



Diversity, Equity, and Inclusion at Russell Reynolds Associates

2022 Progress Report

Highlights of our efforts and our path to accelerate future progress

We are continuing on our path to building a diverse and inclusive workplace where everyone belongs.

Russell Reynolds Associates (RRA) is proud to share our **2022 Diversity, Equity, and Inclusion (DEI) Progress Report**, which details our collective progress against our DEI aspirations.

Last year, we published our first report, which marked a significant step forward in providing increased transparency and accountability. Since then, the firm has continued to experience rapid growth, welcoming over 522 new colleagues across the globe. We were intentional in our actions—not only in cultivating a more diverse talent pipeline for internal roles, but also in creating meaningful spaces and experiences through which all colleagues feel seen, respected, and included. We gathered data to inform our DEI efforts and placed greater rigor on processes to hold ourselves accountable for progress. As an organization, we learned through dialogues about our unique lived experiences and conversations with thought leaders across industries. **Together, with the foundation we built last year and the continued support of our Senior Leadership Team, it is our hope that we can continue these critical dialogues firm-wide and accelerate our progress in 2023 and beyond.**

As this is a critical and timely topic for our industry, we believe it is equally important to highlight our commitments to our clients and our communities. Inside this report, you will also find highlights of our partnerships and programs that continue to put us at the leading edge.

The path to belonging will take time and will require us to grow and evolve together. **We will continue to drive action at every level of the organization and work toward making RRA a workplace that best reflects the world around us.** We hope that by sharing our journey we will inspire our clients, colleagues, and community to improve the way the world is led.



Constantine Alexandrakis

Chief Executive Officer



Renee Bell

Chief People Officer



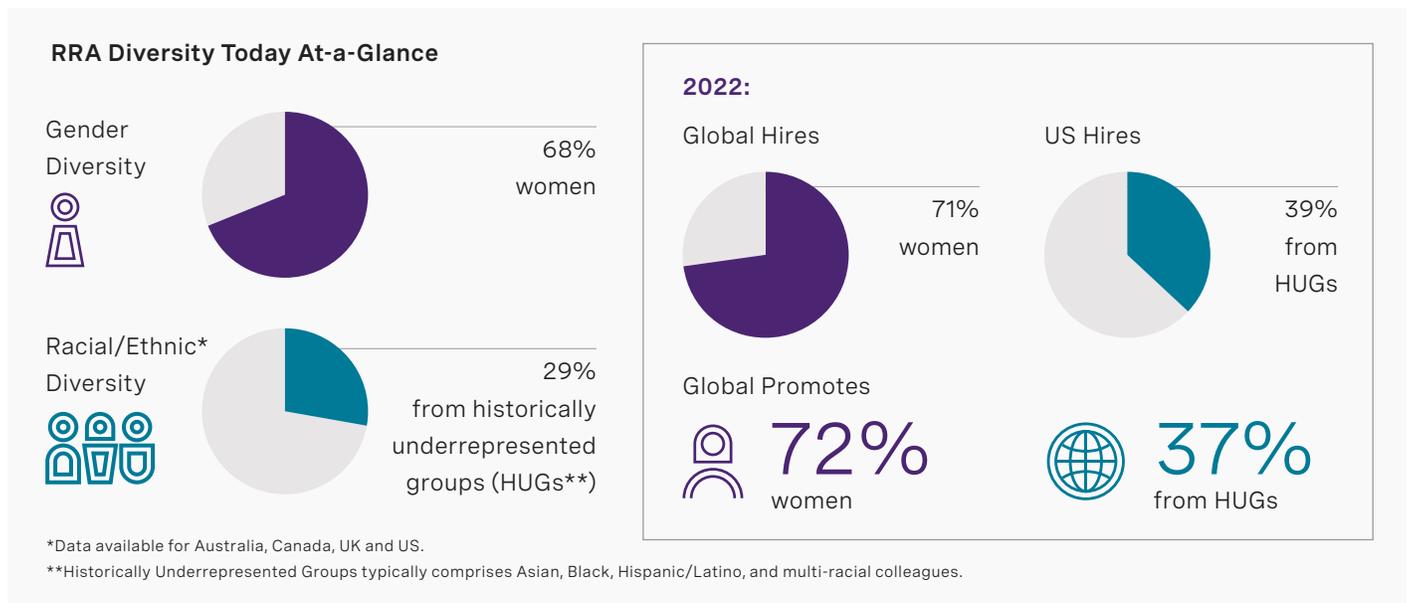
Irma Alvarez

Global Head, Diversity,
Equity and Inclusion

Our continued focus on DEI is critical to our success

While progress is being made, we must do better

While we have made significant progress, we recognize that creating a more diverse, equitable, and inclusive firm requires ongoing commitment. As an organization, we must set ambitious goals, and drive action both globally and locally. We know that creating a more diverse and inclusive RRA will have positive impact not just on our colleagues, but also on our clients and communities.



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Committed to Diversity, Equity, and Inclusion—inside and out

As a global firm committed to increasing the representation of historically underrepresented groups (HUGs), we seek to make RRA an inclusive workplace where all colleagues belong and can advance their careers. We believe this is not only the right thing to do but is also a critical component of supporting our purpose to improve the way the world is led. By embracing and harnessing the diverse perspectives of our colleagues, we will strengthen our culture, deliver exceptional value and service to our clients, and accelerate our impact in our communities.

For our Colleagues

Our aspiration is to create a culture of inclusion that fosters a sense of belonging, where everyone can bring their unique perspective and identities to RRA. We strive to attract, develop, and promote the best talent from the broadest pool of candidates. To do this, we embrace differences across race, ethnicity, religion, culture, gender identity, national origin, age, sexual orientation, thinking style, educational background, ability, and veteran status.

For our Clients

We are committed to playing a leading role in enabling our clients to build more diverse and inclusive organizations. Our aspiration is to set the gold standard for the diversity of talent that we deploy to clients and accelerate DEI outcomes for client organizations. With our global mindset, innovative equitable search practices, and our colleagues in 46 offices around the world, we are uniquely positioned to deliver.

For our Communities

We are leveraging our institutional knowledge to accelerate the development of tomorrow’s leaders. Success requires deliberate focus on cultivating a more diverse leadership pipeline that better reflects the communities in which we live and work. We continue to collaborate with organizations seeking to expand career mobility for underrepresented groups. From developing the next generation of leaders to providing leadership and mentoring opportunities, our work is leading the industry.



Shaping what’s next

We have been on a journey to accelerate change within our firm and our industry to ensure colleagues from historically underrepresented groups have career support, growth opportunities, an amplified voice, and an enabling environment. Our efforts are rooted in our purpose to **improve the way the world is led.**

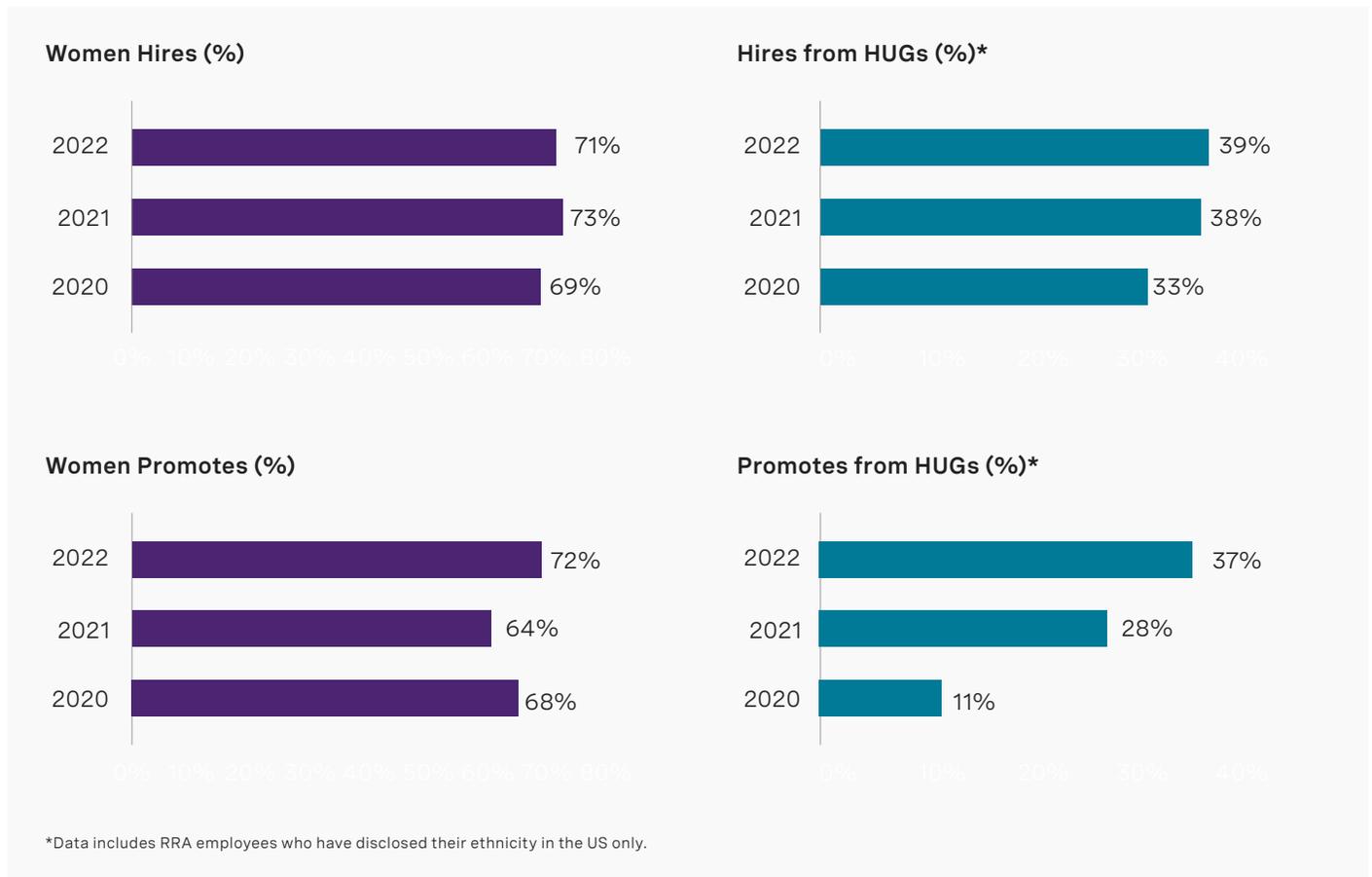
Progress inside our firm

Strengthening Our Talent and Leadership Pipeline

In 2022, we continued to hire at unprecedented levels, with more than 520 new colleagues joining the firm, representing more gender and racial/ethnic diversity than ever before.

To drive greater leadership accountability, we made DEI goal-setting part of our annual business planning process. With steadfast support from our Senior Leadership Team, we identified DEI goals for our Hub Leaders, including actions to strengthen our talent pipeline—from hiring efforts to close gaps in representation to development efforts that increase promotion readiness. Where possible, we tracked key performance indicators (KPIs) to assess progress. Nearly 60% of Hub Leaders met or exceeded DEI hiring goals (see firmwide results below). Additionally, RRA promoted a record number of colleagues in 2022, with our highest-ever levels from historically underrepresented groups.

While important, we know that numbers are only a part of the picture. We are continuing to establish a baseline with which to measure our impact over time, to better understand and address gaps in our talent pipeline, and to develop better support structures across racial/ethnic groups and other dimensions of diversity.





Embedding Equity in Our People Processes & Offerings

A comprehensive and inclusive global benefits program is critical to attracting and retaining top talent. **While we have historically offered a competitive and robust global benefits program, 2022 was our first year evaluating our offerings through the lens of DEI.** The review, completed in partnership with a third-party global consultancy, assessed the consistency of our benefits across the globe, the availability of benefits that meet the needs of diverse employee groups, and our employees' ability to access those benefits, without experiencing burdensome eligibility requirements. The results of our global benefits review underscored the equitable and inclusive nature of many of our benefits while also highlighting some opportunities for improvement.

Going forward, we are focusing on three key themes as we assess further investment in our benefits: **enhancing access and eligibility, maximizing equity across employee cohorts, and providing a portfolio of benefits that are highly valued and used by our diverse employee population.**

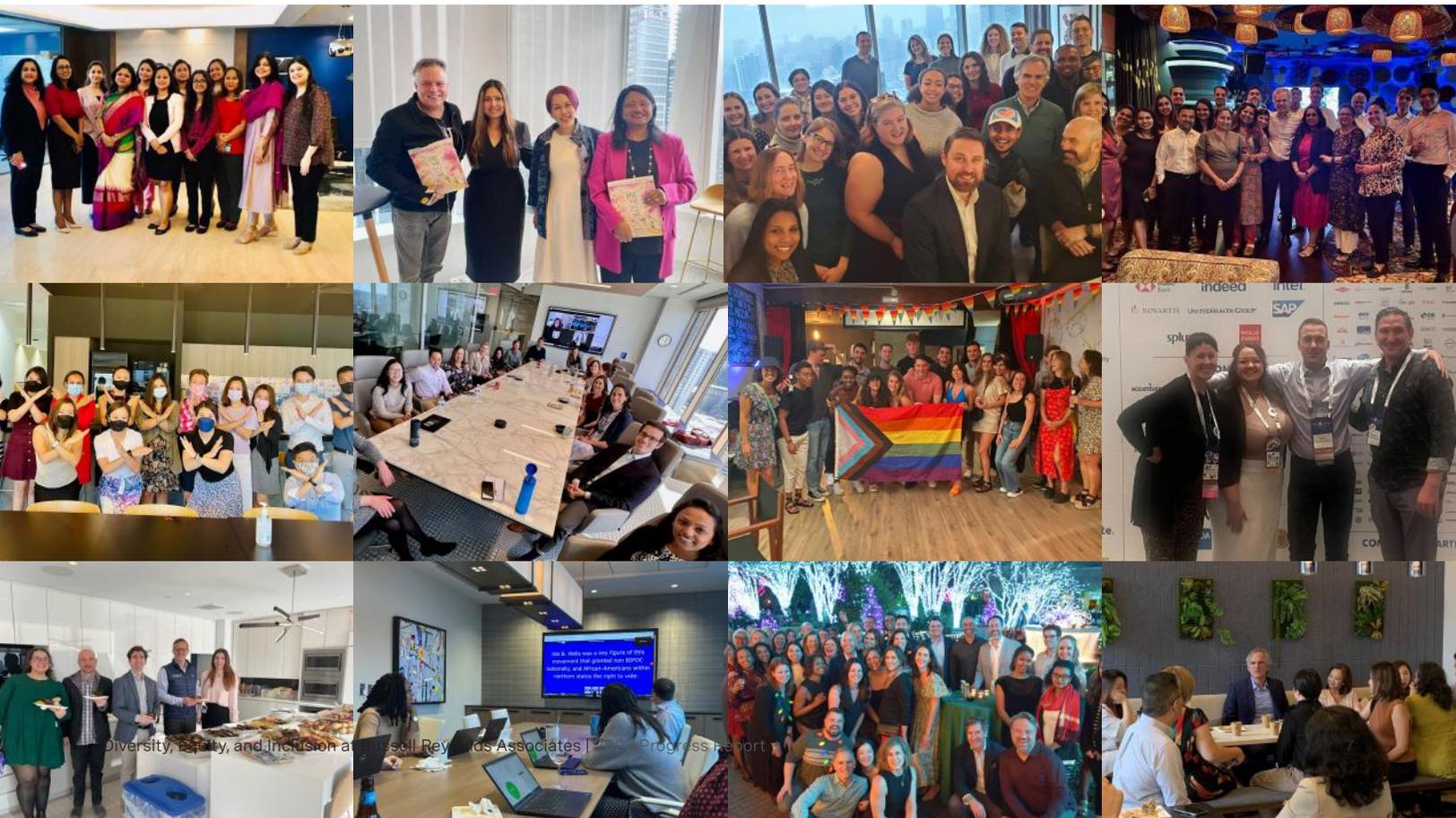
We are also committed to ensuring equitable pay practices as a key component of our compensation philosophy.

This is achieved through established pay levels which are set and assigned by role and market, minimizing pay disparities, and reducing the likelihood of discrimination based on direct or indirect factors related to gender, race, or ethnicity. We also conduct an annual review of our pay decisions with an external partner to validate that our compensation decisions are equitable internally and do not show signs of bias.

Driving Belonging through Inclusion Networks (INs)

Inclusion Networks are colleague-driven communities that strengthen our culture of belonging and create dialogue and connections. Our six inaugural networks include the Asian Inclusion Network, Black Inclusion Network, Hispanic Inclusion Network, LGBTQ+ Inclusion Network, Parents and Carers Inclusion Network, and Women's Inclusion Network. In 2022, we continued to grow IN membership, now at nearly 600 colleagues globally. In addition to hosting global events throughout 2022, our Inclusion Networks have also inspired local community groups across our hubs.

In 2023, we will continue to invest in the growth and success of our INs by appointing senior-level Executive Sponsors for each IN. We will also establish two new firmwide Inclusion Networks: The Veterans Inclusion Network and Disability/Neurodiversity Inclusion Network.



Using Data to Inform our DEI Efforts

We conducted the 2022 People Survey to better understand our colleagues' perceptions of leadership, beliefs about RRA, and experiences at the firm. With 90 percent of colleagues sharing feedback, these findings will inform and shape our 2023 DEI actions.

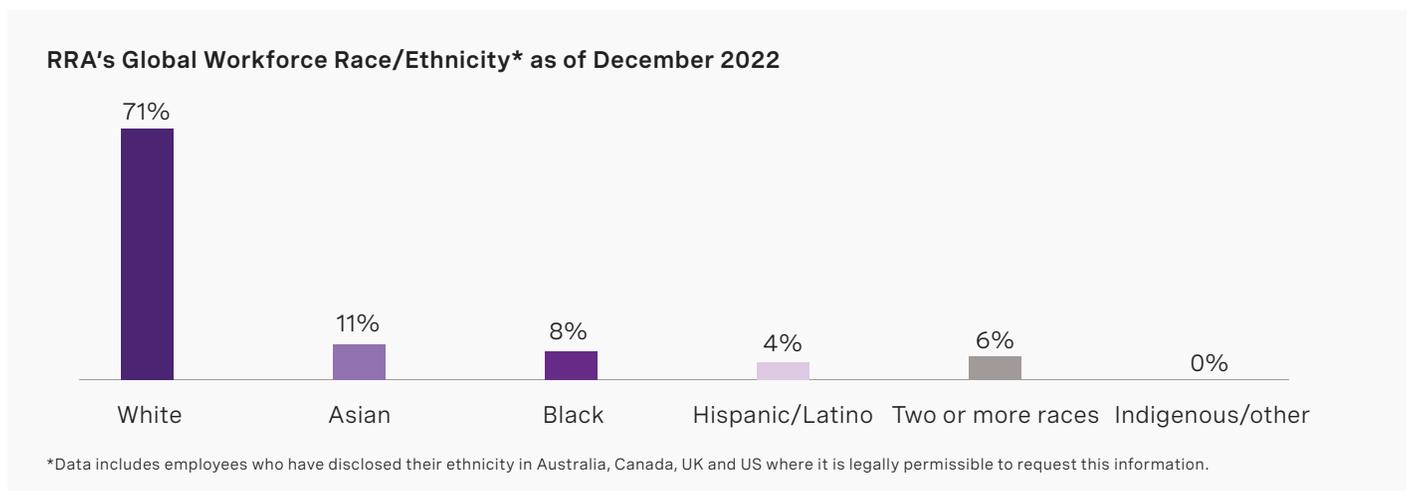
Our People Survey results showed a positive increase in colleagues' sentiment across several dimensions: collaboration, development, and diversity & inclusion.

More specifically, the results showed that leaders were more likely to have brought together people with different expertise from across RRA and more likely to have supported people's development. Inclusivity has risen, with more trust and mutual respect reported across the firm, and leaders are seen as working harder to foster open environments where people feel safe to be themselves.



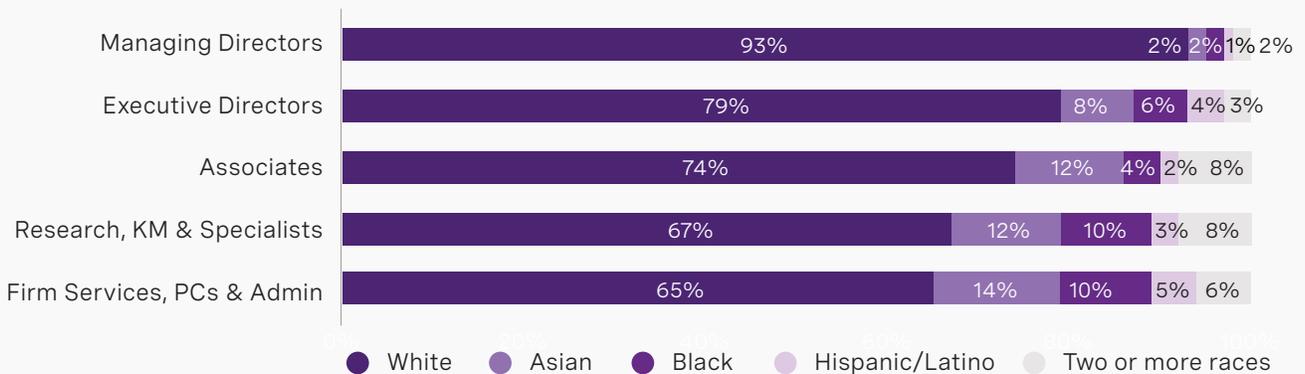
One of our key commitments for 2022 was to establish a global baseline of demographic data across the firm.

We are proud to share that our self-identification process now includes LGBTQ+ and gender identity, in addition to race/ethnicity. More than 60% of colleagues in Australia, Canada, the UK, and the US chose to self-disclose. The baseline data below will help us strategically drive accountability, measure progress against our DEI commitments, and better evaluate and evolve our efforts over time.





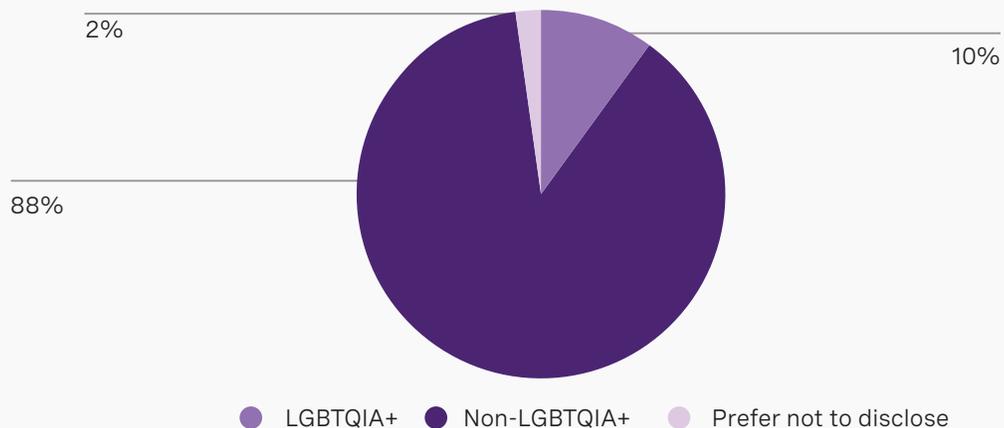
RRA's Global Workforce Race/Ethnicity* by Role as of December 2022



*Data includes employees who have disclosed LGBTQIA+ status in the Australia, Canada, UK and US where it is legally permissible to request this information.

For the LGBTQIA+ community at RRA, advocating for opportunities to self-identify has been critical to feeling included in the fabric of the RRA community. We are proud to have taken steps to make this a reality. Of colleagues who chose to self-identify, 10% identified as members of the LGBTQIA+ community. In addition, <1% of colleagues who chose to disclose information identified as non-binary.

RRA's LGBTQIA+ Community* as of December 2022

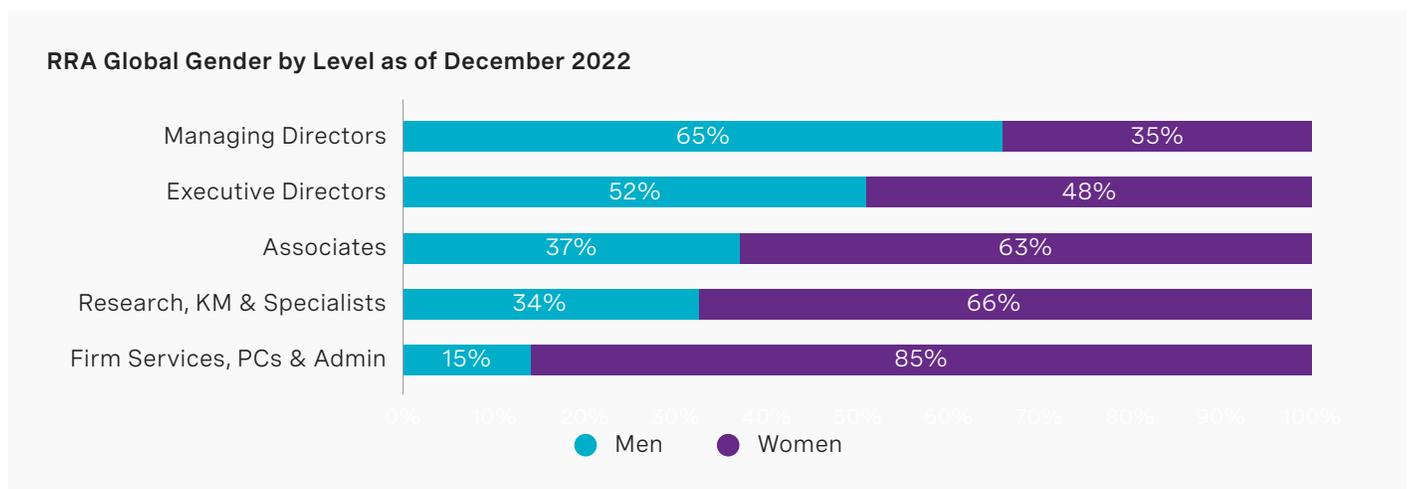


*Data includes employees who have disclosed LGBTQ+ status in the Australia, Canada, UK and US where it is legally permissible to request this information.



Making Progress towards Gender Parity

We continue to focus on and measure gender diversity—particularly at the Shareholder level. Over the past five years, we’ve increased the representation of women in our partnership now representing 35% of our Managing Directors globally. Additionally, nearly 40% of our Senior Leadership Team (SLT) and Extended Leadership Team (ELT) are comprised of women.



Furthering our impact with our clients

Improving Representation at the Top

Under the leadership of Tina Shah Paikeday, Global DEI Capability Head, Equitable Search and Succession Practices[®] were developed from 2020 to 2022.

Equitable Search Practices

In 2020/21 we led the industry in developing an approach that deliberately incorporated equitable practices into the search process. Our aim with Equitable Search Practices[®] was to help strengthen candidate pipeline diversity and ensure better representation of underrepresented groups in leadership.

A key part of our Equitable Search Practices[®] has also been the collection of candidate demographic data. We have been intentional in gathering gender, race, and ethnicity data in order to monitor our own performance more closely, hold ourselves and clients accountable for producing balanced slates, and support our clients' diversity goals.

Our successful candidate data for 2022 shows that when we are intentional in bringing equity into the search process, we can drive better outcomes in terms of gender, race and ethnic (only in the US, UK, Canada, and Australia) representation in our successful candidate pool. Our ability to recruit underrepresented groups to leadership positions exceeds the S&P 100 C-suite leadership team benchmarks for those groups.

Our Equitable Search Practices[®] have led to tangible impact in shaping greater parity in leadership roles across some of the world's largest companies.

Equitable Succession Practices

Building on the success of our Equitable Search Practices[®] in 2020 and 2021, we developed and launched a series of Equitable Succession Practices to be used alongside, and in addition to, our standard succession offering.

Our Equitable Succession Practices[®] support clients in driving greater equity and parity across roles by:

- Objectively identifying a balanced and more diverse list of high-potential successors;
- Offering the relevant development and sponsorship to strengthen readiness for future roles; and
- Mitigating bias as part of succession planning and decision making

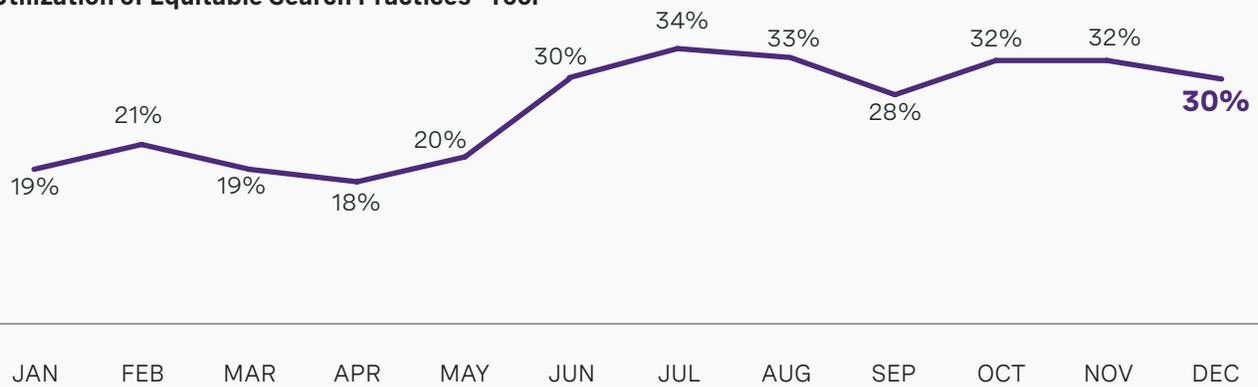
Addressing succession has become increasingly critical to effectively reducing representation gaps, especially across business-critical C-suite roles that hold the greatest decision-making power and overall influence over a company and its people.

Creating Balanced Candidate Slates

Ensuring balanced candidate slates has increasingly become an important criterion in our clients' executive searches. Over the past year, we have been able to grow utilization of our Equitable Search Practices[®] tool, from 19% of all assignments in January 2022, to 30% of all assignments in December 2022. This increase is a testament to our ability to encourage a focus on DEI and support the needs of our clients on a critical business issue.

FY 2022

% Utilization of Equitable Search Practices[®] Tool



Furthering impact in our communities

Strengthening the World's Diverse Leadership Bench

RRA is committed to strengthening the world's diverse leadership bench and enabling leaders from underrepresented groups to advance their careers.



AESC Diversity Council

RRA led the AESC Diversity Pledge to bring together more than 100 CEOs from leading executive search and leadership consulting firms around the world to commit to change in our industry. We serve on the AESC Diversity & Inclusion Leadership Council to steward programs and events that further DEI and focus on combatting racism, prejudice, and discrimination within organizations, among candidates, and communities.



Ascend

Under Tina Shah Paikeday's leadership, RRA has partnered with Ascend by co-hosting an Asian Leadership Forum, sponsoring the Ascend Executive Network, speaking at the Board Ready Institute for Ascend Pinnacle and serving on the A-List Benefits Committee.



Asian Corporate Directors Initiative

Since 2020, a team led by Tina Shah Paikeday has convened board members in partnership with TiE and Ascend and convened its first RRA Asian Board Directors event with global roll-out planned across five cities in 2023 including San Francisco, Los Angeles, Singapore, Hong Kong and Atlanta.



Change the Race Ratio

RRA is a founding partner of Change the Race Ratio (CtRR), a cross-industry effort launched in 2020 to increase ethnic and racial diversity in the workplace, specifically among the boardrooms and senior leadership of the business community. Businesses that sign up are asked to make four commitments to change: to increase racial and ethnic diversity among board members, increase racial and ethnic diversity in senior leadership, be transparent on actions, and create an inclusive culture in which talent from all diversities can thrive.



Executive Leadership Council

Under Brad Benn's leadership, RRA served as one of the sponsors for the Executive Leadership Council's 2022 Gala and hosted a table with a number of notable business leaders. Members of RRA also sponsored a Black public company CFO breakfast meeting the following day.



30% Club

The 30% Club is a global effort aiming to boost the number of women in board seats and executive leadership of companies all over the world. Clarke Murphy was a co-founder when the initiative started in the UK. In 2014, RRA became a founding partner of *the 30% Club Future Female Directors program* in the US, including the formation of a mentoring program. This work has since been led by Heather Hammond and Sarah Eames among others.



Hispanic/Latino Corporate Directors Initiatives

Led by Hans Roth, the Hispanic Corporate Directors Initiative has advanced our efforts to provide a deeper platform for the Hispanic leadership community. The efforts are intended to connect leading Hispanic Corporate Directors at a national scale, elevate Hispanic Directors on Fortune 1000 Boards, and focus on growing visibility for emerging and Board-ready Hispanic C-level leaders. The initiative led to the Annual Hispanic+ Corporate Directors Conference led annually in the spring.



McKinsey's Black Leadership Academy

RRA is a key partner driving the career planning modules for McKinsey's "Accelerating Black Leaders of Today and Tomorrow"—a virtual leadership program that McKinsey is making available at no cost to their clients in support of rising Black executives. Several RRA consultants are participating and championing the effort led by Clarke Murphy.



Next Generation of Racially and Ethnically Diverse Board Directors

In partnership with G100, and through Rusty O'Kelley's leadership, we launched the Next Generation Director program. This immersive, year-long executive development, peer community, and coaching program is designed to increase the share of racially diverse directors in boardrooms at the world's largest and most prominent companies. All this work builds on the extraordinary impact that Charles Tribbett has had in building the Black Corporate Directors Conference in partnership with Ariel Investments over the past 20 years, now the premier event of this type in the world.



The Indus Entrepreneurs (TiE)

RRA is TiE's executive search partner dedicated to advancing South Asian executives in the boardroom and C-Suite through development and networking programming aimed to develop deep relationships in the community. RRA has co-hosted several events since the inception of our partnership, including a Leadership Roundtable, Global Board Diversity Roundtables, Diversity & Inclusion Conference Tracks, and Fireside Chats with Asian community leaders. This effort has been led by Tina Shah Paikeday, Tuck Rickards, and Nipul Patel.



Out & Equal

RRA is a 2022 corporate sponsor of Out & Equal, a premier organization focused on advancing LGBTQ workplace equality. Led by TR Straub, a group of LGBTQ leaders and members of RRA's pRide Inclusion Network participated in O&E's 2022 Workplace Summit in Las Vegas.

Our path to accelerate progress in the future



“Diversity, Equity and Inclusion is core to improving the way the world is led—it’s universally critical across everything we do to deliver the highest quality to our clients, candidates, and communities.”

Constantine Alexandrakis, CEO

In 2023, we are continuing to focus on strengthening our diverse talent bench through developing, promoting, and hiring. To drive accountability, we are partnering with Hub Leaders to develop hub-specific 2023 DEI Action Plans that include commitments across the areas listed below.

Developing/Retaining People

- Conduct “Inclusive Leadership” workshop for all MDs
- Launch development program for early career consultants from historically underrepresented groups
- Deliver “Unconscious Bias 101” sessions for all new joiners
- Develop Microaggressions/Microbehaviors training for all colleagues
- Double firmwide Inclusion Network participation from 25% to at least 50%
- Launch firmwide well-being efforts that support and encourage sustainable performance

Promoting People

- Refresh sponsorship programming and support for HUGs
- Conduct “Demystifying Promotions” sessions to drive awareness of promotion philosophy, timeline & criteria
- Develop “Unconscious Bias 2.0” programming for managers that focuses on driving equity and meritocracy across our talent processes

Hiring People

- Launch “Inclusive Hiring” guidelines for all internal roles
- Source talent from HUGs for priority senior roles on a more proactive basis
- Extend current and new partnerships with DEI-focused professional organizations

We are excited to build on the progress we have made and we are listening to your ideas for the future.

To share thoughts on RRA’s workplace programming, development, and our Inclusion Networks, please reach out to **Irma Alvarez**.

About Russell Reynolds Associates

Russell Reynolds Associates (RRA) is a global leadership advisory firm. Our 600+ consultants in 46 offices work with public, private, and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today's challenges and anticipate the digital, economic, and political trends that are reshaping the global business environment. From helping boards with their structure, culture, and effectiveness, to identifying, assessing, and defining the best leadership for organizations, our teams bring their decades of expertise to help clients address their most complex leadership issues. We exist to improve the way the world is led.

www.russellreynolds.com

