



If Not Now, When?.

Our progress towards a more inclusive workplace

March 2023

TESCO

Foreword.



Tesco is proud to be in its second year of supporting the If Not Now, When? campaign for Black inclusion in the business.

We continue to make good progress in increasing Black inclusion at Tesco and I am particularly proud that we launched our Black Action Plan this year. This sets out our priorities for improving Black inclusion for our colleagues, our suppliers and across our communities. But, we know there is more we can do which is why we continue to push ourselves to deliver change.

We will work together to learn more, challenge what we do and drive change, and make Tesco a place where all colleagues have equal opportunities to get on.

In our second report, we are sharing an update on our progress against the six commitments we made publicly when the campaign launched, and how we'll be developing these even further in the future.

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

Diversifying the face of the organisation.

We continue to make progress towards becoming a more diverse and inclusive business, and we are pleased to be able to provide an update on this 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. This year we're also reporting the diversity of our top global leaders for the first time, alongside our Board, and have set new targets that 35% of our global leaders will be female and 14% will be from an ethnically diverse background by 2025. We aim to report our progress annually.

Race at Work Charter

Since we first signed up to the Race at Work Charter in 2019, we have met four of the Charter's five original commitments and are on track to meet the remaining commitment. This includes appointing Jason Tarry, our UK & ROI CEO, as the Executive Sponsor for our Race & Ethnicity at Tesco colleague network. The role involves being accountable for Race within the business, and taking action that supports the career progression and inclusion of our ethnically diverse colleagues.

In October 2021, the Charter introduced two additional commitments around amplifying allyship and addressing inequalities in supply chains. We are making good progress in these areas and are also working towards gaining more detailed information on the ethnicity of the suppliers we work with, to identify opportunities for further support.

"In an ever-changing landscape, I am proud to say that we are still 100% committed to driving better Black inclusion and representation across our business. Our plans are continuing to accelerate at pace and with the support of our leaders and colleagues I am excited to see the changes being introduced to make a difference to our Black colleagues."

Toni McKay,
Head of Group Diversity & Inclusion



Leading the conversation on Race.

We continue to focus on equipping our leadership teams with the tools they need to lead conversations around race from the top down, and to support other colleagues in starting their own conversations.

It has been over two years since the murder of George Floyd and we have made significant changes in our business to ensure our Black colleagues feel listened to and supported, and to move towards a more inclusive and diverse workplace.

This is now the third consecutive year that our Executive team have run open check-in sessions and discussions with our Black colleagues, which were first established in the aftermath of the murder of George Floyd. These sessions are open to colleagues from all ethnically diverse backgrounds and help us to understand what they are feeling and how they would like to be supported. They also propel our work in making Tesco a more inclusive business that truly listens to its colleagues and takes actions on issues that matter most.

Alongside our listening sessions, our colleague networks and Every Voice Matters survey provide our business with the opportunity to listen to and elevate diverse voices to understand where we can do more.



“Through encouraging the leadership team to grow their understanding of race fluency, discussions on race are becoming embedded in the everyday conversations we all have. A key enabler of the Black Action Plan is to ensure we provide safe spaces for everyone to be able to contribute and that’s why our partnerships with BITC, Black British Network and Making of Black Britain are so important in helping us to become more comfortable in the uncomfortable. As the Director sponsor of the Race and Ethnicity Network it’s my job to be a visible role model – ensuring that colleagues see that showing up, interacting with others respectfully and with curiosity really can make a difference.”

Jonny McQuarrie,
Chief Operating Officer, Booker Group

Our Executive and Nomination Committees are regularly updated on the findings of our talent planning meetings, where ethnicity is discussed. As a result of these meetings, our Executives can review the performance and progress of the business against our Talent aspirations, and understand where more targeted intervention is needed.

The [Black British Network](#), which was set up by Cephas Williams and founded by Tesco, helps to bring about lasting systemic change for the Black community.

Our UK & ROI CEO, Jason Tarry, delivered a keynote speech at the latest Black British Network conference and regularly participates in Black British Network roundtable discussions that aim to change collective thinking, understand the needs of Black communities, and identify tangible actions surrounding Black inclusion.

Over 2021 and 2022, 38 Business Leaders also participated in Arrival Education’s mentoring programme to gain the inspiration, insight and skills to drive meaningful change in developing social and ethnically diverse talent across our business.

Launching our Black Action Plan.

We all need to do more to support a more inclusive society, in the communities we live in and the places that we work. Tesco is on the next phase of our inclusion journey and while we know there is more work to do, we are starting to make steps to get there.

In 2022, we launched our Black Action Plan, which focuses on understanding the disparities and challenges faced by Black colleagues to deliver lasting change, both inside and outside of our business.

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

Our Progress

Through our Plan, we're already making clear progress in line with our priorities and are helping to drive awareness and understanding of Black lived experience.

Talent Equity

This year, we launched a development community intended to level the playing field and accelerate the development of internal Black Talent. We have also relaunched our Being an Active Ally guide, which was co-created with AKD Solutions, a Black-owned and led learning provider. We have also developed an inclusive talent toolkit.

This will equip People Teams and Line Managers to identify, develop and realise internal Black Talent.

We're working to build presence and trust in Black communities across the UK, from sponsoring Black British Pride and the Black Business Show to becoming the headline sponsor for the Black British Network conference.



Talent

increase black representation at every level by 2030



Community

direct 3% of our community contributions to the Black community by 2030



Commercial

increase Cost of Goods Sold (COGS) with Black-led suppliers and support our suppliers to drive Black inclusion



Brand

direct more New Product Development to address unmet needs of Black customers

“The Black Action Plan aims to begin to solve the complex problem of systemic racism, by addressing barriers which have a disproportionate impact upon the Black community. Our Black Action Plan was inspired by the Letter to Zion and sets out to deliver an equitable future for the Black community, by using Tesco’s scale for good. Although there is a long way to go, it is satisfying to see the momentum around our plans translate into tangible outcomes for the Black community.”

Leon Donald, Head of Buying and Supply Chain, Tesco Mobile & **Marie Caliskan**, Head of People Operating Model, Tesco

We have also joined up with Black Young Professionals Network, to promote some of our key job vacancies across Commercial Product, and Digital Media Agency, Penna, to track our engagement rates and applicants.

Community Equity

We continue to support our Black communities by inspiring young talent and our workforce of the future. By surfacing the community data held by GroundWork, our community charity partner, and our Apprenticeship and Graduate team, we've identified specific geographies and communities to engage with.

Through our partnership with Lilian Baylis School, we've run summer work experience days and careers fairs to help students recognise their own potential and the various career opportunities available to them.

Our colleagues also play a vital part in the work we do to engage Black communities. This year, 20 of our colleagues were given the opportunity to enrol in a digital storytelling workshop, in partnership with [The Making of Black Britain](#), with the goal of archiving the stories of Black colleagues and allies.

Commercial Equity

As a business, we're proud to have launched some highly successful Black-owned brands across our stores and online. This year, we attended the Black Business Show to continue growing our engagement with Black business owners, to better understand the issues faced by Black suppliers, and to build connections across the market.

In addition, we launched the RangeMe tool within Tesco, an online sourcing platform that allows suppliers to showcase their ranges and link with retail buyers looking to discover new products. As a result, we have made significant progress with our supplier-facing technologies to add diversity attributes into our product categorisation systems. With these developments, we hope to lead the way on convenient retail solutions and improve the overall shopping experience for our Black customers.

Brand Equity

Finally, we've used insight to better understand the needs of our Black customers, and have created a plan to identify and address gaps within our range of products. Using these insights, our Product team can develop an inclusive range that serves the needs of all of our customers. For example, we recently improved the colour range for our lingerie and hosiery to make it reflect a range of skin tones and introduced an Afro-Caribbean hair care range.



“Having a clear understanding on where we are with Black owned and led businesses and then having the right attributes added to our internal and external systems will allow us to track our progress over time. This in turn will ensure we remain focused and accountable for the targets we set as a business. We have made great progress in the last 2 years, but our focus will continue to be on addressing and removing the barriers Black owned businesses face.”

Claire Urquhart-Deane,
Lead Buying Manager, Garden & Home Utilities

Measuring and capturing data.

“Better understanding the diversity of our workforce is critical in helping us to shape and inform our plans for colleagues. Using diversity data and insight enables us to set stretching ambitions, and hold ourselves to account against the progress we are making. As a proud sponsor of the Talent Equity pillar of the Black Action plan, I believe that continuing to ensure we are data led in our approach is critical to increasing black representation at every level by 2030.”

Rachel Bushby,
Group Talent and Capability Director

Capturing data is essential in understanding our business and helping us to recognise where we are doing well and where we have opportunities to do more.

ESG Reporting

This year, we are reporting on the diversity of our top global leaders for the first time. We have set new targets that 35% of our global leaders will be female and 14% will be from an ethnically diverse background by 2025, in order to better represent the communities that we serve.

We will report our progress annually and the results of our reporting will be linked directly to our Performance Share Plan (PSP).

This is Me

As part of our internal This is Me campaign, we continue to capture our colleagues' personal diversity data to better understand where and how we need to improve. The campaign is led 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 doing so and are able to update this response at any time.

This year, 76% of our office colleagues and 63% of our channels colleagues in the UK took part in the survey, which is an overall increase of 25% year-on-year (YoY). Our aspiration is to achieve 70% participation in the next year.

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 for an internal-facing ethnicity pay gap report, so we can start to see the picture it is showing us and share this with colleagues.

As one of the UK's largest private sector employers – with over 300,000 colleagues – we know that collecting this data to create a full picture of our business will take time. We recognise the importance of this information and aim to achieve a full completion rate in the near future.

Every Voice Matters

Our Every Voice Matters survey helps us to better understand how our colleagues feel about working at Tesco and what areas we need to act upon. As part of this survey, we analyse the data across various diversity characteristics, including specific ethnic groups. We 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, 87% feel that Tesco is a great place to work, with ethnically diverse colleagues showing the highest advocacy levels overall. Of this same demographic, 82% also say that they feel listened to in the workplace.

Additionally, 91% of our Black British/Black African/Caribbean Black British colleagues and 89% of our mixed heritage colleagues say that their manager makes everyone in their team feel welcome.

Attracting, retaining, and developing talent

Throughout the recruitment and hiring process, we ensure inclusivity is at the forefront of our decision-making and always aim to reflect the diversity of the communities we serve.

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.

A journey of learning.

We are committed to supporting all our ethnically diverse colleagues and learning from their lived experiences, to ensure that our business can undertake a necessary journey of learning and change.

“A proud addition to our D&I journey is our F&F Book club that has now been renamed Tesco D&I Book club. We meet virtually every 6 weeks and discuss our latest D&I book. We have created an amazing safe space with like-minded people, where we can learn from each other and have those uncomfortable conversations that ultimately make us better allies to all marginalised communities. We keep the conversation alive and everyone is welcome.”

Linda Begnor,
Assistant Merchandise Planner

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

Our UK colleagues complete mandatory 'Everyone's Welcome' training to help them understand the importance of diversity and inclusion at Tesco, and the responsibility we all have in helping everyone feel welcome. Masterclasses on topics including bias, intersectionality, privilege, and race fluency form part of our core learning offer for directors and business leaders.

Other self-led resources shared with colleagues this year include our updated guide on 'Being an Active Ally'. The guide is structured to help colleagues grow their understanding of what true allyship means and moving from passive to active allyship.

We continue to hold regular listening sessions with our colleagues networks, hosted by Executive sponsors. These sessions provide a safe space for all colleagues to recognise intersectional identities, and allow for colleague networks to collaborate, share their experiences, and create new opportunities to learn and develop within our business. Our most recent sessions have included 'Menopause for Black women' and a conversation with Munroe Bergdorf, who shared her experience as a Black transgender woman with our colleagues.



The elevation of Black voices.

With and for our colleagues

Our Race & Ethnicity colleague network helps us to celebrate our differences and build colleague resources around topics including race and allyship, to drive awareness and inclusion.

The network includes a specific Black Voices Advisory Group that meets regularly to discuss how we can better support colleagues and provide feedback on wider business initiatives and project work.

Throughout the year, we regularly share colleague stories – both from a personal and a career perspective – across a variety of internal and external channels. This includes our internal colleague website and social platform, external LinkedIn page, and Tesco PLC website.

We also acknowledge and/or celebrate key cultural dates, including Windrush Day and Black History Month. In 2022, we hosted our first ever Black History Month Festival, consisting of a series of events for everyone highlighting that Black History is our History. The Festival was an opportunity for colleagues to hear from some great speakers and sample some delicious food. As part of the Festival, our colleagues were invited to hear first-hand about allyship, increasing Black equity in our communities, and Black lived experiences.



We also celebrated the work we have been doing on the Black Action Plan. This included a showcase of the Black owned suppliers we have and a well-attended discussion with Jason Tarry on his role as an ally, hosted by Diane Louise-Jordan, founder of The Making of Black Britain, a digital oral history archive documenting life stories and experiences from Black British communities.

We also partnered with The Times and The Sun to release a series of articles on the actions we've taken to create an inclusive culture, featuring a number of colleague stories and a piece from Leon Donald, Head of Buying and Supply Chain, on how Black colleagues have been empowered to develop the Black Action Plan.

“The Making of Black Britain was an amazing opportunity to sit in a safe environment with colleagues and allies who are all invited to share individual stories of what it was like to grow up in Black Britain. Getting the chance to work with the brilliant MOBB team who help you to then bring your story and voice alive digitally is such a rewarding experience.”

Mark Cowell,
Store Manager of Brixton Superstore

Programmes for Black inclusion and progression.

“The Diverse Talent Community is helping me build my confidence and enabling me to bring my full authentic self to work. One of the most powerful quotes I’ve reflected on during our training modules is “waking up to who you are requires letting go of who you imagine yourself to be” – Alan Watts. It took a while to understand, but I interpret it to mean we all have the power to craft our own identities and that power should be held by oneself rather than others. It’s an impactful reflection for colleagues from diverse backgrounds who may be battling with code-switching, heightened imposter syndrome, or negative internal dialogue in the workplace. I am grateful that Tesco is bringing these conversations to life through the Diverse Talent Community and helping us overcome barriers like these in our careers.”

Jahnae Gumbs,
Business Graduate

Diverse Talent Communities

Our Diverse Talent Communities are directly sponsored by senior leaders, and support our emerging talent colleagues from underrepresented communities through career planning, guidance and increased visibility. This year we launched a dedicated Black colleague cohort as part of the Diverse Talent Communities initiative.

With this dedicated cohort, we aim to address the barriers and challenges faced by many Black colleagues in the workplace. Colleagues within the Black colleague cohort will receive additional modules tailored to their lived experience run by Black facilitators. We also want to provide Black colleagues with the opportunity to build co-mentoring relationships with allies: 38 colleagues have volunteered to explore their journey to allyship with sessions run by Black facilitators.

Amongst our 21/22 cohort, 94% of our colleagues said they feel that the scheme will help them reach their potential, and have more confident career conversations.

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 will help them understand their potential.

Business Diversity Internship

In 2022, our Business Diversity Internship entered its second consecutive year, supporting external candidates that identify as ethnically diverse; disabled or with a long-term health condition; LGBTQ+; or socially, economically disadvantaged. 70% of candidates taking part in the 10-week paid experience were female, 81% from an ethnic

minority background, and 22% with a disability. Feedback has been positive, with a satisfaction rate of 95%. 71% of interns from this programme were offered a place on our Business Graduate Programme.





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