



MAKING CHANGE



There have been a number of changes to Board reporting requirements concerning diversity and inclusion. Some of the more significant developments are highlighted here.

The commitments and ideas we are championing may help companies address some of these requirements more effectively.

- 1** 2018 UK Corporate Governance Code reported for the first time in 2019. It requires companies to disclose their policy on diversity and inclusion, its objectives and outcomes.
- 2** Provision 23 is asking companies to describe the link between the diversity and inclusion policy and company strategy.
- 3** The S172 Statement, which describes how directors have fulfilled their duty under S172, combined with code requirements, will cover a wide range of workforce engagement activities, including the outcomes and impact of this engagement.

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- 4 The FRC sees diversity as a key boardroom dynamic in enhancing board effectiveness by reducing groupthink – principle J of the 2018 Code calls for appointment and succession plans to “promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths”.

 - 5 ISS focus on Board gender diversity.

 - 6 Gender pay gap reporting and focus on ethnicity pay gap, including annual reporting of gender split, between boards.



More information about company reporting can be found on our [website](https://www.leadersaschangeagents.com).

