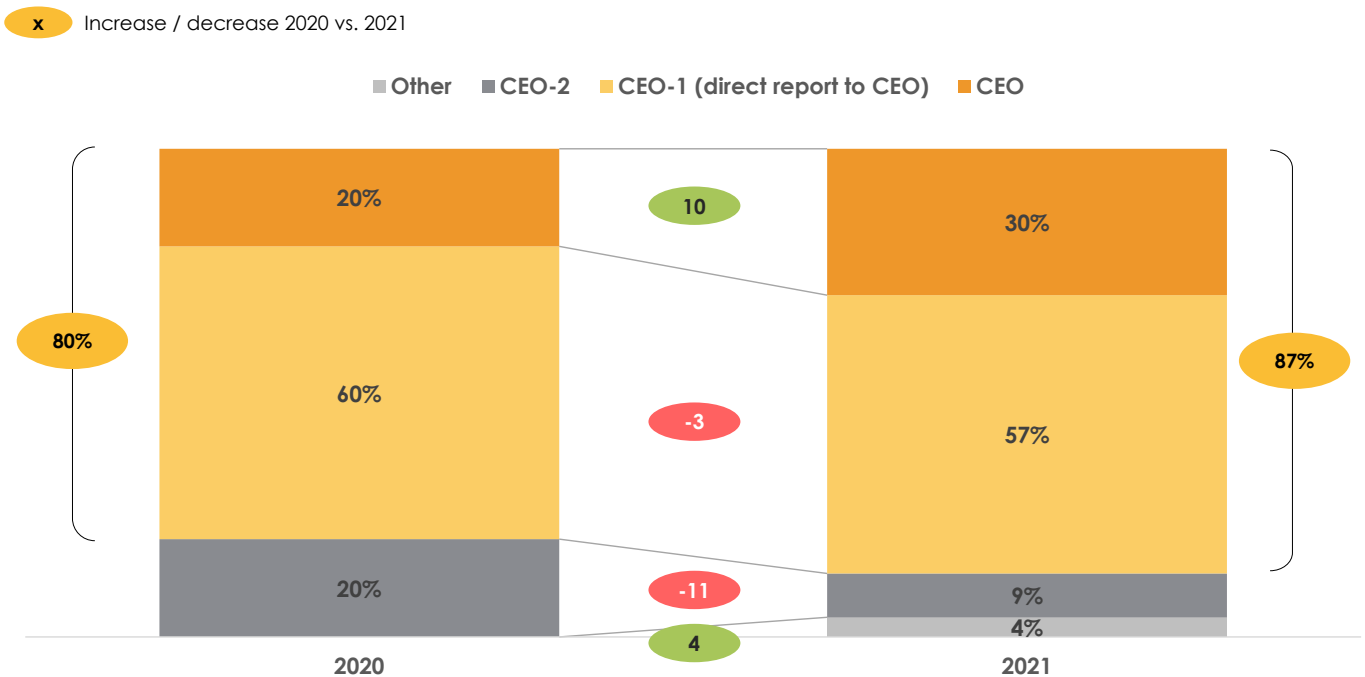
3. LEADING FROM THE FRONT: THE IMPACT OF CEO-LED DIB

The role of the CEO and of the top management at C-1 has increased within carriers to champion diversity, with 87% of the respondents acknowledging

a driving role for the CEO and of the C-1 level. It is seven percentage points more than in 2020, where 80% respondents were positive about this.

EXHIBIT 5: THE INCREASING ROLE OF THE CEO

Who is the most senior executive with direct responsibility for DIB in your organisation? (%)



Source: GLF Survey n = 23

Research and interviews show that CEOs are mostly raising awareness and championing DIB within the organisation, dedicating resources, supporting DIB leaders to reach their goals, and driving progress measurements. CEO-led DIB governance is also more common than last year, with 30% of the organisations reporting that DIB strategy is under the direct responsibility of the CEO, ten percentage points more than in 2020. The key areas where the CEO gets involved are as per the following:

1. Advocating for the DIB agenda

As stated by most respondents whose organisation is CEO-led, CEOs play the role

of an advocate as they consistently deliver the DIB message: "Our CEO is relentlessly advocating for DIB within the organisation, attending employee discussions. Our CEO has accelerated change". Another said: "Our CEO used his public image to make Diversity and Inclusion visible." Finally, one said: "Our CEO has pushed DIB very far, involving top leaders of the pharmaceutical industry to educate our workforce about COVID-19 vaccination, championing racial justice reforms at the highest level of the industry associations. It sends a clear signal to our people that we care beyond the traditional boundaries of the company."

PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?

2. Structuring measurement

The CEO supports the executive team to structure their initiatives and implement the right measurements. A respondent said: *"Our CEO is very structured. He brought this structure to our organisation and pushed us to be as strategic in DIB as in our other strategic initiatives."*

3. Providing resources

The CEO also supports the DIB execution team by fast-tracking resource allocation, supporting teams in issue resolution. A respondent stated: *"I am reporting both to my CEO and to my direct superior, at C-1. The CEO has always wanted to see which support could be extended to speed up DIB implementation."*

4. Unlocking diversity potential within own teams

Other organisations have raised the driving role of the CEO to onboard Executive leadership teams. This required to implement diversity in every strategic decision of the organisation: *"Our CEO has brought something new to us. He required from us to provide much more inputs and views into each other's activities. By being opened to listen to a variety of opinions, it allowed us to unlock the potential of the executive team, which is a long-standing team. In addition, I am now encouraged to include my colleagues' areas of work, including DIB, into my own activities and strategic thinking."*

5. Making executive management accountable & leading by example

CEOs have pushed for executive leaders to be accountable for DIB results. They also play the role of a model and instil interest in DIB advocacy for the leadership. As stated by a respondent: *"Don't underestimate the important role of the C-1 and C-2. Their buy-*

in is key to implementation". The CEO holds the leadership accountable for diversity and inclusion results, though reporting of key KPIs and experience sharing.

From speaking with carriers as part of this study, it is evident there are three primary reasons why CEOs are getting more involved on DIB:

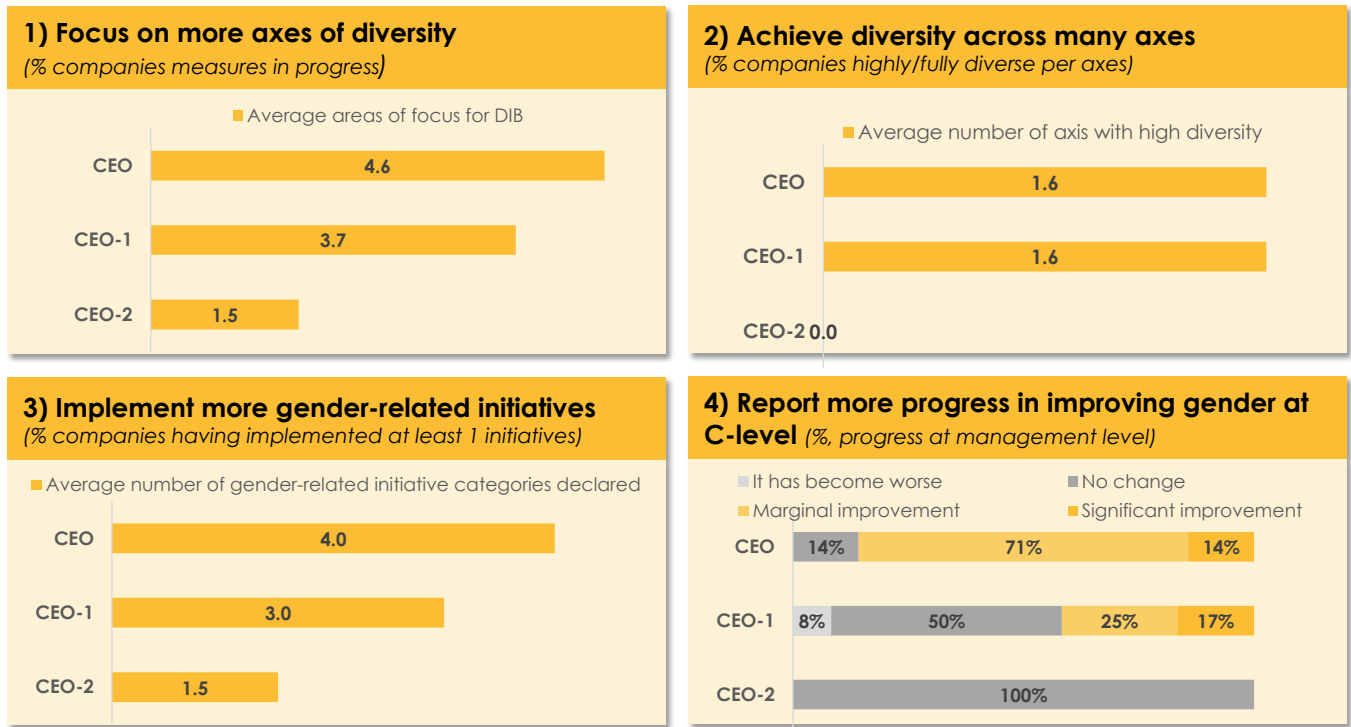
- 1. Belief in the benefits and in the risks due to the lack of diversity:** CEOs, like other high leaders, are aware of the benefits of having a diverse workforce. They care as they believe that diversity will allow their company to attract and retain talents, understand their customer base and to ultimately generate long-term commercial benefits.
- 2. Recognition that they are accountable to drive change:** CEOs do recognise that they oversee driving change within the organisation, as the topic becomes more strategic.
- 3. Leadership under the scrutiny of investors:** leaders have been under the scrutiny of investors in increasing diversity across all levels of their organisations. As noted previously, the cases of legal action taken by shareholders against leadership which failed to perform at increasing diversity in their organisations was witnessed, for example recently in the US.

CEO-led organisations were showing difference with companies led by a C-1 or a C-2. Respondents from companies that reported direct responsibility falling to the CEO demonstrated a focus across more diversity axes; on average 1.6 axes of diversity (e.g. gender, race etc.) with high current diversity reported; 25% more gender-related initiative categories implement reported vs. CEO-1. 85% reported improvements on C-level diversity, which was around double compared to CEO -1.

PART 1: WHERE DOES DIB CURRENTLY STAND IN THE GLF ORGANISATIONS?

EXHIBIT 6: CEO-LED DIB COMPANIES' ACHIEVEMENTS

CEO-led DIB companies:



Source: GLF Survey n = 22 ("other" as a DIB-responsible was removed, due to 1 respondent not being representative)

From interviews and research, this link between CEO's involvement and DIB progress could be linked to the following elements:

- 1. Companies' DIB maturity:** CEOs may be put in charge of delivering on DIB when the DIB organisation has reached a certain level of development and maturity. A respondent stated: "Our DIB policies and initiatives were already existing when the CEO took over the driving seat."
- 2. CEO's role:** As explained, CEO's role across advocacy, structuring DIB policies, implementing measurements, unlocking

diversity potential and making executive management accountable while leading by example.

- 3. CEO's business profile:** The CEO is a seasoned business leader whose authority and knowledge may help in prioritizing and implementing diversity programs.

PART 2

RACIAL DIVERSITY: STRONG FOCUS FOR COMPANIES, BUT MORE NEEDS TO BE DONE TO MEET SOCIAL EXPECTATIONS



1

Racial diversity is uniquely complex to define and implement. There are local variations to racial diversity, setting objectives is heavily market-dependent, and addressing racial issues is highly sensitive.

2

Racial diversity is the second most prioritised DIB topics within respondent's DIB policies, with a score of 4.1/5. 26% of the GLF members believe that they are diverse on race. However, due to differences in how racial diversity is defined and the media / societal focus at a national level, unlike gender there are greater differences between regions in how carriers have responded.

3

On race, the survey respondents increasingly acknowledge the commercial benefits of diversity, perceive less barriers for racial minorities to advance careers & less complexity to implement support policies; 65% respondents perceive progress on racial diversity and 65% implement initiatives.

4

In comparison with gender, less companies are implementing mentoring -39pts, management programs -31pts, and hiring initiatives -18pts. Perceived progress on race is also lower (35% highly or fully diverse on gender vs. 26% highly or fully diverse on race).

5

Companies will need to carefully evaluate their racial diversity execution as a prominent gap between focus and actions could highlight a risk to not deliver up to expectations. Where programs are implemented, they can lead to rapid representation improvements.

1. THE UNIQUE BARRIERS TO IMPROVING RACIAL DIVERSITY, INCLUSION AND BELONGING

This year, the GLF wanted to give more visibility to racial diversity, which emerged as a crucial diversity axis, as the Black Lives Matter movement highlighted the deeply entrenched racism that racial minorities are facing in numerous societies.

Overall, research has highlighted that racial diversity is lagging in comparison with gender diversity. For example, in the U.S. in Dec. 2020, the Financial Times pointed up that while in 2008, 8% of the board members at Russell 3000 companies identified as non-white, by 2020, the number had only risen to 12%, which is very low in comparison with the 40% non-white population on the US territory.

Gender diversity representation in the same group of companies, in comparison, raised from 12.5% to around 23% during the same period. The following is aiming at bringing some elements to understand why racial diversity is lagging.

Racial diversity is inherently complex, for four primary reasons: (1) the definition of racial diversity is not singular as in the case of gender, making the concept harder to comprehend; (2) racial diversity is dependent upon geography as racially diverse groups do not always live where employment is available; (3) measurement is sensitive in many countries; (4) diverse groups tend to be under-represented in technical education, weakening the talent pipeline.

1. Defining racial diversity: There are two tensions found in the way companies define racial diversity:

- **Racial diversity is assimilated to national diversity:** Interviews with the survey respondents highlighted differences in the definition of racial diversity, which was unique to race. One respondent explained: *“What racially diverse means for us is that we need to represent the under-represented communities in our company”*. Another company was approaching racial diversity differently: *“Our footprint is global. It is allowing us to be naturally racially diverse”*. The line between racial diversity and national diversity is fine, potentially due to the racial

composition of each country: for more “homogenous” countries (e.g., where there is a limited portion of the population being part of a racial minority), the issue may seem more abstract. For instance, another company surveyed said: *“We are a global company but our headquarters are in a country with limited racial diversity (e.g., <10%). Racial diversity is achieved because we work internationally. Is it really worth spending our diversity efforts on racial diversity?”*. On the contrary, another international carrier said: *“International subsidiaries have well received all the trainings we provided on racial diversity. They are now seizing this topic to adapt it to their local context: to us, this topic is more than a Northern American topic”*. The difficulty in aligning what racial diversity means is due to the definition of race. The Cambridge dictionary states that race is *“one of the main groups to which people are often considered to belong, based on physical characteristics that they are perceived to share such as skin color, eye shape etc.”* In this respect, a global company could be racially diverse by nature. However, racial diversity policies aim at representing racial minorities on a given territory and providing them with the same opportunities as the majority. It means racial diversity needs to be analyzed in a disaggregated way, at each territory level. For example, a company explained: *“Ultimately, we want to be racially diverse for every single of our territories. For the moment, we have decided to select the two countries with the highest share of racially diverse groups to take actions and implement policies. If it proves successful, we will expand.”*

- **Racial diversity is plural by nature:** Racial diversity is plural within each territory, which means that there are multiple minority groups facing different challenges in the workplace. For instance, taking again the example of the U.S., the research shows that Black Americans are over-represented as frontline employees, that their entry-level representation is at

parity to U.S. Private sector average. Their representation drops between the manager and executives' positions, and they almost reach parity at Board level. The picture for Asian employees is different, as they are well represented at managerial positions, but their share shrinks at Board level. It is for this reason that a respondent recently published ethnic salary pay gaps in the UK, leading to highlight the important salary gaps for Black employees due to their under-representation at pre-executive and executive levels. The publication also differentiates between the different minority groups, as their situation varies.

Implications of these differences are important. By aggregating results, a company could potentially under-represent specific groups or misunderstand their specific issues in the workplace. Transparency and disaggregation are key to understand and implement racial diversity initiatives.

2. Where people live matters: Research has identified that there is usually a large disconnect between the place where people live and where jobs and opportunities are located. As shown in the first part of this report and taking the example of the U.S. due to data availability, 60% of the Black American workforce lives in the Southern states²¹. However, only 1 in 10 Black Americans live in the fastest growing economic centers. Except if they benefit from large retail footprints, it is unlikely that carriers will be able to hire enough racially diverse employees in their non-southern state located headquarters without the enforcement of strong programs targeting for racially diverse groups. This also means that companies may want to try, as much as possible, to target to represent their national workforce. For instance, a company located in California would only have to recruit 6-7% Black Americans to be locally diverse, vs. 12% at the national level. It can be a start, but this will be insufficient to reach national levels of racial diversity.
3. Measurement is sensitive in many countries: A last key difference about racial diversity consists in the sensitivity faced to collect data on race. Collecting racial, ethnic, or religious information about individuals is usually prohibited by multiple legal systems, especially in Europe. Some respondents shared: *"It seems impossible*

for us to assess the size of our racial diversity issues as there is no way for us to collect racial information in Europe. The subject is taboo." Other respondents did highlight: *"It is extremely complex to collect personal employee data about race in most European markets. However, we have found a way to do this legally, based on the voluntary disclosure from our employees of such information"*.

4. Diverse students are under-represented in technical and higher STEM education. Building on the example of the U.S., another area of concern, largely shared with gender diversity, is the lack of representation of diverse students in technical education such as STEM higher education. While the black population accounts for c.13% of the population²², only 8.4% were holding bachelor's degrees in STEM in 2018, 8.3% masters and 5.5% doctoral degrees²³. This contributes to weaken the talent pipeline for hiring in technical positions. Like in the workplace, the lack of representation also contributes to make black students feel less supported than their white peers along their education.

These four "external" elements, three of which are specific to race, may affect the pace of change, as we believe that one of them comes as a major hinderance in the racial gap resolution. Furthermore, the specificity of the context of racial diversity within a specific market, as well as the public profile and media attention, means there is not, and cannot necessarily be, uniformity in how the issue is addressed. We have seen this represented in the diversity of survey responses across geographic regions.

The Harvard Business Review stated in 2019 that, for racial diversity to succeed, it would need four elements: 1) a shift from embracing diversity for business reasons to embracing diversity for moral ones; 2) promoting real conversations about race; 3) revamping diversity programs and 4) better managing career development at every stage for racially diverse groups. Of the four elements stated here, the Black Lives Matter movement has contributed to make the debate about morality more than about business, which our survey shows, as morality is the key reason for implementing diversity programs for 70% of the survey respondents.

We believe that racial diversity's key obstacle is in the

21 <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/race-in-the-workplace-the-black-experience-in-the-us-private-sector>

22 <https://hbr.org/2019/11/toward-a-racially-just-workplace>

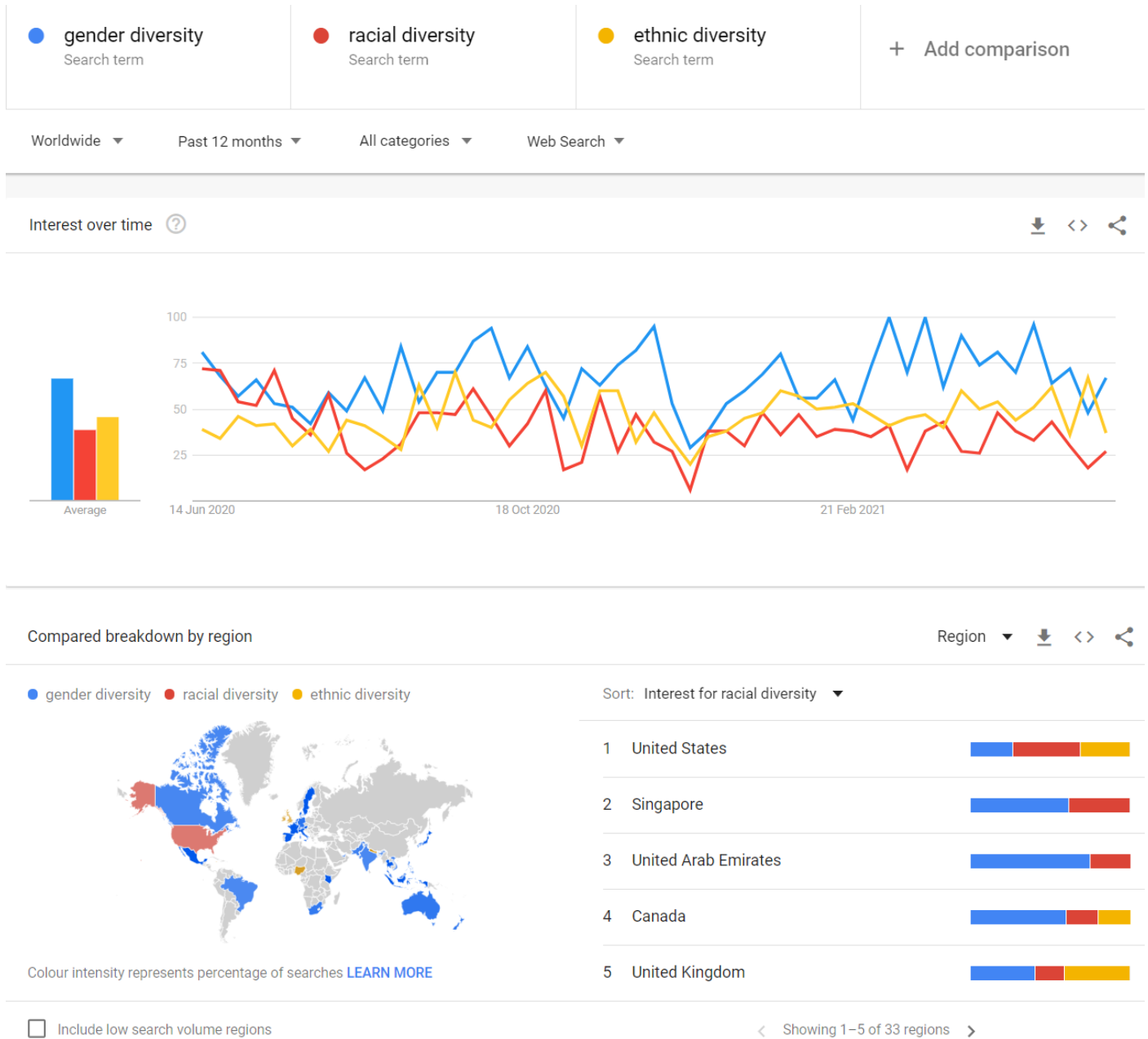
23 <https://www.sciencenews.org/article/black-scientists-disparities-representation-stem-science>

PART 2: RACIAL DIVERSITY

difficulties in engaging in opened discussions, as well as in the impression for many that racial injustice is not applicable to their own market. To demonstrate this, online research trend analysis brings valuable insights about different countries' interest across diversity topics, with some linguistic limitations. We

can see that gender and ethnic diversities are often more searched than racial diversity. Overall, the interest in racial diversity especially spikes with the murder of George Floyd in May 2020²⁴.

EXHIBIT 7: GOOGLE ANALYTICS TRACKING OF DIVERSITY SEARCHES



Source: Google Analytics

24 Google Trends

A world map comparison also shows that the U.S. is the key place with interest for racial diversity topping online research for diversity topics. The UK is the only European country where racial diversity accounts for more than 5% of the online search in comparison with the three axes of diversity. Countries like Austria, France, the UAE, Denmark, have even higher relative focus on gender diversity. These search statistics, whilst not necessarily a representative sample of national interest, do indicate that there is both significant geographic variance in the relative focus on each diversity axis, and there is still a way to go to increase awareness and focus beyond gender diversity, especially to racial diversity. External factors as stated previously are only partially sufficient to explain the lack of progress of racial diversity in the last ten years. Diversity programs also need to adjust to the specific issues faced by racially diverse groups.

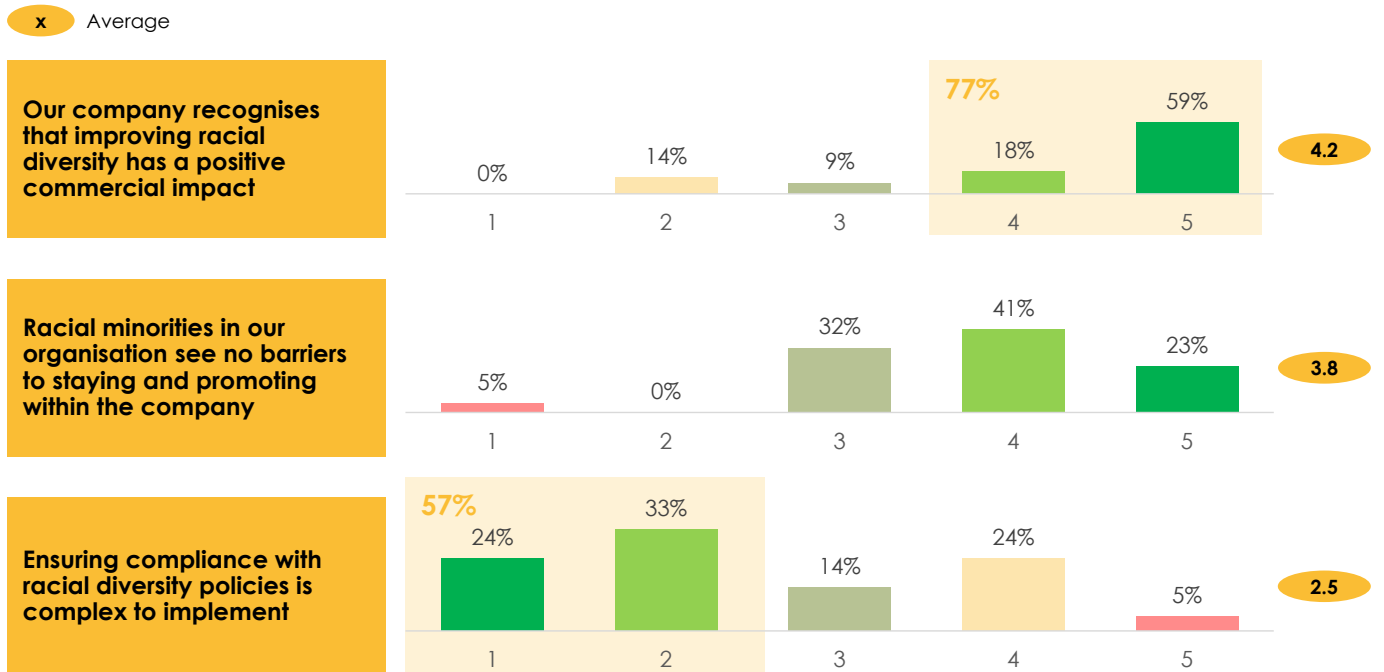
2. LESS PROGRESS PERCEIVED THAN FOR GENDER DESPITE HIGH FOCUS AND BENEFIT UNDERSTANDING

Setting the baseline for race is a key objective of this report. With 4.1/5 points of focus, racial diversity is

second to gender diversity (4.4/5) as a point of focus of survey respondents DIB policies.

EXHIBIT 8: PERCEPTION OF BENEFITS AND DIFFICULTIES IN SUPPORTING RACIAL DIVERSITY-RELATED PROGRAMS

To which extent do you believe the following statements are consistent with your organisation?
 (%; Score 1-5, with 5 being the highest level of alignment)



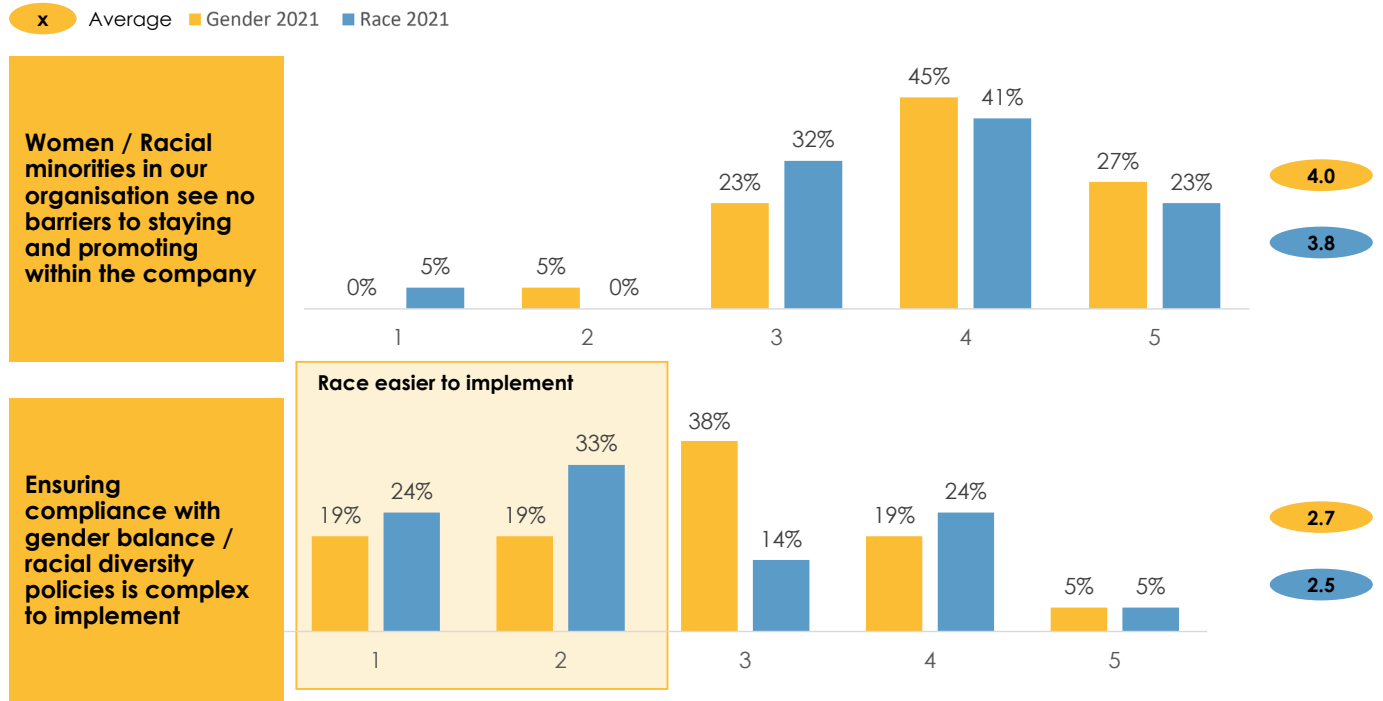
Source: GLF Survey n = 23

On the understanding of the benefits of racial diversity, 77% of the survey respondents recognise that improving racial balance has commercial benefits, and 71% showed partial to low alignment to the statement that “ensuring compliance with

racial balance is complex to implement”. All of these indicate that there should be limited barriers to progress.

EXHIBIT 9: COMPARISON OF GENDER VS RACIAL DIVERSITY-RELATED PROGRAMS

To which extent do you believe the following statements are consistent with your organisation?
 (%: Score 1-5, with 5 being the highest level of alignment)



Source: GLF Survey n = 23

In addition, the comparison between respondents' views on perceived barriers between gender and race is enlightening. While 38% of survey respondents believe that it is easy to implement gender related initiatives, 57% believe that it is easy to implement racial diversity initiatives. This could be explained in two ways:

1. Racial talent pool availability: Racial diversity policies may be perceived as less complex to implement vs. gender diversity due to potentially more talents available to fill certain types of positions and certain professions vs. women available. For instance, if we compare the share of black STEM students in the U.S, c.4 percentage points increase is required to reach diversity.

For women, it is around 25-30 percentage points. These numbers may make racial diversity seemingly more achievable.

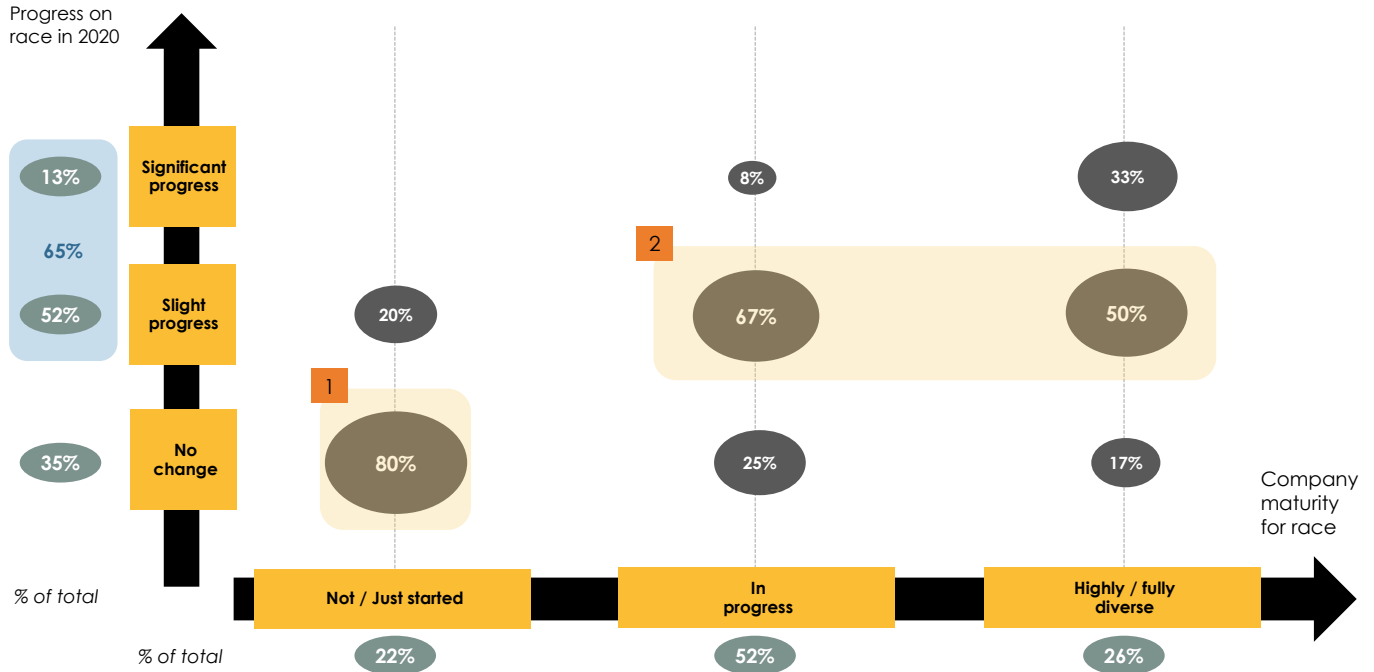
2. Under-estimation racial diversity issues: General research has shown that there is a general tendency to overestimate racial progress, especially in closing the economic gap between whites and non-whites . It means that it is hard for many White people, in the U.S., to understand the depth of the gap in opportunities faced by diverse racial groups. These elements hint towards the potential risk to underestimate how complex it is to impactfully change things on the racial front.

PART 2: RACIAL DIVERSITY

EXHIBIT 10: PROGRESS PERCEIVED ON RACIAL DIVERSITY-RELATED ISSUES VS. DECLARED LEVEL OF RACIAL DIVERSITY

On the 'journey' of evolving DIB, how far did you progress in 2020?

(Race, % of respondents split by company self-assessed maturity for race)



Source: GLF Survey n = 23

Despite understanding the benefits of racial diversity and increased focus on race, 65% of the respondents believe that there has been diversity progress in 2020 for racial diversity. It is lower than for gender, where 83% of the respondents perceived progress. 78% of the surveyed companies believe that they are in progress or already highly to fully diverse on racial diversity. Overall, we can observe that:

- **For companies that did not perceive any change, it takes a long time to see significant progress on racial diversity:** Companies highlighted that they are starting on the journey for racial diversity. They stated that progress is still to be achieved: "We are only starting our journey".

- **For companies that experienced slight progress:** it is possible that COVID-19 has played the role of hindering the development of racial diversity initiatives; racial diversity may experience less resources allocated than gender due to differences in focus; finally, and as a consequence, less initiatives may also be implemented aiming for improved racial diversity.

3. EXECUTION: LARGE GAPS IN IMPLEMENTATION

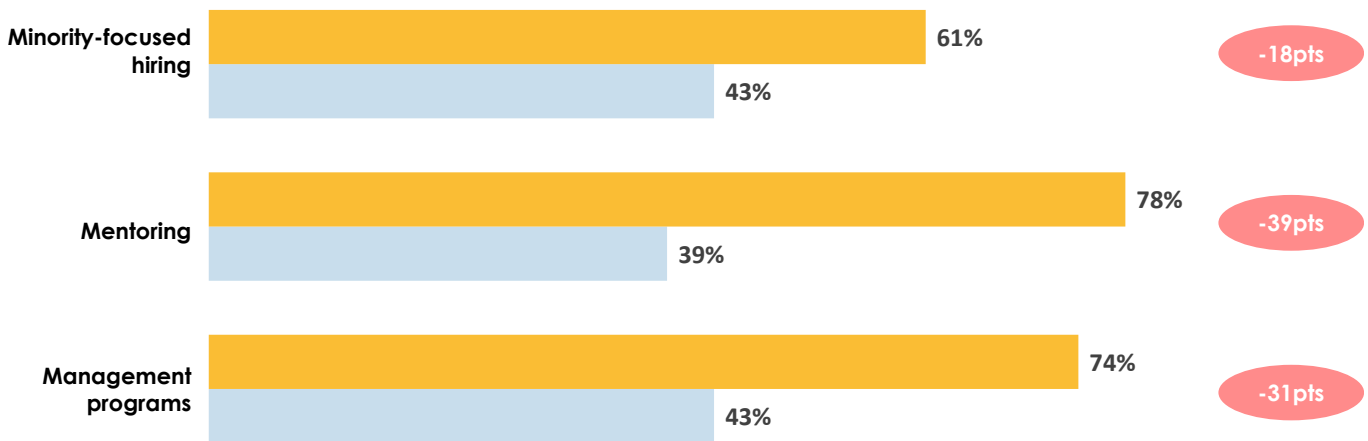
As explained in the previous section, a potential reason why companies do not see as much progress on race as they do on gender may be due to less

initiatives being implemented about race, as a result of race being potentially more complex to articulate and more taboo to discuss.

EXHIBIT 11: INITIATIVES IMPLEMENTED ACCORDING TO THE LEVEL OF FOCUS ON RACE, COMPARING RACIAL AND GENDER DIVERSITY INITIATIVES

Does your company currently have any initiatives to hire and retain female colleagues / colleagues from racial minorities?

(%)



Source: GLF Survey n = 23; note: sums might not add up due to rounding

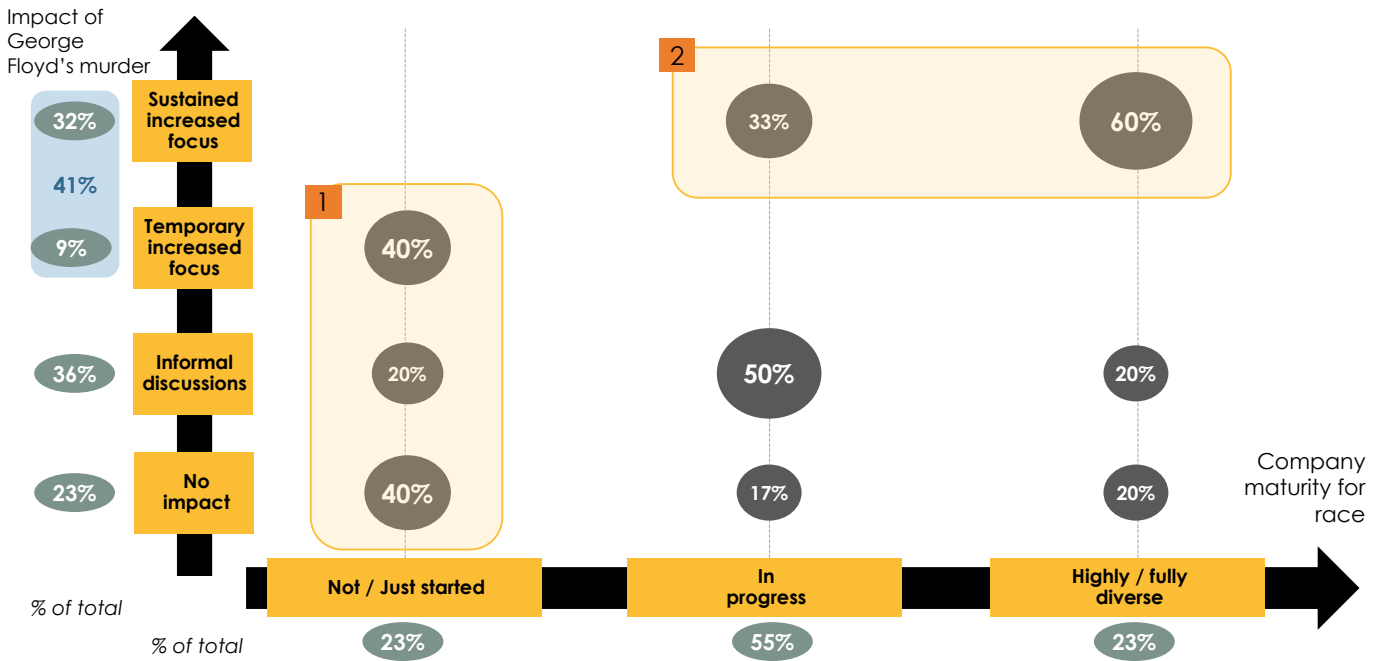
When comparing the categories of initiatives of mentoring, management programs and hiring, companies implement less initiatives on racial diversity across all comparable categories. Overall, this situation reverts to some of the issues stated about the lesser focus of race vs. gender:

- 1. Overall lower focus:** Race is appearing as a secondary focus for respondents vs. gender.
- 2. Lesser progress on race:** Companies witnessing the strongest progress on any axis are usually

overlapping with companies that perceive themselves as the most advanced in terms of representation diversity. As only 26% of the companies perceive themselves as racially diverse vs. 35% for gender, the reported progress is impacted. The observation holds for companies that just started their journey too, as they usually perceive less progress. Overall, racial diversity has a higher share (22%) of companies that just started their journey, vs. 9% for gender.

EXHIBIT 12: IMPACT OF GEORGE FLOYD'S MURDER VS. DECLARED LEVEL OF RACIAL DIVERSITY

During 2020, the murder of George Floyd created significant international focus on racial injustice. Within your organisation what was the impact from this event (%)



Source: GLF Survey n = 22, 1 respondent did not answer the question

1. The murder of George Floyd also highlights the fact that (1) Companies that just started their journey on racial diversity have not been able to fully adjust to create sustained increased focus on racial diversity. On the contrary, (2) companies that perceived themselves as the most advanced on racial diversity are the ones which were able to sustainably increase their focus on racial diversity.

major diversity focus recently, most of the progress observed is also recent. We have identified some companies which have invested in actions for racial balance and which have seen improvements in representation of under-represented racial groups. For instance, in 2020, Telefonica launched targeted policies to support racial diversity in selected key markets characterised by high share of racially diverse employees.

In 2019, the Harvard Business Review wrote: "On racial diversity We have not identified any major company that is doing this well on a broad scale." Given the emergence of racial diversity as a

Case Study:



1. Telefonica implemented series of targeted initiatives to improve racial diversity. In the United Kingdom, it implemented a comprehensive set of measures to support racial diversity and inclusion:

- **Measure / Identify an issue:** Launched the global Allyship program to drive cultural competence of the team; Implemented global and local racially focused KPI measurements and became signatory to the Signatory to the 'Race At Work Charter' in 2020 confirming public commitment towards race equality.
- **External communication:** Transparently published ethnic pay gap, disaggregated at each racial minority level, and highlighting the differences in issues faced by each minority.
- **Organise / implement policies:** Created local policies at country level to embed most initiatives.
- **Execute / Recruit:** Introduced Diverse shortlist requirements of 30% for ethnic minority recruiting for all people leader roles including for Store Leaders; conducted end-to-end review of resourcing to take the positive action needed to drive equity for Ethnic minority candidates. Prioritised focus and an immediate review of all live CEO-1 and -2, and Stores Leadership roles. Early careers are also mandated to be 50% Ethnic minority supported by targeted development proposition plus 10 'Stores to Head Office' Early Careers opportunities for ethnic minority Stores talent.
- **Execute / Retain:** Mandated Conscious Inclusion development for all Hiring Managers and integrated within all Early Career's and Talent development journeys , target the pilot of a new future potential tool to ethnic minority colleagues and all behavioral, leadership and talent development are subject to review with the Employee Networks and/or Inclusion Team.

2. In a country like Brazil, important improvements were witnessed, with clear targets set for 2021.

- Telefonica reached **c.8% representation of black employees at senior leadership position**, with targeted increase of 2 pts in one year between 2020 and 2021, from c. 8% to 10%.
- The company reached **27.1% team leader representation**, with targeted increase of the representation by 3.4pts between 2020 and 2021, from 26.6% to 30%.
- **The company successfully recruited >40% black employee trainees for filling pre-executive positions** between 2020 and 2021.

In Brazil, Telefonica will keep pushing for racial inclusion through a talent development program for 100 Black talents focused on preparation for leadership positions and the production of content of racial literacy and colorism both internally and externally.

Case Study:



Verizon built comprehensive programs deeply rooted in the need to initiate conversation around the notion of race, after acknowledging that discussions about racial diversity were not always comfortable for all stakeholders. It has actively pursued racial diversity improvement programs, along three axes: “Continue the conversation”, “Build a strong organisation” and “Community engagement”.

1. **“Continue the conversation”** is a pillar for Verizon as it aims at championing conversation through the creation of safe spaces for discussion, video content creation, the development of a Racial Equity and Justice Learning Plan and Racial Justice toolkit and the creation of multiple initiatives. Employee Resource Groups, for example, are providing recommendations on actions across racial topics, varying from financial support to minority owned businesses and communities to employee assistance programs on increasing racial discrimination against Asian communities.
2. **“Build a strong organisation”** revolves mainly around implementation of measures to improve representation:
 - a) **Execute / Recruit:** Verizon has a structured approach of racial diversity recruitment, with all businesses and functions having diversity plans for recruitment. Verizon has established multiple partnerships to hire diverse people, for example with NAF or the historically Black colleges and Universities (“HBCUs”) where core partner schools increased from 7 to 11 with executive engagement programs developed for harvesting potential leaders in the Black community.
 - b) **Execute / Retain:** Verizon has delivered internal trainings on unconscious bias, conscious inclusion and anti-racism and allyship across the leader and non-leader employees. For instance, more than 77,000 employees attended unconscious bias trainings. The company also developed leadership programs for Black employees, Hispanic employees, and Asian employees, as well as a Black executive leadership program and the creation of Alumni networks.
3. **“Community engagement”:** Verizon has also executed multiple programs reinforcing its influence outside of the traditional boundaries of the firm.
 - a) **Supplier diversity:** Verizon has launched supplier diversity programs, for the company to use its procurement mechanisms to use small diverse businesses.
 - b) **Grants:** It also provided USD 15 millions in grants to Civil Rights and Asian American Pacific Islander (“AAPI”) organisations.
 - c) **Civil engagements:** It participated in White House round tables on AAPI hate and supported Black voter registration for the presidential elections.
 - d) **Criminal justice reform:** Finally, it also supports on an ongoing basis the criminal justice reform.

PART 3

GENDER DIVERSITY: PROGRESS IS PERCEIVED, BUT THE JOURNEY IS STILL LONG TO REACH DIVERSITY OBJECTIVES



1

Gender diversity tops the DIB agenda across companies. 70% of companies rank it with the highest focus (5/5) because of the size of the issue, the public attention that it has received, and the benefits expected from improved parity.

2

83% companies report some form of progress on gender-related diversity. Survey respondents increasingly acknowledge the commercial benefits of diversity, perceive less barriers in their organisations for women to advance careers and less complexity to implement policies.

3

Members report substantially more gender-related categories of initiatives implemented to promote gender diversity than in 2020, which fuels the perception of achieved progress. Across selected categories, companies report more mentoring +17pts, management programs +14pts, return to work +5pts, and job sharing +11pts.

4

There is a substantial gap between perceived progress and achieved representation. This is potentially because it takes time to reach equitable representation levels and companies may perceive progress when there is limited representation progress: awareness increases without always resulting in better representation.

5

With 35% of the GLF members believing that they are diverse on gender representation, the journey ahead is long. Survey respondents replied that it will take time to transform: (1) the job deficit remains high for many organisations, (2) job creation is low for the industry; (3) the number of people leaving the workforce due to retirement is low; (4) companies are constrained by limited talent pools.

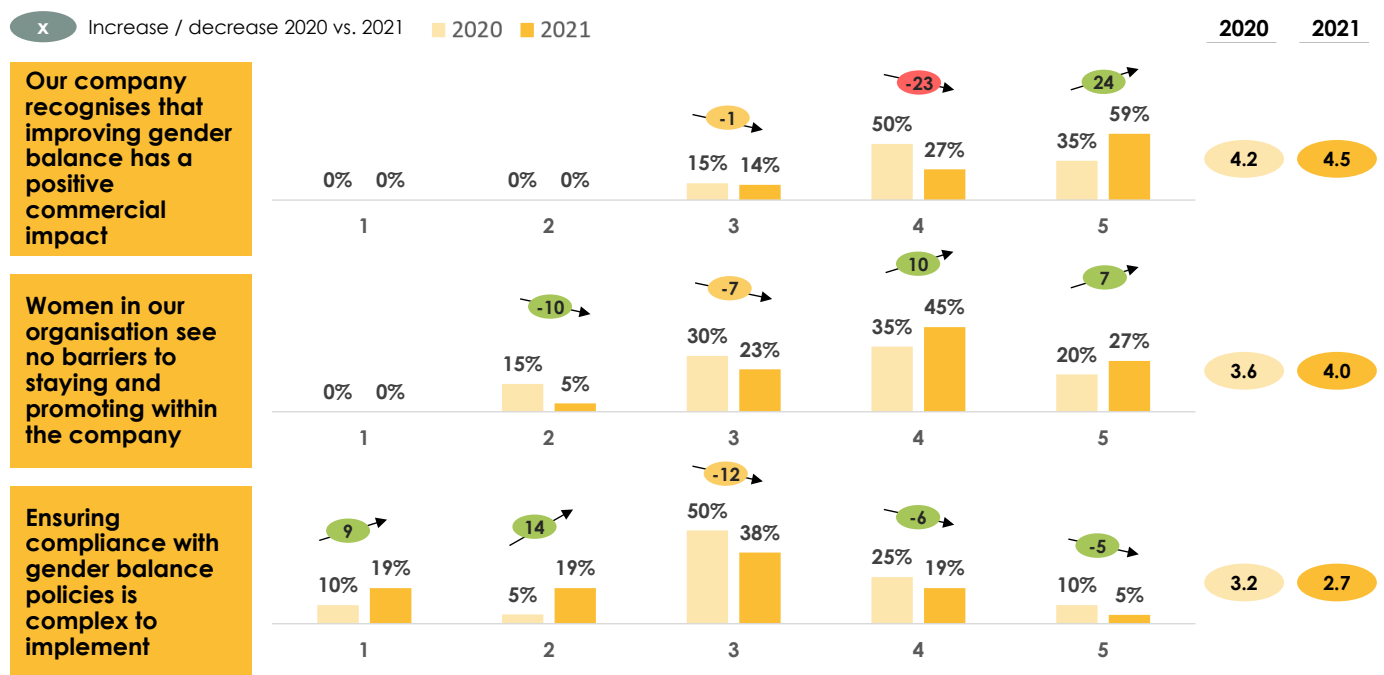
1. MAKING PROGRESS ON GENDER DIVERSITY

Gender diversity is regarded as the most important diversity axis by the GLF members responding to the survey as, out of a score of five gender diversity gathers 4.4 pts of focus, versus 4.1 pts for racial diversity, the second ranked diversity axis. This is due

to the perceived size of the issue and complexity to fill the gap, public attention that the issue has received and the benefits perceived from reducing current representation imbalances.

EXHIBIT 13: PERCEPTION OF BENEFITS AND DIFFICULTIES IN SUPPORTING WOMEN-RELATED PROGRAMS

To which extent do you believe the following statements are consistent with your organisation?
(Average; Score 1-5, with 5 being the highest level of alignment)



Source: GLF Survey 2021 n = 23, GLF survey 2020 n = 20

Respondents to the GLF survey did, in comparison with last year, more widely recognise the commercial benefits associated with gender-diversity. They reported that barriers for women to advance are lower, albeit some remain, and that policies to support them are easier to implement, specifically:

- Perception of commercial benefit**

Increased from an average of 4.2 pts to 4.5 pts in 2021. By recognizing more clearly the commercial benefits of gender diversity, the industry demonstrates more maturity and alignment behind the correlation of increased gender diversity and increased enterprise value and profitability.

- Perception that women see no barrier to staying and promoting within the company**

Results have also increased from 3.6 pts to 4.0 pts in 2021. Most respondents have highlighted that they consciously work on inclusion and belonging and implement series of measures to retain women within their companies and offer them chances to succeed.

- Lesser perception that ensuring compliance with gender balance is complex to implement**

With 3.2 pts to 2.7 pts of perceived complexity to implement policies, the industry is demonstrating that organisations get accustomed to implement

PART 3: GENDER DIVERSITY: PROGRESS IS PERCEIVED, BUT THE JOURNEY IS STILL LONG

such policies, but also potentially that the senior leadership buy-in may help to allocate the resources necessary to implement gender balance policies.

Overall, this perceived improvement can have three different interpretations and root-causes:

- **More initiatives implemented:**

Companies have kept expanding their DIB programs and implementing initiatives, demonstrating that gender diversity is positive and achievable. Overall, respondents have declared implementing more mentoring +17pts, more management programs +14pts, more job sharing +11pts and more return to work +5 pts. Respondents to the survey noted the addition of returner programs, pre-executive leadership sponsorship and mentoring programs, health and educational workshops, and women in STEM leadership programs. This could be the effect of more communication and training programs, more senior leadership involvement, better understanding and alignment on the benefits derived from diversity.

- **More progress achieved**

The potential delivery of improved representation KPIs (e.g. the % of women in the company) could lead to improved perception of barriers and implementation complexity linked to gender diversity. As companies measure representation KPIs and better communicate about the results, it is likely that respondents to the survey have witnessed the results of the initiatives implemented, with overall more women joining the employee pool. These achievements do support the perceived progress. For instance, a respondent was noting that women representation in his company increased by more than 10 pts in a year, a frog leap. Such numbers highlight clearly: it is possible to attract and retain women in the workforce, and to see improvements where efforts are pushed.

- **COVID effect**

With the implementation of more flexible work-from-home policies, companies have learnt

and witnessed that policies that favor diverse employee groups, particularly women, can be implemented and sustained without negative impact on the group performance. The type of initiatives that they implemented included absolute flexibility to organise work, adjusted performance reviews, additional work-from-home help to support family care. The scale of the efforts deployed to enable flexible work has shown that:

- a) Companies can achieve rapid change and accommodate important number of employees
- b) Such policies do not cost money for companies, as explained by multiple respondents. Providing “work-from-home” opportunities costs to release control and to trust employees that they can deliver their work.

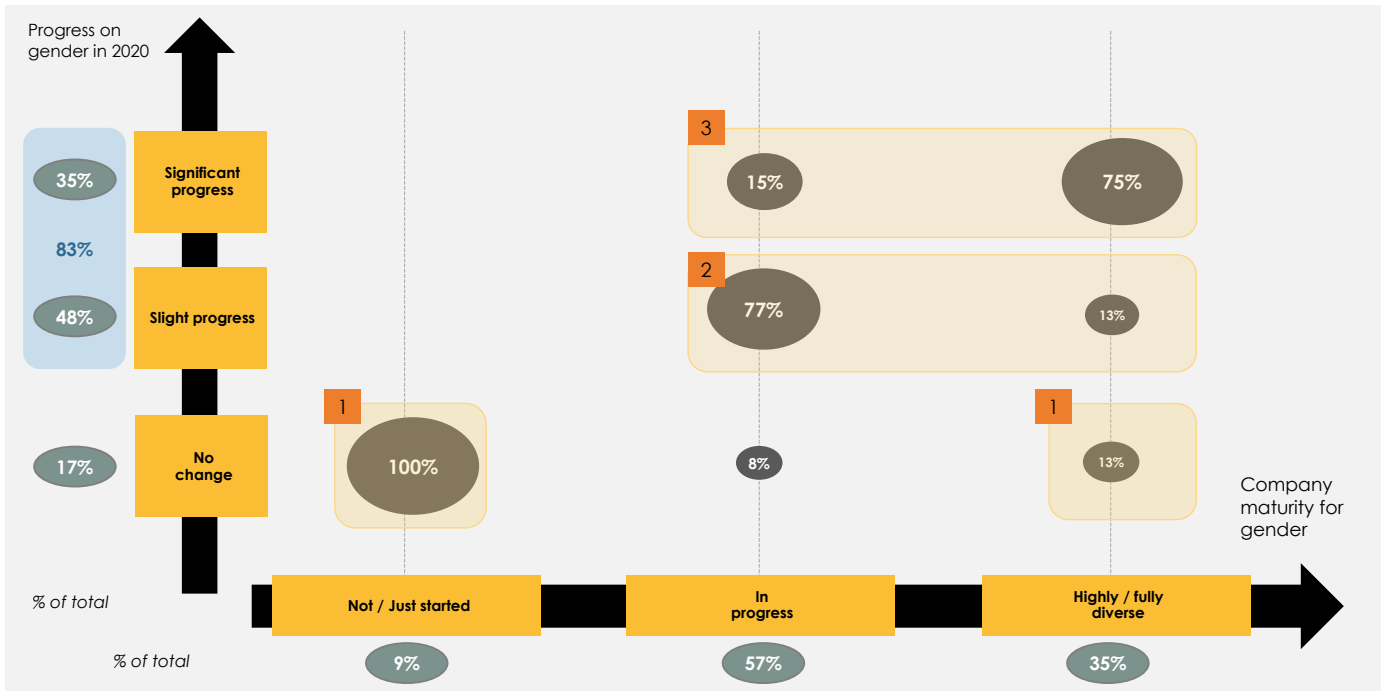
A respondent to the survey noted that most of the COVID-19 related work-from-home policies supported the resolution of key pain points and barriers hindering women in their professional development. The two areas of resolution were a. less travel required for conducting the work as conferencing adoption increased and will partially replace travels b. work from home did push internal acceptance that people can organise their work depending upon other imperatives, such as family care.

83% of survey respondents reported that, since 2020, they have progressed in their gender diversity journey – however, the level of progress was linked to their belief of where they are on their ‘journey’. For the companies which noted that they are only starting their journey, no progress was reported, as limited initiatives have been implemented or initiatives have just been implemented. Companies which are considering themselves as progressing mostly note slight progress. Finally, diverse companies are the ones believing that they have achieved the most significant progress, which could be due to their experience in implementing initiatives or to the identification of new areas of progress across new diversity segments for example.

EXHIBIT 14: PROGRESS PERCEIVED ON GENDER-RELATED ISSUES VS. DECLARED LEVEL OF GENDER DIVERSITY

On the 'journey' of evolving DIB, how far did you progress in 2020?

(Gender, % of respondents split by company self-assessed maturity for gender)



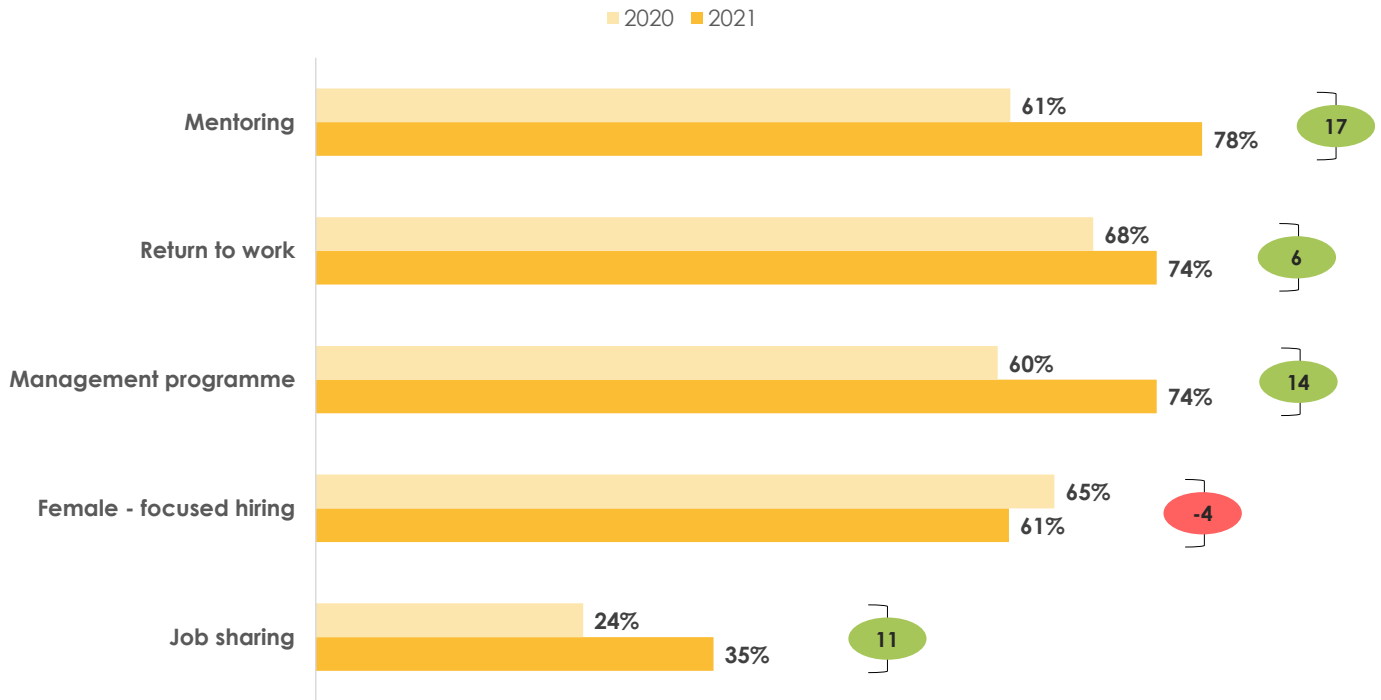
Source: GLF Survey n = 23; Note: sums may not add up due to rounding

For companies perceiving their own progress this year on gender diversity, few elements can be noticed:

1. For companies that did not witness any change: 30% have not seen any change: For companies that just started, it may be due to time needed to implement and see results. For companies perceiving themselves as more diverse, it may be due to a difficult year 2020, but also due to complexities to fill some positions, such as senior technical positions, for women.
2. For companies with some progress, achievements may be incremental.
3. For companies witnessing substantial progress, they are potentially more experienced in targeting and implementing initiatives. Able to identify and act on new areas of diversity to keep pushing progress.

EXHIBIT 15: INITIATIVES IMPLEMENTED ACROSS MORE GENDER DIVERSITY CATEGORIES VS. 2020

Does your company currently have any initiatives to hire and retain female colleagues?
(%)



Source: GLF Survey 2021 n = 23, GLF survey 2020 n = 20

This perception of progress can be linked to the clear improvements shown in implementing gender-related initiatives across mentoring, return to work, management programs, and job sharing. Female-focused hiring is the only category of initiatives which has not seen improvement, potentially due to the impact of the pandemic on recruitment and access to diverse talents. Gender diversity-related measures have been implemented by companies to sustain their efforts:

- **Female top talent program**

Targeting 100% women for leadership program within their organisation, a survey respondent is launching a top talent program for the first time. Throughout the program, every female participant will be exposed to a year-long experience in being assigned to an executive mentor, sponsor, and coach. Additionally, there will be activities and experiences, enabling the talents to develop professionally and personally.

- **Flexibility in the workplace for women**

To ensure that women can balance both personal and professional tasks, a survey respondent has put a strong focus on offering flexibility in the workplace for women. The company emphasises the importance of "getting your job done", while they do not want to restrict anyone from how they are getting the job done.

- **Profiling successful women leader as role models**

One company initiated the profiling of successful women in senior positions within their own company, to provide young females within the firm with a role model.

2. BRIDGING THE PERCEPTION GAP – DRIVING IMPROVEMENTS IN GENDER EQUITY

As previously shown, 35% of the GLF members believe that they are gender diverse. At the same time, 83% believe that their company has progressed on gender diversity, highlighting a gap between perceived progress, and achieved representation. Discussions with survey respondents highlighted are four key elements that can explain this gap:

1. It takes time and it is complex to achieve high gender representation levels
2. Diversity is an always evolving topic and what may be regarded as diverse today may not be fully diverse tomorrow

3. Stakeholders do not always define progress the same way, some focusing on representation and some focusing on inclusion
4. Some stakeholders may also overestimate the progress achieved. Overall, progress seem to have decelerated, potentially due to the COVID-19 crisis.

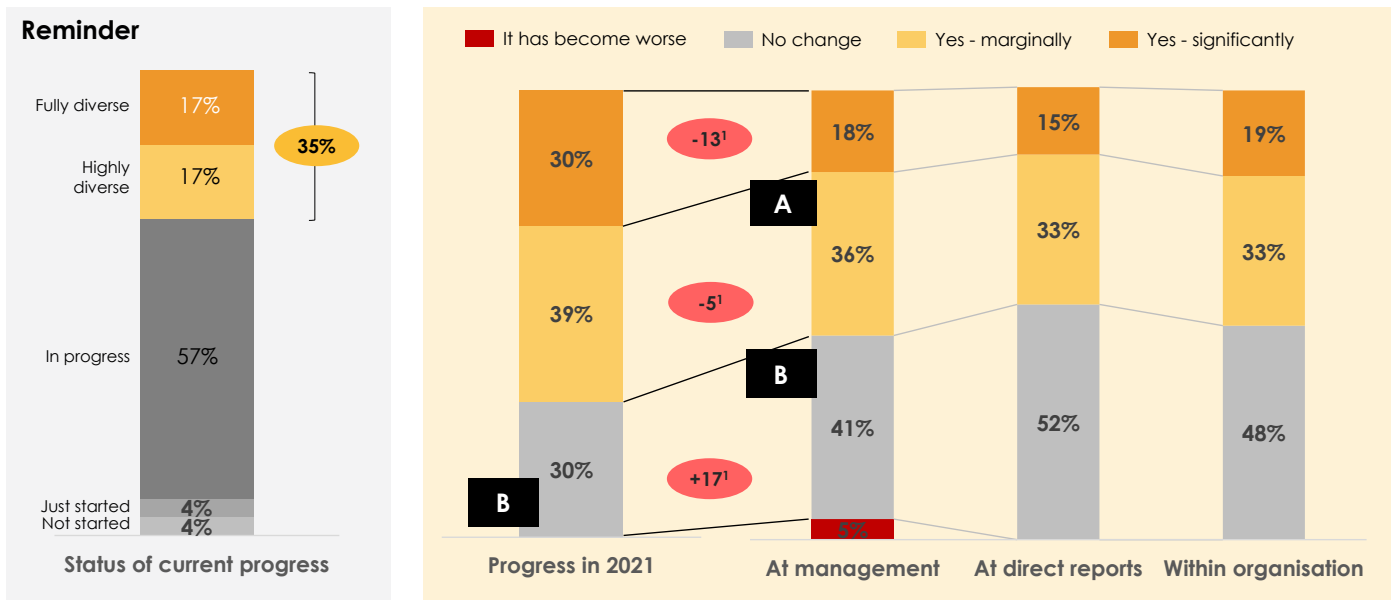
These elements highlight that there are multiple reasons for representation to lag behind perception of progress in gender diversity. As shown by the chart below, this applies at all the levels of diversity from C-level to company and organisation.

EXHIBIT 16: GENDER BALANCE PERCEIVED PROGRESS VS ACTUAL IMPROVEMENTS

Has gender balance at management level / within your company / within your organisation improved in the last 12 months?

(Gender, %)

x Total % of respondents



Source: GLF Survey n = 23; Note 1: Average increase / decrease based on an average from management / company and organisation; due to rounding, sums may not add up

From discussions with carriers in this report, three elements were identified to explain the lower

representation vs. perceived progress to make companies more gender diverse:

PART 3: GENDER DIVERSITY: PROGRESS IS PERCEIVED, BUT THE JOURNEY IS STILL LONG

1. It takes time to reach high gender representation levels

Despite progress, it would be possible for companies starting from a low representation base to remain at low level of gender representation in absolute terms despite some form of progress. With some companies reporting up to 30-40% women representation shows substantial improvement against the baseline, but it will take 10-20 extra points of representation to reach parity.

Simple modelling exercise shows that it would take around 8 years to reach gender parity in a company where diversity efforts would be implemented, with a starting point of 18% representation¹⁸. This is assuming that a company would be able to fill all vacant positions with 60% women every year, including new positions, attrition, and retirements. Reviewing the model key assumptions, two of them play the role of bottlenecks.

- The first assumption that impacts the realisation of gender parity is that positions available (new positions, attrition, retirement) can be filled by 60% women: this is probably not the case for technical positions, as women candidates are too few. In addition, senior positions do require preliminary industry experience and do require for women to want to apply to them. This does mean that companies will face bottlenecks in recruitment. A respondent also highlighted that with the retirement of baby boomers in the coming years, there will be a challenge to fill the gap that they will leave behind. If at that moment, women are not yet ready to take on technical roles and senior positions, this will be a missed opportunity to replace a larger number of retiring employees.
- Attrition in the telecommunication industry is 11%¹⁹: This may be true for most levels, but maybe not at senior positions. A respondent to the survey was explaining that to be able to recruit women, especially at senior positions, their only option was to wait for executives to retire or to quit, which was not something that they were looking forward to.

2. Diversity and Inclusion is an always evolving topic

DIB is an always evolving journey and keeps evolving across axes of diversity. It makes diversity deep to explore with new axes of diversity emerging as societies evolve. DIB is an always evolving topic, and while companies may be diverse on gender at a company level, they may start exploring increased diversity at new levels or new positions. This process of maturation also impacts representation achievements.

3. Stakeholders define progress differently

It is also possible that some stakeholders perceive progress due to increased awareness and inclusion, which may not materialise fully into higher representation. Some companies did state that they were highly diverse because non-discriminatory. These perceptions were not fully tied back to numbers.

4. Some stakeholders may also overestimate progress

External research has also highlighted that there is a propensity for HR professionals to overestimate diversity in their organisations. In this study, 79% of the HR professionals believe that their company is diverse and 57% of the employees say that their company has become more diverse in 2020, potentially due to the hiring of international workers. Experts, according to this source, have warned that there is a tendency to overestimate diversity achievements²⁰.

5. 2021 shows representation progress deceleration vs. 2020

Lesser representation achievements than in 2020 highlights complexities to navigate during COVID-19 and potential maturation process.

18 GLF, 2020, GLF Thought Leadership, "Driving gender diversity and inclusion in the Telecoms Industry"

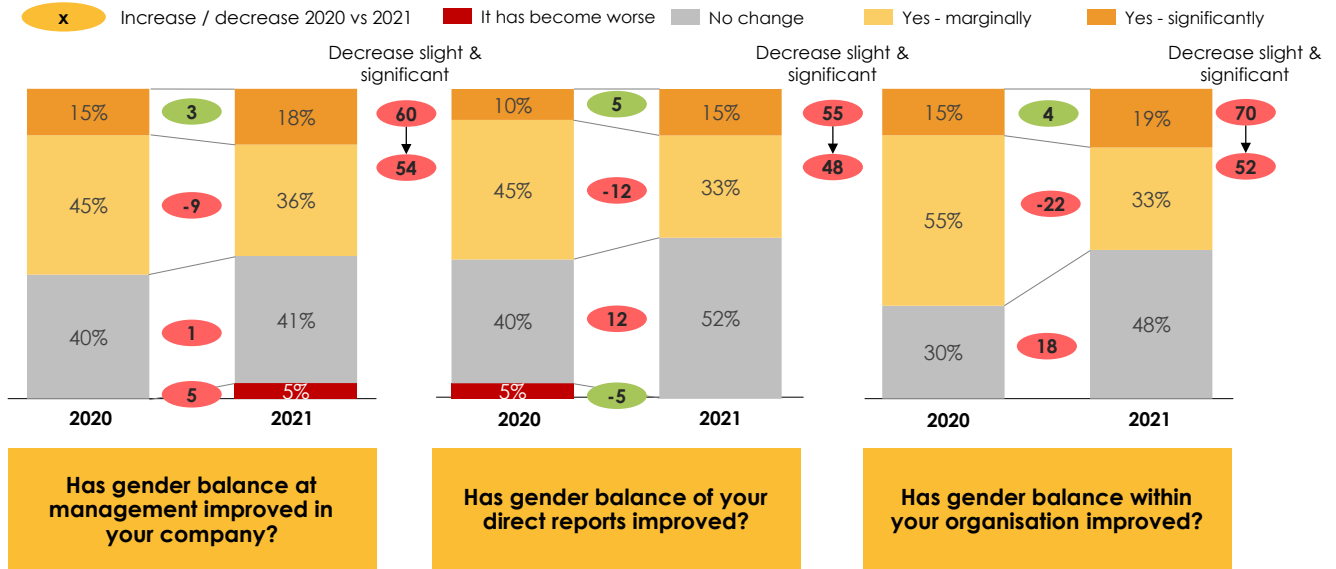
19 <https://www.linkedin.com/business/learning/blog/learner-engagement/see-the-industries-with-the-highest-turnover-and-why-it-s-so-hi>

20 <https://www.prnewswire.com/news-releases/79-of-hr-professionals-believe-their-companies-are-diverse-experts-warn-they-may-be-overestimating-diversity-301059223.html>

EXHIBIT 17: REPRESENTATION PROGRESS PERCEIVED 2020 VS 2021

Has gender balance at management level / within your company / within your organisation improved in the last 12 months?

(Gender, %)



Source: GLF Survey 2021 n = 23, GLF survey 2020 n = 20

The representation progress perceived in 2020 vs. 2021 has decreased across representation categories. Perceived slight and significant improvements have decreased between -6pts and -18pts percentage points. This perceived decrease in progress can be attributed to the effects of the COVID-19 crisis, offering less opportunities for recruitment. Additionally, DIB-mature organisations may not be able to report the same progress as positions become harder to fill with higher maturity: gains made in less technical and less senior positions may already be gained.

PART 4

DELIVERING PROGRESS: MEASURE, ORGANISE AND EXECUTE



1

To create long-term change, companies will need to measure, organise and execute diversity and inclusion programs to drive equitable outcomes. They will need to align on unified measurement definition to assess progress, set the required policies to structure their initiatives. Without measurement and organisation, diversity initiatives will remain disparate, and their impact may not last.

2

On **measure**, the industry should adopt a minimum set of consistent KPIs to align on diversity definition and to be able to compare progress in the future. Beyond measuring consistent KPIs, additional initiatives could include the implementation of voluntary internal sharing of diversity information to be able to build knowledge and the implementation of DIB roadmap to prioritise axes and initiatives.

3

On **organise**, disparate initiatives should be structured via implementation of policies, especially in larger companies to ensure they become part of the organisational DNA. Another key aspect of organise consists in empowering the executive level to champion diversity and inclusion employee groups ensuring a mandate for prioritisation and execution.

4

On **execute**, initiatives should seek to improve recruitment, retention, representation, influence. Diverse recruitment panels, mentoring and sponsoring programs for diverse groups have been key initiatives. In addition, companies have launched COVID-19 programs targeting all employees, but which especially benefitted diverse groups. On-going initiative execution is key to increase diversity and inclusion across diversity axes.

5

On **communicate**, the internal communication gives visibility about DIB to all employees including executives and external communication, especially transparent sharing of workforce data relevant to DIB representation data including pay gaps, have been key for some carriers.

6

On execute, initiatives should seek to improve recruitment, retention, representation, influence. Diverse recruitment panels, mentoring and sponsoring programs for diverse groups have been key initiatives. In addition, companies have launched COVID-19 programs targeting all employees, but which especially benefitted diverse groups. On-going initiative execution is key to increase diversity and inclusion across diversity axes.

7

On communicate, internal communication gives visibility about DIB to all employees including executives and external communication, especially transparent sharing of DIB representation data including pay gaps, have been key for some carriers.

8

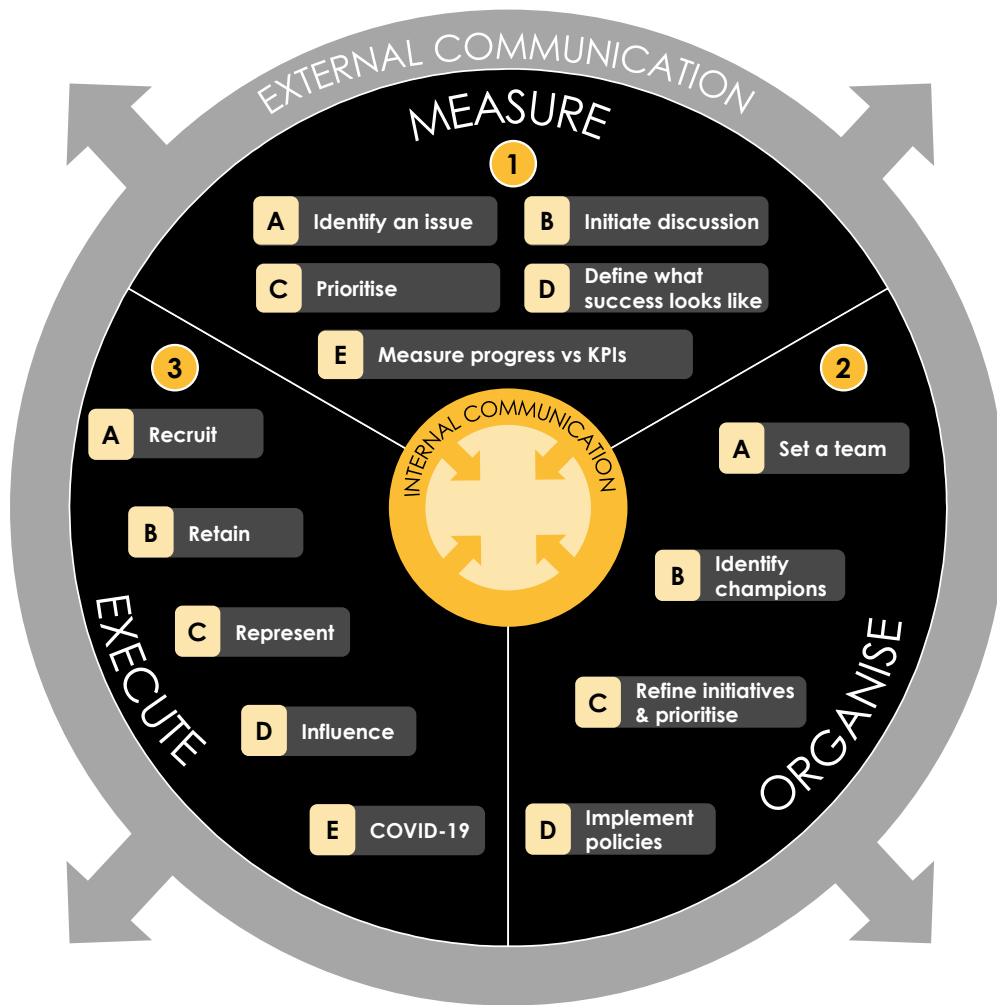
GLF is creating a call to action for its members to support four initiatives: adopt industry KPIs for measuring diversity, create an industry network of diversity leaders from their own organisation, personally serve as champions to ensure the adoption and adherence of policies and processes to enhance diversity, commit to champion STEM programmes within their own organisations and work together to ensure consistent action within the GLF community.

1. FRAMING THE ISSUE: A CLEAR STRUCTURE IS NEEDED TO NORMALISE CHANGE

GLF survey respondents have shared a diverse range of initiatives to tackle diversity issues within their organisation and in the industry. These initiatives

can be structured in programs to derive maximum benefits and impact sustainably organisations.

EXHIBIT 18: FROM BUILDING MOMENTS TO BUILDING MOVEMENTS – INITIATIVES FRAMEWORK



Source: GLF

Through the survey and respondents' interviews, numerous initiatives to tackle diversity issues have been mentioned. It has become clear that, while many companies do execute initiatives across axes of diversity, **not all of them measure progress or organise implementation.** To be able to derive most benefits from the diversity and inclusion initiatives developed, companies will need to structure

implementation so that DIB can reach its objectives. Therefore, a simple, yet effective framework can be implemented. It will allow companies, depending upon their size and maturity levels, to identify where to start and to take a step back on the programs already implemented to potentially increase impact. The framework encompasses three main elements: **measure, organise** and **execute.**

2. MEASURE

Measurement is required for setting company-wide and division-wide objectives, and has four parts:

- 1. Identify issue:** It is key for companies to understand where they stand on diversity. Knowing at a very high level the representation of each diverse employee segment is a first step that will allow the company to compare its result to demographic numbers. This step can be deprioritised if the company already knows which diversity axis it wants to tackle. As one of the survey respondents noted: *“We knew that our key apparent problem was on gender diversity, given the Telecom workforce composition. We started by tackling this issue.”*
- 2. Initiate discussion:** Having identified the underlying issue, a discussion involving all relevant stakeholders within the firm can be initiated, to detail the causes and possible solutions. Related to this, a survey respondent noted the following on initiating a discussion around underlying issues: *“When we see that there is an issue affecting the feeling of belonging or in general the sense of community within our firm, the first thing we do is to create working groups and listening circles in order to promote discussions around the topic. Through an active dialogue, we manage to identify the root-cause a lot faster and are thus able to implement more effective initiatives at a later stage.”*
- 3. Define what success looks like (at axis level):** The definition of what success means is key to assess the progress of DIB initiatives. Companies can at

this point set their high-level targets and objective key results at an axis level (e.g. reaching a certain representation of a certain population).

- 4. Measure progress vs. KPIs:** Closing the cycle of measurement, companies should measure progress against KPIs set in the organise phase, to identify if pre-defined success has been reached. Related to that, one of the survey respondents mentioned: *“We conduct regular surveys, both qualitative and quantitative, to identify if we are reaching the goals, we have set for ourselves. Knowing that we are succeeding in what we aim to achieve gives our employees a great satisfaction.”* Overall, if the role of diversity is to increase the share of under-represented population within companies, representation-focused KPIs should play an overarching role in guiding measurement. Proposed KPIs to establish a uniform baseline include KPIs across the categories of Representation, Acquisition and Retention. It focuses on Gender as a start, as gender KPIs are simple to understand, easy to track and comparable.

To support the consistent measurement of DIB status across carriers, the GLF is proposing a preliminary set of metrics focusing initially on gender diversity. These metrics can be shared anonymously by carriers to allow for a benchmark of their status and progress over time versus peers. The GLF will work on expanding the scope of these KPIs beyond gender and track progress moving forward.




EXHIBIT 19: INITIALLY PROPOSED METRICS FOR CARRIERS TO CONSISTENTLY MEASURE DIB

KPIs to be reported annually by the GLF members		Why it is a relevant KPI to track
1 Representation	a Share of women as a % of total number of employees in the company	Provides a simple base representation KPI
	b Share of women as a % of total number of management team (CEO, CEO-1, CEO-2)	Identifies existence of gender gap in management teams
	c Share of women within the technology function (BU reporting to the CTO) as a % of total number of employees in the technology function	Highlights if there is an increased gender gap within technology functions compared the overall organisation or leadership levels
2 Acquisition	a In the previous calendar year, share of women applicants as a % of total applicants	Will highlight any bias in job description or recruitment targeting, any need to broaden offers to attract other CVs etc.
	b In the previous calendar year, share of women hired as a % of total hires	Will highlight any lack of diversity in hires
3 Retention	a In the previous 12 months, variance between the % of women and the % of men leaving the organisation	Any positive variance will show women leaving the organisation at a higher rate than men
	b % difference between the average tenure of women and the average tenure of men	Any negative number will show that women have a lower tenure in the company than men highlighting potential retention challenges

At an individual company level, there are already several examples of diversity measurement. The

table below provides a non-exhaustive list of examples:

PART 4 : DELIVERING PROGRESS: MEASURE, ORGANISE AND EXECUTE

Measure Topic	Initiative name	Company	Initiative
Identify an issue	Use Data to Inform Strategy	Anonymous	Lumen Technologies tracked and analyzed data from various sources, including annual talent reviews and hiring and promotion trends. This review helped inform the company's diversity initiatives, which focus on training and education, hiring and retention, compensation, talent development, company culture, employee engagement and community impact.
	Voluntary disclosure of personal information		Colt set a voluntary disclosure survey to collect employee diversity information. That process involved setting up our HR information system to be able to capture the data in a sensitive, secure, and confidential way. This also required to have a strong process in place to secure employee's personal information, to ensure compliance with data protection regulations. This enabled the company to understand where they are currently standing and what potential improvements can be.
Initiate discussion	One-on-one feedback on gender diversity	Anonymous	One-on-one feedback sessions, focusing on gender diversity, conducted by managers. The main goal of these sessions was to identify issues through an open discussion so that they can be tackled by specific initiatives.
Prioritise	Diversity & inclusion roadmap		To keep a tight control on priorities and efficiently allocate resources, they developed a robust diversity roadmap based on measurements and key strategic priorities. This roadmap is re-evaluated on a quarterly basis, to assess validity and address potential alterations
Define what success looks like	Diversity score card	Anonymous	Launched a diversity score card, detailing a baseline for where the company currently stands and thus offering the possibility to define future success.
Measure progress & KPIs	Diversity audits	Anonymous	By commissioning external diversity audits, they were able to take a step back on their initiatives and to understand where they stand in comparison with their peers. This also contributed to make the DIB leadership team aware of new best-in-class practices.
	Incentivise top management to make DIB a success		Several companies, like A1 & Colt, have linked top management and management board incentives to DIB performance. At A1, top management is incentivised on DIB through the direct link to their long-term incentivisation plan

3. ORGANISE

Organizing initiatives allows companies to reconnect all their actions behind a synchronised agenda. There are four critical steps for this:




- 1. Set a team:** Setting an appropriate team to implement an initiative is key. Teams are typically structured around diversity topics and are oftentimes responsible for developing and overseeing the roll-out of corresponding initiatives. One of the survey respondents noted the use of working groups to implement a team for the tackling of diversity issues: *"We have installed working groups across the organisation to deal with specific diversity topics and thus promote an open dialogue in the company. Whenever an issue has been raised and identified as a priority, the working groups are responsible for getting together to develop measures for these issues."*
- 2. Identify champions:** Diversity axes and initiatives would usually require senior executives as champions. They share their experience as mentors to the group and can make the group benefit their high level of exposure to the organisation. One respondent said: *"It has made a crucial difference in the efficiency of our Employee Resource Groups to have high-level executive sponsors."*
- 3. Refine initiatives and prioritise:** Having defined teams to tackle prioritised issues, specific

initiatives can be defined, and prioritised. Setting measurable objectives is required at this phase, per each initiative. This may require further dialogue with DIB leadership to align on resources available and input collection from employees across the company, as well as a close collaboration with senior management to achieve sponsorship.

- 4. Implement policies:** Lastly, DIB leadership can start assessing the need to build policies to support the long-term impact of their programs. By doing so, the companies ensure long-term change and progress within the firm and make it more than just a "caring moment". *"We got leadership approval and then made it a company-wide policy, which helped us to really bring the deep-rooted change we needed."* Another company stated: *"You can start with implementing an initiative. Policy can come along the way to send a clear signal and normalise change within the company."* Smaller firms highlighted that they felt more comfortable with less policies than large firms, which derived more benefits from policy building.

Through discussing with companies as part of this report process, many examples of existing activities were provided. The table below has a non-exhaustive list:

PART 4 : DELIVERING PROGRESS: MEASURE, ORGANISE AND EXECUTE

Organise Topic	Initiative name	Company	Initiative
Set a team	Creation of Employee Resource Groups	 mnf group	To structure their resources, various carriers, like MNF Group, have supported the creation of Employee Resources groups, structured around each diversity axis. Members of the ERG join them on a voluntary basis. They work on the planning and implementation of diversity initiatives and become diversity champions. For example, MNF Group developed ERGs on Culture, Gender, Family & Work Flexibility, Disability & Accessibility, Indigenous and LGBTIQ+.
Identify Champions	Executive sponsors for employee resource groups	Anonymous	At Lumen Technologies, an executive sponsor has been assigned to each Employee Resource Group (ERG), enabling the group to receive the needed executive visibility within the firm, providing coaching and development of ERG board members, and ensuring alignment of ERG vision and strategy with organisation strategy.
Refine initiatives and priorities	Initiative development by ERGs	Multiple companies	Employee resources groups are typically responsible for developing and defining the details of initiatives they would like to implement within the context of each diversity axes group. ERG's are directly responsible for collecting the necessary information to define initiatives needed, as well as outlining the resources needed and gaining senior leadership acceptance.
	Set OKRs for each initiative	 colt	Objective Key Results have been set for each initiative being part of the DIB program. By doing so, management can objectively assess each initiative's progress and results.
Implement policies	Flexible work environment	 colt	Implemented series of policies to create the backbone of DIB initiatives, including mental health support policies, physical disability requirements, domestic abuse policies and flexible working hours. These policies are the supporting foundation to make change durable in the company. While these policies are technically supporting all employees, diverse groups tend to benefit more from these.

4. EXECUTE

Execution revolves around multiple categories from recruiting to influencing:


1. **Recruit:** This category of initiatives aims at recruiting from a diverse pool of candidates, as well as ensuring an unbiased selection process are key components. Several factors hinder diverse groups from applying to firms, such as a missing sense of belonging or perceived bias. The types of initiatives found include requiring diverse short-listed candidates to fill a position; reviewing language used in job description; conducting bias audits in recruitment processes; developing trainee programs with high share of under-represented groups etc. For example, a company has commented: *"To ensure a diverse pool of candidates, we have implemented policies to have at least 1 candidate from a racial minority on the shortlist for filling a vacancy. This way, we are ensuring that the process is fair, and everybody gets a chance to receiving the offer."*
2. **Retain:** This category aims at providing equal opportunities to diverse groups and supporting them to develop a sense of belonging. The type of initiatives implemented includes mentoring programs and return-to-work to support retention rates. Other "soft" initiatives, such as the general culture and feeling within a firm towards the treatment and sense of belonging of diverse groups, are also important. As one of the GLF survey respondents noted: *"Inclusion and belonging for us means that people from diverse backgrounds can be their true self, including the promotion of your unique self, as well as having a deep sense of belonging within the firm."*
3. **Represent:** Simultaneous to retention, the representation of minorities in the workplace is a key aspect to creating a sense of belonging. Within representation, companies can foster co-creation, such as the formation of employee resource groups, as well as promote interaction, for example through forums and events,

addressing and assisting the diverse workforce of the company. *"In order to give people a sense of belonging, we have made sure to always have enough resources on hand. We have initiated and empowered Employee Resource Groups, additionally providing them with executive sponsors."*




4. **Influence:** While recruiting and retaining initiatives are looking into the internal boundaries of the firm, Telecom companies are uniquely placed to positively influence diversity within their environment and industry context, due to their large economic impact on suppliers & communities. An example of such is supplier diversity, where a survey respondent has commented: *"We go further than creating change within our walls, we are also looking at our suppliers and ensuring that we are supplying mainly from diverse companies. By doing so, we positively influence the industry and the direct community of our employees, most likely also positively affecting our own employees."*
5. **COVID-19:** While most companies already had DIB-objectives on their agenda, COVID-19 has reinforced the need to implement measures, as some diverse groups have been hit harder than other parts of the population. Thus, companies had to become creative in providing various types of supports, related to home, health, connection, performance, work from home and financial support. As one of the survey respondents noted: *"During the pandemic, we realised that we had to push a lot more to come and stay together as a team. Certain parts of our teams have been feeling more disconnected and left behind than others, thus we were forced to act fast and counter these feelings."*

There are many examples of carriers already implementing initiatives. Examples shared with us in producing this report included:

PART 4 : DELIVERING PROGRESS: MEASURE, ORGANISE AND EXECUTE

Execute Topic	Initiative name	Company	Initiative
Recruit	Diverse hiring: Review of recruiting documents and technology	Anonymous	To ensure the ability to recruit from a diverse pool of talent, a company engaged in the review of all available and new job descriptions, as well as their global networking technology. The review included details, such as biased language, to ensure objective talent attraction.
	Diverse hiring: Expanding international hiring to attract women		BTS has initiated expanded international hiring to be able to tap into larger technical talent pools in countries like India. Through this initiative, the company has identified a well-educated and valuable resource pool, that can potentially bring diverse thoughts and drive innovation within the company.
	Bias and process audit: Unbiased assessment	Anonymous	Lumen Technologies conducted an in-depth review of their hiring and selection process, with the objective to reduce bias and increase opportunities and transparency. This review informed new talent processes designed for more inclusive hiring and selection decisions.


PART 4 : DELIVERING PROGRESS: MEASURE, ORGANISE AND EXECUTE

Execute Topic	Initiative name	Company	Initiative
Retain	Mentoring: Mentoring circles and programs	Anonymous	Various companies, like Lumen Technologies, have either recently implemented or expanded their mentoring circles and programs. These mentoring programs typically target diverse groups, like the mentoring program for women, kicked-off in 2019 by Lumen Technologies, to develop and support women within the organisation.
	Career progression: Female top talent program	Anonymous	Targeting 100% women-representation in their talent program, an anonymous company is launching a top talent program for the first time. Throughout the program, every female participant will benefit a year-long experience in being assigned to an executive mentor, sponsor and coach. Additionally, there will be activities and experiences, enabling the talents to develop professionally and personally.
	Carrier progression: Hello Women Program	Anonymous	An anonymous company launched a Program as a diverse initiative, targeting the career development and retention of women. Specifically, the program focuses on the recruitment and retention of female employees through career development management programs and a shadowing program to learn and benefit directly from women in leadership positions.
	Return to work: Returner program		Colt recently launched a program, targeting people in the UK that have been out of the workforce for more than 2 years. Generally targeting all groups of prior employees, this program tends to tackle the gender balance, as women are group more likely to leave the workforce for some years.
	All other support: Protocol for transgender employees		To support their transgender employees in Brazil, Telefonica has created a formal protocol, supported by local policies. This initiative is aimed at assisting the transgender community to speak up within the firm, voicing their needs and to gain support during their transition. In the UK, Telefonica has a tool to guide managers and directors who have gender transitioning employees on their teams.
	All other support: Private social protection for disabilities		ATAM is a private social protection system launched internally by Telefonica, aimed at families of Telefonica employees with disabilities and dependencies. The association offers comprehensive expert advice and direct financial support to families.

PART 4 : DELIVERING PROGRESS: MEASURE, ORGANISE AND EXECUTE

Execute Topic	Initiative name	Company	Initiative
Represent & include	Co-create: Employee Resource Groups	Multiple companies	ERGs are a common initiative across carriers to drive and develop diversity across various topics both inside and outside of the organisations. These groups are typically divided by diversity topic (e.g. gender LGBTQ+, disability, ...) and are responsible for coming up with new initiatives and events to foster dialogue and further develop along the diversity axes.
	Interact Forums & events	Multiple companies	A common initiative across most carriers is the introduction of forums and events, through which employees can share their experiences on diversity topics. A company, for example, initiated a "Lunch and Share" event, where individuals could share their experiences with colleagues through virtual meetings. Another company launched a diversity hub for sharing information and hosting online events, contributing to the exchange of valuable thoughts across the organisation.
Influence	Supplier diversity	Anonymous	Lumen's Corporate Supplier Diversity organisation is an integral part of the company's global procurement and supply chain. This team identifies and encourages business opportunities for purchasing products and services from certified small businesses and businesses led by women, minorities, disabled veterans, veterans, people with disabilities, and individuals in the LGBTQ+ community.

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Execute Topic	Initiative name	Company	Initiative
COVID-19	Home support: Extended benefits for child- and eldercare	Anonymous	To support their employees during the COVID-19 pandemic, a company rolled-out an initiative, targeted to assist families and other employees with tasks arising due to care institutions closing. This assistance involved extended benefits on child- and eldercare, to release stress from employees.
	Health support: Wellness and health event	Anonymous	To support their employees through uncertainties and issues, Lumen Technologies launched several events dealing with topics of wellness and health, such as facts and figures on the COVID-19 vaccine, as well as the promotion and insurance of mental health and wellness.
	Connection support: Educational online discussion series	Anonymous	During the pandemic, a company launched an educational online discussion series for all employees. During these series, experts were invited to join the company for discussions on a diverse range of topics, such as health, racial injustice and other current-affairs topics. Through these series, the company made sure that their employees stayed connected and felt a sense of belonging, while at the same time being able to educate themselves on topics occupying the world news.
	Work from home support: Flexible WFH workspace	Multiple companies	During the global pandemic, most carriers implemented flexible work-from-home initiatives. This included guidelines to managers to adjust productivity expectations, flexible working hours and workspace allowance to purchase adequate IT equipment.
	Financial support: Special assistance fund for financial distress		To help employees cope with the financial distress some of them were facing during the pandemic, Colt created a special assistance fund. Through this fund, the company's mission was to support employees that experienced any sort of financial distress caused by the pandemic and lockdown.



5. COMMUNICATE

Communication is required for employees, management, and stakeholders to be socialised with the companies' DIB agenda:

1. Internal communication: Companies need to ensure proper internal communication, both from a bottom-up and top-down approach. Top-down it is key to ensure buy-in from senior leadership. From a bottom-up perspective, it is key that discussions are promoted within the firm, for inclusion and belonging to solidify.
2. External communication: Companies also ensure a functioning external communication, informing

the public of their objectives and success. They can use external communication to receive objective accreditation and benchmark themselves against peers in the industry. A company noted: *"We have used our external report to highlight our representation and salary gaps. It pushed us to commit to the society and was warmly received."*

There were several examples shared with us in the process of writing this report, including:

Communicate Topic	Initiative name	Company	Initiative
Internal communication	Company-wide letters	Anonymous	Following the murder of George Floyd, a company's senior leadership distributed a letter to all employees, stating the company's commitment to increasing actions towards the right direction in terms of diversity. This initiative to reach all employees within the firm has been implemented for various other topics, ensuring a fast and efficient way to communicate changes, ideas and news with all employees.
External communication	External accreditations and benchmarks		Through the commitment to external accreditations and benchmarks, Colt and Verizon have externalised their dedication to diversity and are thus ensuring an objective evaluation of the firm's DIB achievements. By doing so, the carriers removed internal biases and the tendency to overestimate performance.
	Transparent Ethnic gap reporting		Telefonica took the decision to share with the public the salary gap per each diversity group in the UK. It allowed the company to take a stance on the existing issues faced by the Black communities. The initiative was welcome by observers.

6. A CALL TO ACTION

Over the past year, the level of dialogue and activities within and between GLF members on topics relating to diversity has increased significantly. Given the on-going prioritisation of improving diversity, inclusion and belonging at an industry level it is critical that the GLF members, under the endorsement of the GLF organisation take action that can create impact beyond what is feasible within their own organisations. As such, it is proposed that GLF members commit to four actions:

- 1. Track industry diversity KPIs** – all GLF members are asked to track the gender diversity KPIs displayed in Exhibit 19 on an annual basis and share the data for anonymous aggregation to create a data-set that can show the distribution and progress of organisations. To start this initiative, GLF members will be asked to share three years of historical data. Furthermore, the GLF will develop racial KPIs for members to start tracking and will work with the members to identify potentially trackable data. Beyond creating an industry view of the status and progress of diversity, members will be able to anonymously benchmark their own performance versus peers.
- 2. Create an industry network of diversity leaders** – throughout the process of putting together this report we speak to the leaders for diversity and inclusion across telecoms organisations. Whilst all are knowledgeable there is a consistent request to connect with their peers more formally across the industry. As such, GLF is in a position to create a shadow organisation to itself focused on the diversity leaders in each company. All GLF members should seek to nominate their representative for this body that can serve as the focal point for inter-company dialogue on matters of diversity, inclusion and belonging.
- 3. Champion internal policies and processes to enhance DIB** – as leaders within their organisations, GLF members should hold their colleagues accountable to ensure the adoption of, and adherence to, policies and processes that support the ongoing progress of diversity across axes within their organisation. This year's report has demonstrated that organisations make the greatest progress once diversity and inclusion is structurally incorporated through the adoption of policies and processes rather than having disparate initiatives. GLF seeks that its members confirm that they will personally champion in

their organisation the adoption and adherence to these processes, and will report progress back to the GLF

- 4. Industry STEM diversity programme** – many GLF members have spoken about the importance of enhancing diversity within STEM education. Recognising the amplification that can be created through multiple companies committing to an industry-level initiative, GLF proposes to launch a STEM education initiative that members can support within their own companies and local markets. Through each company committing to support a number of students in STEM education and to enter the carrier industry, by aggregating across GLF members that can become quite sizable. The intention is to announce the initiative and its founder members at ITW 2021.

This year's GLF report has highlighted the progress made by the industry on the different axes of diversity, from the way its focus has evolved on gender to setting the baseline on racial diversity. Companies have kept investing and being invested in Diversity and Inclusion, despite the pandemic. They find new areas of diversity to explore, new segments to push and gather more employees behind their agendas to fairly represent the societies they live in and embody.

However, more effort is required, and more initiatives can be implemented. While gender diversity has been a key focus and saw important progress despite societal constraints and limited pool of talents, race is still lagging. There is much more to do and to achieve. We look forward to revisiting carriers' progress in 2022.



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