



BOARD DIVERSITY GUIDE

INTRODUCTION

Organisations face growing pressure to diversify their Boards of Directors, driven by both increased consumer and investor-led demand as well as strengthening regulatory requirements.

Much of the emphasis in recent years has been on improving female representation on Boards, however there is growing awareness that concentrating on only one form of diversity isn't enough. Factors such as ethnicity, age, disability, neurodiversity, professional background, etc. are increasingly being considered alongside gender in broadening the diversity of perspectives represented on Boards, particularly for large or publicly listed companies.

Most importantly, having a Board made up of individuals that are recruited *from* and representative of the diversity of populations in which the organisation operates, is more likely to result in decision-making that creates value for all stakeholders, i.e. 50/50 male/female, and including a range of ages, ethnicities, backgrounds etc. that accurately represents the social make-up of company operations and, importantly, other stakeholders.

GENDER PARITY

There has been a growing push to improve gender balance in corporate decision-making positions, with several countries globally introducing either voluntary or statutory gender quotas to balance gender on company boards.

In the EU, there was an average 38% women on Boards in 2024 according to the [Institute of Directors](#), however with large disparities existing between countries and few women occupying the most influential positions at Board level. The UK has made better progress, with [data released by the government in 2023](#) indicating that 40.2% of FTSE 350 Board positions were held by women.

VISIBLE LGBTQIA+ REPRESENTATION

While some progress has been made in improving female representation on Boards, many company Boards remain poorly diverse in terms of other social factors, such as sexual orientation. It is difficult to know the exact number of people who identify as LGBTQIA+ globally, however surveys such as the [Ipsos LGBTQIA+ Pride survey](#) have found that an average of 9% of adults in 30 countries identify as LGBTQIA+, almost 1 in 10 of us.

At FuturePlus, we ask specifically about 'visible' LGBTQIA+ representation because Board directors that openly identify as LGBTQIA+ can help to give employees confidence that their employer takes inclusivity seriously. [Research carried out in 2020](#) found that many employees who identify as LGBTQIA+ did not come out until late in their careers, through fear it might negatively impact their progression.



DISABILITY AND NEURODIVERSITY

According to the [World Health Organisation \(WHO\)](#), an estimated 1.3 billion people experience significant disability. This represents 16% of the world's population, or 1 in 6 of us. Disability inclusion on Boards is therefore not only representative of wider society, but as with visible LGBTQIA+ representation, can help to give employees confidence that their employer takes inclusivity seriously in all forms.

While estimates vary for different neurodiversity types, roughly 10%–20% of the global population is thought to be neurodivergent, meaning diversity in sensory processing, motor abilities, social comfort, cognition or focus from the “average” or “neurotypical” person. As well as appropriately representing the 1–2 in 10 of us with neurodivergence, Boards with neurodivergent directors are likely to gain a competitive edge from increased diversity in skills, ways of thinking, and approaches to problem-solving.

STRATEGIES TO ENHANCE BOARD DIVERSITY

Audit the diversity of your Board - Begin by understanding the composition of your Board by surveying current members. Map out the demographic and diversity among directors to identify gaps, thinking about Board composition in comparison to operational population and stakeholders. Use this analysis to determine areas for improvement. For many organisations, enhancing diversity will align with long-term recruitment goals when onboarding new Board directors.

Establish diversity targets - Define clear D&I goals for your Board. Consider how you want your Board's composition to reflect your organisation's mission and values, as well as local populations, employees, customers, and other stakeholders. These targets should be specific, measurable, and set within a realistic time frame to ensure accountability.

Increase turnover - Many Boards' directors have long tenures leading to low turnover rates, making it difficult to address diversity issues. Adding additional Board members is an easy solution to this problem, while policies that decrease director tenure, promote time-bound turnover, and emphasise succession planning are longer-term solutions.

Look beyond the C-Suite - The majority of Board directors have previous C-suite experience, limiting the pool of potential candidates. Organisations should also consider candidates who have never been a C-suite executive, but who have a proven record of being knowledgeable, strategic and collaborative. Succession planning can form a key part of this approach.

NEED MORE HELP?

For more information and support, please feel free to contact us at: info@future-plus.co.uk.

