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Food and Drink
Inclusion and Diversity
Report 2021

Foreword

Inclusion and diversity is one of the most important issues in British society. Social inequities which have long existed along the lines of race, ethnicity, gender identity, sexuality, age and disability have been exacerbated and highlighted by the COVID-19 pandemic. In turn, we have seen heightened social awareness and social activism as everyone from school children to professional athletes has tried to bring more attention to and address social inequalities. Whilst we live in a society with problems which need addressing, we should be encouraged and excited by the opportunities to make a meaningful impact on peoples' lives.

Within these wider discussions there has been an increased focus on workplace inclusion and diversity. There is a recognition that businesses need to consider inclusion and diversity principles when making key decisions and ensure that their workplaces are diverse and inclusive.

The food and drink manufacturing sector is no different to the rest of the UK economy. Conversations with FDF members, which have informed the bulk of this report, have made it clear that businesses within the sector are taking positive steps by closing gender pay gaps, thinking about the possible challenges – and solutions – with ethnicity pay gap reporting and implementing a range of initiatives to ensure that all groups feel valued.

The emphasis placed on having a strong inclusion and diversity mindset is not without good reason; an inclusive and diverse workplace improves business performances, enhances business reputation, widens recruitment pools, and makes it easier to retain and progress talent. Furthermore, creating workplaces in which a diverse talent pool feels valued and included has a positive impact on both the mental and physical wellbeing of staff.

This report recognises the steps taken within the sector. However, it is imperative that rather than focus on how we have progressed we look to how we can improve. More needs to be done to increase the diversity of our workforce, particularly in senior leadership roles, and the sector should make more concrete commitments to embodying inclusion and diversity principles. With social activism happening all around us and a generation of young people increasingly conscious of the issues facing society, our sector has an opportunity to become a leader in inclusion and diversity and support people at every stage of their life and career.

As the UK's biggest manufacturing industry, employing people in every part of the UK and providing to customers of all backgrounds, it is our responsibility and privilege to be at the forefront of driving the positive change within UK workplaces. We have the chance to create a legacy as a sector that made a tangible impact on people's lives and this report is only the start. By prioritising inclusion and diversity and through collaboration, sharing best practice and always considering how the sector can improve, collectively we can make Food and Drink manufacturing an example for all to follow.

Jill Coyle
Apprenticeship Manager, Nestlé UK&I
Member Chair, FDF Employment & Skills Forum

Introduction

Food and drink manufacturing is the largest manufacturing sector in the UK. It is a crucial part of the economy, generating over £28 billion of added value each year. 430,000 people across every UK constituency are employed in the sector carrying out vital work to ensure that the people of the UK can enjoy high quality food and drink. As the voice of this sector, the Food and Drink Federation (FDF) works hard to ensure that we input into the major policy conversations as they happen and there are few issues today with greater importance than inclusion and diversity in the workplace.

This report is our contribution to the wider discussions about the current state and future of workplace inclusion and diversity. From conversations with members and other research, we have provided an overview of inclusion and diversity in our sector, the areas in which the sector performs well, where there is room for improvement, and the steps which can be taken to continue the progress already made.

The report begins by providing some background to inclusion and diversity in the sector, with a summary of the main findings from the 2019 report *Diversity in Food and Grocery* and an overview of the UK's workplace inclusion and diversity regulatory framework. This is followed by an overview of the key findings from conversations with members on their experience of gender pay reporting and the anticipated opportunities and challenges of ethnicity pay reporting. The main body of the report concludes with a set of guidelines for improving inclusion and diversity in the workplace. This is followed by an appendix of best practice case studies from our sector.

Background: 2019 Diversity in Food and Grocery Report

In 2019, the MBS Group and the Institute of Grocery Distribution (IGD), in association with PwC, published a report titled *Diversity in Food and Grocery.* The report summarised the state of inclusion and diversity in the food and grocery industry and how the sector could improve.

Data was collected from over 200 companies and conversations were had with over 100 Chairs, CEOs and HR Directors. The key findings were:

- The sector was marginally behind the UK economy in key areas including female representation at board and executive committee level and LGBTQ+ representation.

- A small majority of companies surveyed did not have in place a coordinated inclusion and diversity strategy, and that those who did have a strategy were usually prioritising focusing on gender over ethnicity, disability or sexuality.

- The level of inclusivity and diversity in the Food and Grocery sector was below the UK's cross industry average but there were signs of progress and ample evidence of best practice being implemented.

In the two years since the report, the UK's inclusion and diversity has changed significantly. Gender Pay Reporting is in its fifth year and Ethnicity Pay Reporting is likely to be introduced in the near future. Wider discussions around the inclusion of all protected groups are becoming more prominent with no indication they will end. In this report, we set to take stock of where the sector is now and set out a way forward. The report has three main purposes:

1. **Provide an overview of the current state of inclusion and diversity** in our sector, specifically the opportunities and challenges which have arisen from gender pay reporting and are anticipated to come with ethnicity pay reporting.

2. **Provide best practice for businesses** to replicate or draw inspiration from. We have a diverse set of case studies showcasing how companies within our sector are improving the inclusivity and diversity of their workplaces.

3. **Provide a starting point for our work with members on inclusion and diversity.** This report is the start of more conversations and should encourage meaningful actions.

1. UK workplace inclusion and diversity

Inclusion and diversity are commonly discussed together within the context of workplaces but there are crucial differences between what the terms mean:

- The diversity of an organisation concerns its demographic composition,
- Inclusion refers to how an organisation ensures that employees feel valued and the practices and organisational efforts made to ensure all individuals are treated equally.

The two often go hand in hand, but businesses can be diverse without being inclusive and vice-versa.

The UK's Inclusion and Diversity Regulatory Framework

The UK's inclusion and diversity regulatory framework is comprised of various laws, regulations, practices and reviews. The most significant of these are shown in the table below.

Compliance with regulations and efforts to meet targets – both internal and external – are important parts of improving workplace inclusivity and diversity. However, companies should go beyond what is required of them by law in order to fully embrace inclusion and diversity principles.

Regulation	Date introduced	Detail
The Equality Act	2010	Sets minimum non-discrimination standards relating to age, disability, race, religion, gender, marital status and sexuality (these are known as "protected characteristics") in the workplace.
Gender Pay Reporting	2017	Under a regulation added to The Equality Act (2010) large companies (those with over 250 employees) must report six data sets each year: 1. The difference between the mean hourly rate of pay of male and female full-pay relevant employees 2. The difference between the median hourly rate of pay of male and female full-pay relevant employees 3. The difference between the mean bonus pay paid to male and female full-pay relevant employees 4. The difference between the median bonus pay paid to male and female full-pay relevant employees 5. The proportions of male and female relevant employees who were paid bonus pay during the relevant period 6. The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands
The Parker Review	2016	Set out objectives for business leaders to improve the ethnic and cultural diversity of their boards. The review proposed: • Increasing ethnicity diversity of FTSE100 boards • Developing pipelines for ethnic minority talent into leadership roles • Improving transparency through the disclosure of company records
Ethnicity Pay Reporting	Currently voluntary	• Discussions about making Ethnicity Pay Reporting mandatory have gained traction in recent years • Introduction of Gender Pay reporting incentivised companies to change behaviours and promote equal opportunities for women in the work place • UK government ran a consultation from October 2018 to January 2019 on the introduction of mandatory ethnicity pay gap reporting for large companies • Equality and Human Rights Commission (EHRC) who are responsible for enforcing gender pay reporting support its introduction
Financial Reporting Council Corporate Governance Code	1992	All companies in the Premium segment of the London Stock Exchange are required to report annually on how they have applied the Code. Among the principles set out are: • "a company's culture should promote integrity and openness, value diversity and be responsive to the views of shareholders and wider stakeholders" • "appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths"

2. Gender Pay Reporting in food and drink manufacturing

The only pay reporting required by law (for large businesses only) is for gender. Data from the Office for National Statistics found that Food and Drink Manufacturing sectors have made significant progress in this area and now have a better than average record when it comes to Gender Pay.

The median and mean gender pay gaps in both food and drink manufacturing have declined significantly between 2015 and 2020. Further, the average median and mean for both sectors since 2017 (when gender pay reporting was introduced) have remained below the figures for all UK sectors and all manufacturing sectors.
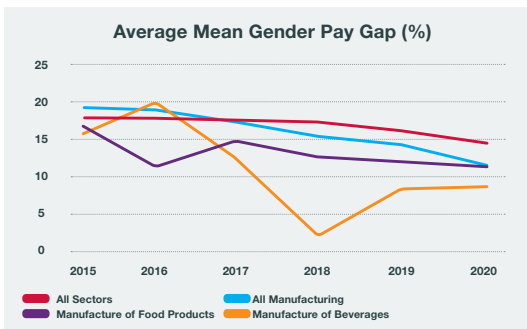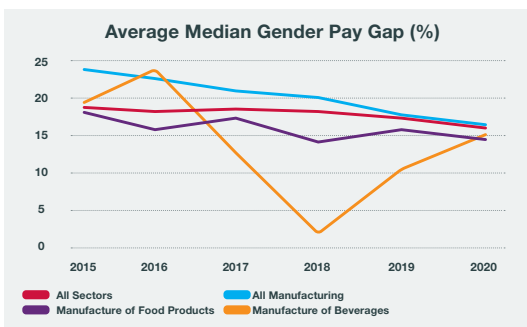
These statistics reflect well on our sector. However, several members stated that they employ a large proportion of men in either lower or higher paid roles and that the women in the company are concentrated in middle management or professional roles. This creates an earnings gap between men at the two extremes of the organisation

which balance each other out. To improve the representation of women across all levels of the company, more can be done to make factories and board level more female friendly environments.

FDF members have responded to the introduction of Gender Pay Reporting by making greater efforts to recruit, retain and facilitate the progression of female staff to close the gender pay gap. A variety of initiatives and practices have been implemented.

Anonymous CVs. One member spoke of piloting an initiative to anonymise senior leadership CVs.

External KPIs. Other companies make public commitments to reducing the gender pay gap. One company announced an external KPI to achieve 40% of women in leadership by 2020, stating that recruitment and attraction were the primary ways in which they would meet this target.

Unconscious Bias Training. The effectiveness of unconscious bias training is contested. Innocent Drinks launched 'Think Again' - an in-house unconscious bias training course for everyone working in the business.

Recruitment Events. Several members spoke highly of female Science, Technology, Engineering and Maths (STEM) recruitment events. These were cited as providing a great opportunity to meet women directly and speak to them about the opportunities at their businesses.

Networking groups. A common approach geared towards retaining female staff is creating female networks with a direct line of communication with senior leadership. These networks also provide opportunities for networking between women in the company.

“ Our gender pay gap can be explained by the fact that our senior roles are predominantly held by men whilst the majority of our workforce below this level are women. We have built a strong pipeline of female talent in many areas of our business. However, we must continue to do more to develop women and enable them to reach the higher levels in our business, helping reduce our gender pay gap further. Bonuses are gender neutral, however due to there being more men in senior roles this impacts the figures. ”

**Mondelēz International:
UK Gender Pay Gap Report 2020**

2. Gender Pay Reporting in food and drink manufacturing *contd*

Other inclusivity groups. One FDF member set up an affinity group with senior leadership sponsors. Another member launched an inclusion ambassador programme, as well as a change initiative network which helps to address many topics including gender equality helping to initiate activity and measure progress in achieving gender pay equality.

Employee surveys. Female career surveys are common amongst our members and allow them to identify what female staff want from their careers.

Flexibility. Many members have taken positive actions by providing greater flexibility with working hours and increasing maternity pay to encourage more women to return to work.

Challenges with Gender Pay Gap Reporting

Gender pay reporting has encouraged our members to implement changes to address gender pay gaps. However, members also made it clear that there are still three main challenges with the process:

1. Data collection
2. Data interpretation
3. Communicating the findings.

1. Data collection
FDF's members have had difficulties creating appropriate systems for collecting data and ensuring that the data collected remains consistent year on year to allow for progress tracking. Additionally, many members are frustrated with the time needed to collect the data and the complexity of the formulas required to be used by the Government.

2. Data interpretation
Members found that the collection process did not account for variables which skew the data, such as full and part time staff not being distinguished when companies report.

Additionally, the data collection process did not allow for the explanation of certain nuances. For instance, several of our members have a historical over-representation of men in certain roles which attract a higher salary due to the skill and knowledge required to undertake them. Furthermore, low staff turnover, while undoubtedly a positive sign for the industry, because of loyal and long-serving workforce, means it will take time for opportunities to open and for more women to progress into more of these roles.

A final issue is one facing larger companies. In these organisations, apprentices are a key tool for bringing in more diverse talent with the intention to progress them up the talent pipeline. However, having a successful diverse outreach at apprenticeship or entry-level can make the pay reporting look worse than if a non-diverse pool had been recruited. A snapshot of data can be easily misinterpreted if there is no allowance for sufficient context.

3. Communicating findings
Some members said that employees struggle to understand the distinction between equal pay and the gender pay gap and require HR to explain the data results to these employees. The reality of the gender pay position is very nuanced, yet the reporting requirements are very black and white and do not allow for a more granular analysis and interpretation. To ensure that findings are explained, HR employees are required to write a narrative describing the data in complex businesses in a way that is easy to understand and helps people see beyond the data.

> " Organisations must take action at each stage of the recruitment process – this could mean actively reaching out to a wider, more diverse pool of candidates; anonymising CVs to avoid unconscious bias; and judging all candidates against an impartial, skills-based selection criteria. "
>
> **Recruitment & Employment Confederation**

> " Since it was launched, the training has had a few facelifts with different people leading it and changes to the content as we've learnt more, and we've now rolled it out across all our European offices. We know it's not a cure-all to solve inclusion and diversity and we also know there's quite a bit of criticism out there for unconscious bias training in general (some people ask how effective it actually is) so we always keep a close eye on the latest thinking. "
>
> **Innocent Drinks**
> (See appendix 1 for more detail)

3. Ethnicity Pay Reporting in food and drink manufacturing

Unlike gender pay reporting, ethnicity pay reporting is not a legal obligation for UK businesses but there is increased demand to change this. A 2020 petition on the issue received over 130,000 signatures and the Government committed to respond to it by the end of 2020. The Coronavirus pandemic and the UK's withdrawal from the EU meant the response has not yet been given.

With the expectation that ethnicity pay reporting will be introduced sooner rather than later we spoke to our members about the anticipated challenges with collecting and reporting such data. There were concerns about the lack of clarity from the government about how the reporting will work, low levels of employee participation and possible negative consequences of having a large ethnicity pay gap. We commissioned the law firm Walker Morris LLP to provide an overview of these potential challenges and offer solutions to them.

Walker Morris: Challenges and Solutions with Ethnicity Pay Reporting

WALKER MORRIS **WM**

Andrew Rayment, (Partner) and **Charlotte Smith,** (Senior Associate), are both in the Employment Law Team at law firm Walker Morris LLP

The Problem: Ethnicity Pay Gaps

Ethnicity pay gap reporting can be a vital first step in addressing inequalities faced by ethnic minorities in the workplace. In Baroness McGregor-Smith's independent review in 2017, Race in the workplace, she concluded: "no employer can honestly say they are improving the ethnic diversity of their workforce unless they know their starting point and can monitor their success over time".

As companies are awaiting to hear the government's response to the 2018 pay gap consultation, many businesses have been left wanting to act to remedy any ethnicity pay gap that exists, but not knowing how to carry out the necessary preparatory steps of collecting and analysing the data.

Although the Government has committed to responding to the consultation, businesses should not be deterred from collecting data on ethnicity and pay now. It is recognised that there are three main challenges:

1. employee participation
2. legal issues such as discrimination and data protection
3. producing meaningful data

We consider below how businesses can address each of these challenges and promote best practice.

Challenge One: Employee participation

The MBS Group survey indicated that the most significant challenge is a lack of participation from employees. Reluctance to disclose sensitive personal information is often underpinned by a lack of trust in the employer. The EHRC said in its response to the consultation: '...those which are most successful in encouraging staff to share information on ethnicity tend to put significant effort into demonstrating why they are collecting the data and how it will be used to drive meaningful change in the workplace.'

Nationwide: Increasing Employee Participation

Nationwide Building Society increased participation in diversity data collection from 26% in January 2015 to 97% in December 2016. Its method was clear: tell employees why the data is being collected and how it will be kept confidential. For example, the aim might be to create an action plan to address any pay gap, with measurable targets for the business to be held accountable to – this would be a clear statement of intent which employees could buy into. In terms of confidentiality, strict compliance with data protection principles, as set out below, will signal to employees that the employer is serious about safeguarding their data.

An alternative solution is creating an employee working group tasked with driving inclusivity and diversity within the business

3. Ethnicity Pay Reporting in food and drink manufacturing *contd*

– particularly given the recent social and political drive for better awareness and education about the challenges faced by ethnic minorities. Employees can be encouraged to participate by creating a direct line of communication between the senior executive team and representatives of ethnic minorities – allowing employees to be part of the organisation's change.

Challenge Two: Legal issues: discrimination claims and data protection

The second set of challenges faced by employers encompasses both the perceived risk of claims associated with reporting the data and the question of how to lawfully collect and process employees' data.

There is concern that acknowledging an ethnicity pay gap could encourage pay-discrimination claims. However, having an ethnicity pay gap is not, by itself, evidence of discrimination. Rather, the point of collecting the data is to acknowledge that there is a gap, address any potential underlying bias or discriminatory practices, and promote inclusion and equality to close that gap.

In terms of data protection, best practice is to anonymise the data, thereby taking it outside the scope of data protection legislation. However, this may be difficult, particularly if a business employs only a small number of individuals who identify as a certain ethnic minority, therefore making them more easily identifiable, especially when combined with their salary.

Employers may be able to rely on a 'lawful basis' to process ethnicity data, such as where it is necessary for the purposes of ensuring equality of opportunity within the organisation. As the data will be 'special category' data, there are additional requirements to comply with and specialist advice should always be sought. Compliance with the principles of the General Data Protection Regulations will also involve implementing an appropriate policy, explaining how the employer will process the data and covering matters such as data integrity, confidentiality, retention and erasure. In addition, it is best practice to conduct a 'data protection impact assessment' to identify risks to the rights of employees and how they will be protected.

Challenge Three: Meaningful data

The government's consultation sought responses on what information should be collated to provide meaningful results, suggesting three distinct options: binary, granular and banded/quartile. All three are intrinsically problematic.

A binary data collection, comparing white employees with non-white employees through a single average hourly pay figure, fails to appreciate, and could mask, the divergent experiences of ethnic minorities within a business, for example, where certain ethnic minorities are well represented in leadership roles and others are not.

A granular approach, where several pay gap figures are produced by comparing each ethnic minority group against white employees, is susceptible to well-paid, unrepresentative individuals skewing the data, particularly in businesses or regions with small numbers of individuals identifying with certain ethnicities.

A pay bands or quartiles approach, whereby an average would be taken for each pay band or quartile, should generate meaningful results. However, breaking ethnic groups down further into pay bands/quartiles increases the risk of individuals becoming identifiable. Employers should therefore consider whether to omit such groups from their report, or combine the statistics with other ethnic minorities. To ensure that meaningful results are produced, groups should only be combined where they have similar pay gap data.

Promoting inclusion and diversity

Once data has been collated and analysed, employers will need to consider how to address any gaps. Some ways to do this are:

- renewing the business' core values to emphasise its commitment to diversity
- signing up to the BITC's Race at Work Charter
- taking positive action (different to "positive discrimination") in recruitment and promotion to address under-representation;
- implementing mentoring programmes
- participating in careers talks in schools to tackle the issue at grass-roots level
- regular communication with employees about the steps being taken and the progress made.

To measure progress, employers must know their starting point. The challenges of ethnicity pay gap reporting should not discourage employers from taking the first necessary step towards true inclusivity and equality of opportunity.

4. Improving Inclusion and Diversity of other protected groups

Improving the inclusion and diversity of a company goes beyond addressing issues of closing the pay gap along the lines of gender and ethnicity. To be truly inclusive and diverse, companies need to improve the workplace for all individuals from protected groups. Members spoke about some of the initiatives they have implemented, more details of which are in the appendix.

Creating Employee Networks

Several FDF members have gone down the route of creating employee-led networks to represent traditionally marginalised groups. **Britvic** have several networks, including the B-Proud network which represents the LGBTQ+ community, the B-Seen network supporting employees with disabilities and the B-Diverse network which champions colleagues from all ethnic minorities. Kellogg's and Nestlé both have exceptional LGBTQ+ employee networks, the latter being nominated for a British LGBT award in 2020.

External Partnerships

Another common approach has been to set up partnerships with charities or other organisations representing protected groups. **Coca-Cola European Partners** has several partnerships in place. They have partnered with, among others, Uptree - which helps young people from diverse backgrounds and vulnerable groups - and Whizz Kids which supports disabled people. **KP Snacks** have worked with Hart Gables, a charity based in Teeside which supports the local LGBTQ+ community.

Training

Premier Foods introduced an unconscious bias and inclusive leadership training programme in 2019. The sessions were delivered in collaboration with the not-for-profit human rights organisation *The Human Library.* The aim is for every colleague in the business to have some form of awareness training by the end of 2021.

More detail on the above initiatives can be found in the Appendix.

5. Benefits of inclusive and diverse workplaces

Having inclusion and diversity at the heart of your business is about more than showing an awareness of its importance to employees. Creating an inclusive and diverse workplace can give your business a competitive advantage in multiple ways.

Business Performance

There is considerable evidence to show that having a diverse and inclusive workplace improves business performance in multiple ways:

Increased profits. A 2018 McKinsey & Company study found that companies with above average gender or ethnic diversity were more likely to achieve profits above the industry average. Similarly, research by Boston Consulting Group found that companies with diverse leadership had a 19% increase in revenue compared to less diverse counterparts.

Improved decision-making. A 2017 Forbes study of the Cloverpop decision-making database found that inclusive and diverse teams make better, faster decisions with better outcomes than less diverse counterparts.

Better innovation. Having a diverse cohort which feel included and valued brings more ideas to the table and encourages innovations which may not occur amongst a group of people from similar backgrounds. A Harvard Business Review survey of 1,700 companies across eight countries found that the most diverse companies were more innovative. Furthermore, diverse teams are better at identifying new market opportunities and creating products and services which meet the changing needs and wants of customers.

5. Benefits of inclusive and diverse workplaces *contd*

Enhanced reputation

Having a strong inclusion and diversity record enhances a company's reputation and marks a company out as an attractive place to work. 67% of respondents to a Glassdoor survey said a diverse workplace was key in determining where they wanted to work.

Increased talent pool

By embracing inclusion and diversity principles you are widening your available talent pool and increasing the chances of finding the best employees.

Retention of talent

There is evidence from other sectors that retention of ethnic minority talent is a serious issue. In law firms for example, ethnic minority employees are more likely to leave, mostly because they have experienced racism in the workplace (84% experienced implicit racism, 35% experienced explicit racism). The knock-on effect of this is that senior positions become dominated by white employees, which in turn can create a bias towards hiring and promoting other white employees into senior positions and the problem becomes self-perpetuating.

By creating a diverse, inclusive workplace free of discrimination, you are more likely to retain talent from protected groups and help them progress. Retaining diverse talent helps with hiring diverse talent and reducing pay gaps along the lines of race, gender and other protected characteristics. Another positive side-effect of greater retention is reducing costs associated with hiring new staff.

6. Proposals

Based on conversations with members, the work being done in our sector, and additional research into work by other sectors, we've identified the following actions members can take to improve their inclusivity and diversity.

1. Ensure your senior leadership are on board

Meaningful progress in workplace inclusion and diversity happens when it becomes embedded within the company's culture which often requires senior leadership to be leading on the issue. If inclusion and diversity is not already a priority for your senior leadership team, you should consider what role you can play to drive inclusion and diversity within the team if you are part of it or how you can highlight its importance to senior leadership if you are not. You can also consider appointing a senior leader with a clear and specific mandate to develop and advance your company's inclusion and diversity strategy.

2. Define the importance of inclusion and diversity

Make it clear to people within and outside your business that you value inclusion and diversity and why it is important to you. For example, inclusion and diversity could be important to your business because you want the makeup of your business to reflect the makeup of your customer base.

3. Inclusive attraction, recruitment, and retention practices

Many of the members we spoke to highlighted that they have implemented measures to improve the diversity of applicants, new hires and those progressing within the company. These are positives steps but more can be done to ensure that our sector continues to progress:

a) Anonymise CVs. Anonymous CVs only include information relevant to the role being applied to. It does not include a name, gender, address, age or ethnicity and is designed to avoid hiring teams making decisions based on unconscious biases and can result in a more diverse pool of interviewees. However, the use of anonymised CVs does not guarantee more diverse hires as biases can reveal themselves at later stages of the recruitment process.

b) Improve job advert inclusivity. Job adverts should clearly state what the job is without over reliance on

6. Proposals *contd*

industry specific jargon which may put off people from other industries. Consider your messaging around meeting the job requirements as often candidates who are otherwise well qualified will not apply if they do not meet all requirements.

c) Create pipelines for protected groups to progress. Talk to your staff from protected groups and find out what motivates them in their career. When roles are made available, take on this feedback when designing job descriptions to encourage a more diverse range of applicants.

4. Establish a data collection and analysis process

Collecting accurate data, even if only for internal use, is key to identifying where gaps are in your company's inclusion and diversity commitment. Before collecting data, you can ask yourself:

- ✔ Are you sure what data you want to collect and why?

- ✔ Is it clear to your employees what data you are collecting and why?

- ✔ Is the data you are collecting and your method for collecting and storing it compliant with regulations such as GDPR and data privacy?

- ✔ How often will you be collecting data?

- ✔ Do you know how you plan to communicate actions from the data analysis and build them into your business objectives?

Once you have collected data, devote sufficient resources to analysing it. Drill down into the specifics; for instance, rather than analysing the collective experience of ethnic minority employees, look at the different experiences of different ethnic groups.

5. Join the FDF's Inclusion and Diversity Network

The FDF has been in discussion with members of our Employment and Skills Forum about the establishment of an inclusion and diversity network. The network will provide an opportunity for inclusion and diversity experts from our sector to come together to share best practices in an informal networking environment. If you are interested in joining this network, please email **Griffin.Shiel@fdf.org.uk**

Conclusion

The efforts of the food and drink industry to create more inclusive and diverse workplaces have been substantial and should be lauded. However, our sector can go further to become a leader in workplace inclusion and diversity.

As a starting point, data collection and interpretation are still obstacles for many of our members when it comes to identifying the gaps in their inclusion and diversity policy. Beyond this, there are still the challenges relating to legal implications relating to low diversity levels, not knowing how or whether to set goals or quotas, and a lack of resources to devote to this important area.

Still, inclusion and diversity remains a high priority for the food and drink manufacturing sector and for FDF. An October 2020 IGD benchmarking survey of food and drinks businesses found that 83% say diversity and inclusion forms part of their senior leadership conversations and that 25% have implemented a strategy in the past year.

These findings are backed up by our conversations with members who are keen to do more. Focus groups with employees, creating spaces to share views and experiences, are increasingly common and companies have found them useful in getting employees to open up in ways they previously had not. There is also an increasing focus on leadership accountability. Many employees felt that the inclusion and diversity initiatives were coming from a grassroots level. Furthermore, it remains a fact that most boards in the industry are male dominated, meaning that they must work harder to reassure their employees that they are listening to them and that change is happening.

This report is only the beginning of the FDF's work in this field. We have seen significant progress this year but also a recognition that more can be done. By working together with members and sharing best practice, the FDF and its members can take the lead in turning the food and drink manufacturing sector into a leading example for other sectors of how to create inclusive and diverse workplaces.

Appendix: Best Practice case studies from FDF members

1. Innocent Drinks – Governance in the workplace and unconscious bias

Innocent Drinks' I&D strategy is based on 3 key elements: The Why (innocent commitments to I&D), the What (5 principles and the list of tools to make them happen) and The How (a maturity assessment process and annual action plan for each office).

They have spoken to experts and considered what other companies have done. They then reviewed the tools already in place versus the new ones needed to be made from scratch, as well as asking everyone who already works at innocent what they thought about I&D, to understand and learn from their experiences.

"We know that our regional offices are really unique and exist in different legal contexts from each other, so we have created a maturity assessment model to track each office's plans for I&D. The strategy is global but each region will be responsible for delivering and owning their bit of it."

Innocent Drinks launched 'Think Again' – an in-house unconscious bias training course for everyone working in the business. 'Think again' is a chance to understand their responsibility to minimise the serious impact that bias can have.

"Since it was launched, the training has had a few facelifts with different people leading it and changes to the content as we've learnt more, and we've now rolled it out across all our European offices. We know it's not a cure-all to solve inclusion and diversity and we also know there's quite a bit of criticism out there for unconscious bias training in general (some people ask how effective it actually is) so we always keep a close eye on the latest thinking."

Innocent Drinks

2. Coca-Cola European Partners - I&D and Young People:

Coca-Cola European Partners have partnered with Uptree, a professional network to help connect employers with young, diverse talent, to encourage people from more diverse backgrounds and in more

vulnerable groups, such as those receiving free school meals or from under-privileged backgrounds, into the professional environment. Through workshops and master classes, the scheme aims to help participants navigate the barriers often faced in more corporate professions.

Diversity in early careers is about breaking down barriers. Working with the BAME Alliance forms part of their efforts to do that – and they showcase the successes of young people from BAME backgrounds to show young people that they can overcome those obstacles to entering the workplace. Several our apprentices help to champion this at various industry events.

Whizz Kids also forms part of our inclusion and diversity drive, specifically to those with a disability. The organisation is working with CCEP to review the accessibility of our apprenticeships to help drive an inclusive and diverse culture – and to help managers to implement more inclusive policies across the business.

Finally, CCEP's Inclusion Ambassador Scheme with Just Be is what inspired the company values: Be Yourself. Be valued. Belong. Five pillars within the business have been identified – culture and heritage, multi-generations, LGBTI+, abilities and gender – which help reinforce the core values.

"We know more still needs to be done to ensure the workplace is somewhere where everyone– no matter their background – feels like they can thrive, and we look forward to continuing to ramp up our work with our charity partners in the months ahead."

Coca Cola European Partners

3. Nestlé

Nestlé's LGBT+ network has resulted in a nomination for a British LGBT award in 2020. The network has been built inclusive of LGBT+ colleagues and they partnered with Stonewall to understand their starting position and build a best practice plan. Nestlé are also founding members of the Proud Employers job site and have launched a transgender inclusion policy.

Appendix *contd*

"This has been achieved by keeping our LGBT+ colleagues at the heart of everything we do, making space for and amplifying their voices. Having strong sponsorship from the top, helping people learn what to say and do, understanding best practice and connecting with others to share learning and ideas outside of Nestlé."

Nestlé

4. Kellogg's

Kellogg's have also partnered with the Stonewall Index which has allowed them to recognise areas that need action as well as helping to drive change with policies, community engagement and employee lifecycle.

Kellogg's LGBTQ+ employee network launched back in October 2018 and includes members from across the UK sites. Some of the work the network has done includes sponsoring Salford Pride's 'Picnic in the Park' event in 2019, lighting up their UK factories in rainbow colours to show solidarity in the absence of Pride events this year and most recently, working with trans charity Mermaids UK. As part of this, Kellogg's will be launching a Transitioning at Work Policy and will be upskilling HR on the subject.

"As we've progressed over the last two years and found our feet, one of our biggest learnings has been to always be realistic about what you can achieve in 12 months as significant change takes time."

Kellogg's

5. KP Snacks

KP Snacks are working with Hartgables, a local charity partner based in Teesside to develop a workshop to raise awareness and emphasise the diversity of sexuality and gender identity-based cultures, inclusive of non-heterosexual or non-cisgender, as well as those who are lesbian, gay, bisexual and/or transgender. Hartgables have helped KP identify the needs of internal communities so that plans can be developed, action can be taken and ensure all colleagues feel an equal

sense of belonging.

This year, online workshops have been held with breakout rooms and interactive exercises. The feedback has been insightful and further workshops are planned.

"Diversity and Inclusion has always been an important part of what we do here at KP Teesside and in creating our 2020 strategy, we identified an opportunity to increase the awareness amongst all of our colleagues and celebrate our LGBTQ+ community. Inclusion also sits very well with our core Values and Behaviours at KP Snacks, ensuring all colleagues feel welcomed in their workplace, so this awareness training was the next logical step."

"Our Values and Behaviours are the foundation of our culture; they are about how we do things in KP and we believe that changing our attitude can change the world around us, and so it is fundamental to KP Teesside to continue to raise awareness and share stories and experiences to help support our diverse internal and external communities."

KP Snacks

6. Britvic – Diverse employee networks

Britvic have four employee-led network groups that represent people who have traditionally been marginalised by society.

Their B-Empowered women's network is focused on supporting, developing and retaining great female talent while their B-Proud network represents the LGBTQ+ community, and have also partnered with Stonewall to help it drive lasting change. Their B-Seen network supports employees with disabilities – representing diverse abilities across the organisation, and their B-Diverse network champions colleagues from all ethnic minorities.

The B-Seen network has been working hard on revising our reasonable adjustments policy and looking at flexible working benefits for everyone working from home. The B-Diverse network has recently launched online training focused on unconscious bias to increase education

Appendix *contd*

and raise awareness across the business. The B-Proud community held a virtual allies' day for the LGBTQ+ community with a panel of speakers from a variety of sectors.

"These groups empower our employees to have a voice and now, more than ever, we can see that the changes our D&I groups are making are benefiting everyone. We truly believe that we are stronger together and by doing so we can create a culture where everyone can be their true authentic self."

Britvic

7. Premier Foods - Inclusive Leadership Training:

Premier Foods introduced a programme focused on Unconscious Bias and Inclusive Leadership in 2019, to educate and raise awareness within leadership teams.

The sessions were developed and delivered using a combination of inclusive leadership insights, as well as bringing those to life by partnering with 'The Human Library' - an international, not-for-profit organisation that aims to address people's prejudices by helping them to talk to people they would not normally meet. The organisation uses a library analogy of 'lending' people rather than books and creates a safe space for dialogue where topics are discussed openly between the human books and their readers.

The first phase of awareness training was delivered in the summer of 2019, to 80 senior managers and they have now delivered Inclusive Leadership Training to over 430 people and have the ambition to take every colleague within the business through some form of awareness training by the end of 2021.

"This innovative approach received extremely positive feedback from our teams who told us it was the most impactful training they had ever experienced, and they asked us to roll it out to their teams in undiluted form."

Premier Foods

8. Pladis – Positive Minds

In 2017, a group of colleagues at pladis started a grass roots project to focus attention on mental health and wellbeing. This has grown into an award-winning programme called Positive Minds that works to create a positive and resilient workforce who feel they are understood and supported in all aspects of their life, encouraging an open culture. In 2017, pladis signed Mind's Time to Change employer pledge, demonstrating senior commitment to positive mental wellbeing. Taking a more holistic approach, pladis found that mental wellbeing is inextricably linked to other areas of wellbeing, namely, Physical, Social and Financial. Therefore, the business invested in a dedicated resource to begin working on strengthening #PositiveMinds through the creation of a wider Health & Wellbeing strategy, incorporating the other three areas of wellbeing mentioned.

At the start of the Covid-19 pandemic, the Positive Minds team set up a Health and Wellbeing working group to ensure there is a regular drumbeat of activity. For factory-based colleagues, anxiety levels were understandably high, especially towards the beginning of the pandemic. So, they made use of their 24/7 Employee Assistance line, as well as Mind's "Frontline Toolkit", which has provided guidance and resources. For remote colleagues, pladis provided a guide on effective remote working which includes advice on basic aspects such as IT, but also advice on how to look after mental wellbeing, by maintaining a routine, exercising regularly and keeping in regular contact with teams.

"We recognise that the workplace is where you spend most of your time and that if we could create a culture where colleagues are encouraged to have conversations about mental ill health and talk about how it's affecting them, we could make a bigger difference."

Pladis

For further information on this report, please contact: