

If Not Now, When?

Our progress towards a
more inclusive workplace

October 2021

Foreword from Jason Tarry, CEO UK & ROI.

Tesco is a proud signatory of the If Not Now, When? campaign for Black inclusion within business. The campaign originated as an open letter in the Sunday Times, as a call to action for organisations to commit to sustainable and long-term actions on Black inclusion in the workplace.

If Not Now, When? represents over 1 million UK employees, and we are committed to reporting annually on the work we are doing at all levels of our UK business to help create a more inclusive Tesco.

In our first report, we share our progress against the six commitments we made publicly last year, and how we'll be developing these even further in the future.

To read the open letter, or for more information on the If Not Now, When? campaign, visit www.ifnotnowwhen.uk.



Jason Tarry
Chief Executive, UK & ROI
Executive Sponsor for Race & Diversity at Tesco



Diversifying the face of the organisation.

“We are committed to building a diverse and inclusive place where everyone's welcome. We're still on our journey and recognise we have more to do to ensure our Black colleagues do have a voice and bring their whole selves to work. We all have a role to play in levelling the playing field and building a fairer society – it will take all of us to make a difference.”

Toni McKay
Head of Diversity & Inclusion

We are still on our journey to make Tesco a more diverse business, and we are working hard to ensure we make steady, but sustainable, progress.

Our own internal targets

Internally, we've already set out our own targets for further increasing ethnicity across all levels of our business, forming part of a three-year plan.

Race at Work Charter

In 2019, we signed up to the Race at Work Charter, which calls businesses to action in tackling barriers that ethnic minority people can face at work. We have already met three of the Charter's five original commitments, including Jason Tarry – our UK & ROI CEO and Executive Sponsor for our Race & Ethnicity at Tesco colleague network – being accountable for Race inclusive of Black individuals, and taking action that supports ethnic minority career progression. We are on track to meet the remaining two original commitments.

In October 2021, the Charter introduced two additional commitments, around amplifying allyship and addressing inequalities in supply chains. We've already started to make progress on these areas – on allyship through our dedicated colleague guide and partnership with the Black British Network, and in supply chains through our partnership with AddPsalt. We are also working towards gaining more detailed information on the ethnicity of the suppliers we work with, so we can identify the areas where we can support further.

The Parker Review

The Parker Review is an independent – but Government supported – analysis into FTSE 100 companies, specifically the ethnic diversity of their Boards. The review pledges “to ensure that by the end of 2021, no FTSE 100 company would lack a person of colour as a director”. As a FTSE 100 company, we have already met this target ahead of schedule.

Working with our colleagues

We've been working with colleagues to develop our Black Action Plan, and one of our key pillars of focus is on Talent Equity – looking at key retention and attraction initiatives that address barriers disproportionately impacting Black talent. As part of this Talent pillar plan, we will:

- **Embed an anti-racism culture throughout our entire organisation**, including launching a mandatory anti-racism programme for all colleagues
- **Introduce co-mentoring and sponsorship for all Black colleagues across Tesco** – matching our Black store colleagues with our office colleagues and leaders, and our Black office colleagues with our office leaders
- **Collaborate with partners who over-index on Black talent to accelerate Black talent attraction**, with access to opportunities one of the biggest barriers faced by Black talent, due to mechanisms such as unconscious bias

- **Adopt a data-driven approach for key aspects of Black talent lifecycle**, ensuring our transparency will drive accountability and progress



Measuring and capturing data.

“I am very proud of the tangible and meaningful actions we’ve taken in the past few years to become a more inclusive workplace. I have experienced first-hand our ongoing initiatives to help people from diverse backgrounds develop their skills and reach their potential. I am excited about our future plans, and look forward to playing my part in helping Tesco become a place to get on.”

Freddie Sackey Addo
Store Director

We’ve already started the process of capturing our colleagues’ personal diversity data, as part of our internal ‘This is Me’ campaign. The campaign is heavily supported by our Chief People Officer, and colleagues are asked to voluntarily share information including their gender identity, faith, sexuality and ability. All information is kept confidential, and colleagues are only asked to share what they feel comfortable in doing so.

Using this data, we will be able to identify additional areas for improvement; make more inclusive decisions; and support our ambition to participate in voluntary reporting, such as the Ethnicity Pay Gap. With the colleague diversity data that we currently hold, we are working through plans to share an internal-facing ethnicity pay gap report, so we can start to see the picture it is showing us.

As one of the UK’s largest private sector employers - with around 300,000 colleagues - we know that collecting this data to create a full picture of our business will take time. We share the importance of this information, and

aim to achieve a full completion rate in the near future.

Our Every Voice Matters survey helps us better understand how our colleagues feel and what areas we need to act upon. As part of this survey we break ethnicity data down into different ethnic groups, and we are aiming to capture our ‘This is Me’ data in a similar way, so that we can specifically identify areas to better support Black inclusion.

In our latest Every Voice Matters survey, when looking at the data from colleagues identifying as Black/African/Caribbean Black British, 79% feel that Tesco is an inclusive place to work. Of the same colleague population, 86% believe Tesco is a great place to work, with ethnic minority colleagues overall showing the highest advocacy levels.

91% of our Black/African/Caribbean Black British colleagues say that their manager makes everyone in their team feel welcome, with 83% feeling they can be themselves without fear or judgement. Three quarters of

colleagues surveyed also answered that they are happy with the career choices available to them.

We have committed to more inclusive shortlists for all our senior vacancies, and ask our recruitment agencies to do the same. We are taking the necessary steps to be able to record how we are doing against this commitment at every stage of the recruitment process, so that we can continue to improve. Additionally, we are making significant amendments to our Executive resourcing processes to ensure that our hiring practices are as inclusive as possible.



Leading the conversation on Race.

“We are facing into honest conversations across our business around Black inclusion, and working together to find solutions with the knowledge that we need to do more. Our network’s Black Advisory Group supports colleagues from across Tesco in coming together to share their experiences, and ensure we are on the right track.”

Paulette Balson
Network Chair for Race & Ethnicity at Tesco

We’re focused on ensuring our leadership teams feel confident in leading conversations around race from the top down, and supporting other colleagues through starting their own conversations.

In the aftermath of the murder of George Floyd, our Executive team set up open check in sessions and discussions with our Black colleagues, so they felt supported and listened to. Throughout 2020 and 2021, we have also run Executive-led listening sessions with colleagues from all ethnic minority backgrounds, to understand how they are feeling, and support our work in making Tesco a more inclusive business.

Our Executive and Nomination Committees hold regular talent planning meetings, where ethnicity is regularly discussed. As part of these meetings, our Ethnically Diverse Talent Communities were devised.

Our UK & ROI CEO regularly reaches out to all UK colleagues through updates on our Black inclusion progress, as well as offering support following events including the one-year

anniversary of George Floyd’s murder, and the racial abuse of England players in the Euro 2020 final.

All our Business Leaders have attended a masterclass focusing on Race – as well as additional sessions focusing on privilege and bias – to help build more inclusive behaviours and supporting them in having active conversations. Our Race masterclass was informed by the debates led by the Black Lives Matter movement and supported by our Race & Ethnicity at Tesco colleague network.

Additionally, all colleagues have had access to guides including ‘How to be a better Ally’ and ‘Having Great Conversations about Diversity and Inclusion’. Both guides were created with support from our Race & Ethnicity at Tesco colleague network, and the latter guide features information and links to additional resources around the Black Lives Matter movement to help educate colleagues’ conversations.

“Seeing the affirmative action Tesco is taking to be a great corporate citizen to marginalised identities such as the Black community, inspires me to make a real difference every day. Tesco has been the first employer where I’ve been able to source both a sponsor and a mentor. I’m proud to be able to combine my passion for supplier strategy with my passion for inclusion to make impact through Tesco’s tremendous scale.”

Leon Donald,
Frozen Buying Manager and D&I Ambassador



A journey of learning.

“It was an absolute honour to take part in the Black British Network roundtable talks, and to be a part of the change that will now happen. Hearing the real lived experiences of Black people, and the commitment from our leaders to role model and support the change that we need to see to break down the huge barrier of systemic racism, is such a positive start on this journey.”

Linda Begnor
Assistant Merchandise Planner

In July 2020, our Race & Ethnicity at Tesco colleague network set up regular ‘Coffee and Conversation’ sessions for members, which saw internal and external guests reflect on their background and heritage and how it had shaped their personal and professional identity.

Across Tesco, we’ve redefined what ‘inclusive leadership’ means, and this is now measured as part of the ‘how’ performance for all our business leaders’.

All our UK colleagues are required to complete mandatory ‘Everyone’s Welcome’ training, designed to develop their understanding of the importance of diversity and inclusion and the personal responsibility we all have in helping everyone feel welcome at Tesco. It also provides some practical hints and tips on how to challenge perceptions and demonstrate inclusive behaviours, along with the tools and resources to support this.

Colleagues also completed a mandatory ‘Bullying & Harassment’ module, with a specific section focused on race. These two pieces of training are also now built into our induction process, so

clear understanding of our values and their required behaviour.

All line managers, People teams and resourcing specialists are required to complete additional modules around recruitment and ‘Being an Inclusive Manager’ training, designed to help them best support their team.

Later this year, Lady Phyll – co-founder of Black Pride and named as one of the top 100 influential Black people in the world* – will meet our Executive team. This focused ‘In conversation’ session will help our leaders learn about the challenges and discrimination that queer people of colour face in the UK, including not being able to be themselves due to cultural and heritage considerations, and how we can use the scale of our business to help.

We have a zero tolerance for racism across Tesco, and all colleagues are supported in reporting any offensive or upsetting behaviour by speaking to their line manager or People team, or through our Code of Business Conduct and Protector Line service.

*www.100greatblackbritons.co.uk

The elevation of Black voices.

“Tesco making the decision to create a specific community for ethnically diverse talent affirms that as a business, we are committed to nurturing non-traditional talent. Having an Executive Sponsor who takes us under their wing means a lot as we know how busy they are, but their commitment to building a relationship and supporting us to achieve our career goals truly is special, and not something I’ve seen before. Intentional actions like this are so important, and fills me with hope that Tesco really do want to make meaningful change in this space.”

Marie Caliskan
People Programme Manager

With and for our colleagues

Following the success of our listening sessions, we’ve set up a dedicated Black Voices Advisory Group for colleagues in our Race & Ethnicity at Tesco colleague network. The group meet on a regular basis, which was set up as a consultative body and sounding board to test ideas and contribute to improving the experiences of Black colleagues. The Black Voices Advisory Group has representatives from different areas of our business, including office, retail and distribution.

Throughout the year, we regularly share colleague stories – both from a personal and career perspective – across a variety of internal and external channels. This includes our internal colleague website and social platform, colleague magazine, external LinkedIn page and Tesco PLC website. We also acknowledge and/or celebrate key cultural dates, including Windrush Day and Black History Month. For Black History Month in 2021, we have shared colleague stories;

launched our Anti-Racism Guide as part of our Black Action Plan; and introduced guest speakers for colleagues – including Cephas Williams, founder of the Black British Network.

To promote our Black colleagues and the work of our Race & Ethnicity colleague network, in both 2020 and 2021 we sponsored the Champion and Ally category at the Investing in Ethnicity Awards. In 2020, we were shortlisted for the Best Network award, placing in the Top 10.

In April 2021, Paulette Balson – our Race & Ethnicity colleague network chair – was part of a panel at the Virtual Diversity & Inclusion Conference, facilitating a breakout room on the topic of race.

In May 2021, Jason Tarry (UK & ROI CEO) and Jasvinder Deo (Group Audit Director) were included on this year’s list of Ethnic Minority Role Models by EMpower, which champions diversity and inclusion in business.

Jason was recognised as one of 20 Senior Leaders who are not people of colour, but committed to creating a diverse and inclusive business environment for ethnic minority employees at all levels. Jason is Executive Sponsor of our Race & Ethnicity colleague network, and works to create a safe, supportive space which colleagues can feel proud to be a part of. He has also overseen the introduction of our Ethnically Diverse Talent Communities; promoted our university partnerships to help diversify our internships; and supported the launch of our diversity and inclusion focused leadership programmes.

Jasvinder was listed in the top 10 of Ethnic Minority Executives – which recognised senior people of colour who lead by example and help remove barriers for ethnic minority employees. Jasvinder helped to reinvigorate our Race & Ethnicity colleague network as Director Sponsor; supports check in sessions with colleagues; and founded the ‘Coffee and Conversation’ sessions for network members.

In October 2021, Paulette was shortlisted for Retail Week’s Be Inspired Diversity Champion

Award – celebrating her commitment to our colleague network and her work in helping to elevate the voices of our Black and ethnic minority colleagues.

In our communities

Tesco was one of the founding members of the Black British Network, which was set up by Cephias Williams to help bring about lasting systemic change for the Black community. We were empowered by Cephias’ passion to drive change, and the network allowed us to specifically focus attention on Black inclusion at Tesco. Working in collaboration with other companies in the network also allowed us to contribute on a bigger scale, and work together to collectively bring about change.

As part of the network, our UK & ROI CEO; Black colleagues; and allies participate in roundtable sessions on topics including Black history, lived Black experiences and how companies responded to the death of George Floyd. We take away active next steps, and these sessions have helped to advise our own Black Action Plan and support future updates

to our wider D&I agenda. In the months ahead, we will be sharing a more in-depth look to our colleagues’ experience with the Black British Network, with our customer and colleague audiences.

Additionally, we’ve partnered with AddPsalt, Black Pride and the Black British Network. These partnerships not only help build the confidence of our Black colleagues that we are committed to supporting the UK Black community, but also allows us to gain knowledge and learn from others outside of Tesco.

In September 2021, we also openly supported Channel 4’s ‘Black to Front’ takeover day, as part of their aim to transform Black representation both in front of and behind the camera. The day’s entire programming schedule was fronted by and focused on Black talent, and we championed one of our colleagues in a segment celebrating her Black heritage.

Actions taken on Black inclusion and progression.

“Being part of the Arrival Education mentoring programme has brought me far closer to the challenges that Black colleagues face when entering the work environment and trying to get on. It’s also brought me closer to the challenges that start in childhood and the barriers that are placed in front of Black people. The programme is helping me to understand how I remove these barriers and further support Black colleagues to excel in our business.”

Jonny McQuarrie
Managing Director – One Stop and Director Sponsor for Race & Ethnicity at Tesco

Black Action Plan

We know that Black voices are underrepresented throughout society, and aggregated terms such as BAME do not help drive progress. We are focusing on understanding the disparities and challenges faced by Black colleagues to deliver lasting change through our new Black Action Plan, which will have a full launch in January 2022.

Our Plan has been driven by our colleagues, predominately those in our Black Advisory Group and colleague network. The plan aspires to achieve fair and equitable representation across four key areas.

- **Talent Equity** – increase Black talent representation at every level by 2030
- **Community Equity** – direct more of our community contributions to the Black community by 2030
- **Commercial Equity** – get to a place where more of our supplier partners are Black-led by 2030

- **Brand Equity** – direct more NPD innovation to address unmet needs of our Black customers by 2030

Ethnically Diverse Talent Communities

Our Ethnically Diverse Talent Communities are directly sponsored by senior leaders, and support our ethnic talent – including Black colleagues – through career planning, guidance and increased visibility. We have two different communities – the Leadership Community, for those leading teams or other leaders, and the Emerging Talent Community, for our more junior colleagues with the potential to become future leaders.

100% of all Emerging Talent community members who responded to our survey feel proud to be part of the community, understand its purpose and feel it’ll help them understand their potential.

Own Your Career programme

Our Own Your Career programme is designed to support our colleagues with the skills and resources to recognise the opportunities available to them.

Last year, 55% of the programme was made up of ethnically diverse colleagues, helping to support underrepresented groups with their development.

Our Emerging Talent Community also take part in the programme, including bespoke sessions in response to feedback on barriers that prevent their Opportunities to Get On. 87% of colleagues on the programme feel their sponsor will support their career and development plan.

Arrival Education partnership

Working with Arrival Education, our Executive Committee members participated in a mentoring programme to support young, diverse talent outside our business – giving them the inspiration, insight and skills to drive meaningful change in developing socially and ethnically diverse talent within Tesco. Across our two cohorts for 2021/22, 57% of mentees identify as Black.

The programme matches Tesco mentors with mentees – where mentees gain confidence; feel empowered to create change; and develop confidence in corporate leadership, and our mentors gain a deeper, authentic understanding of the challenges Black talent face, and what they as leaders need to do to support and drive change. We extended this mentoring programme to all business leaders in 2021, with the final cohort due to complete in February 2022.

Business Diversity Internship

In September 2021, we welcomed colleagues on our first Business Diversity Internship, offering undergraduates from diverse backgrounds the opportunity to gain 10 weeks paid work experience. 45% will be from ethnically diverse backgrounds, compared to 14% in 2020.

Our first cohort of interns joined in June 2021, with 36 young people across 14 functions. 46% of colleagues are from an ethnically diverse background (an increase of 19% from 2019/20), with 17% identifying as Black. 72% of our interns are offered a place on our 2022 Business Graduate Programme.