

## HISPANIC DIVERSITY, EQUITY AND INCLUSION

# 35 HACR@



The mission of the *Hispanic Association on Corporate Responsibility (HACR)* is to advance the inclusion of Hispanics in Corporate America at a level commensurate with their substantial economic contributions, focusing on four action pillars: governance, employment, procurement and philanthropy.

**H**ispanics are projected to reach 20% of the population in just a few years – **they are 60 million strong already – with a buying power that exceeds \$3 trillion.** The total US minority population is projected to be over 40% by 2025, and over 50% by 2045, with Hispanics representing the largest and fastest-growing component.

Corporate America cannot afford to bypass the Hispanic market, and HACR “connects what corporate America does with its direct impact on our communities,” declares Cid Wilson, HACR’s president and CEO for the last seven years. “We speak with a very powerful, impactful and unified voice.”

Founded in 1986 with eight organizations, HACR today is a coalition of 14 Hispanic advocacy organizations with vast expertise in providing services to the Hispanic community: from education, veterans affairs and health to public policy, civil rights, immigration and financial literacy. “There is strength in numbers, but it’s more than that,” explains Janet Murguía, president and CEO of UnidosUS and a 15-year HACR board member. “There is strength in allyship, strength in coalition work.”

HACR’s very existence is a testament to “just how broadly Hispanics already contribute and participate,” declares Monica Lozano, former media CEO, respected director on multiple corporate boards, and longtime HACR supporter.

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## HACR Speaks with a Powerful Voice.

By JUDITH L. TURNOCK

# The Power of Hispanic Inclusion™



Cid Wilson, President and CEO, HACR

The HACR board members are the heads of each of the 14 organizations. “Our diversity was – and is – our strength,” Wilson states unequivocally. “Together we understand the power of our community, the purchasing power, the ways in which we have advanced business and economic growth, and educational attainment,” adds Lozano. Notes HACR’s longest-serving board member, Ron Blackburn-Moreno, president and CEO of ASPIRA Association, “I’ve been here 25 years. Believe me, the Hispanic community is great at working in coalitions.”

In addition, nearly 100 of the largest US corporations are HACR members. “Our very existence – and our successes – prove the benefit of including people with different perspectives and experiences,” Wilson concludes.

Board member Murguía credits HACR’s “early decision to focus on data” as the source of its “growing influence.” **The Corporate Inclusion Index (CII)**, prepared annually for almost 20 years by HACR’s Hispanic Research Institute (HRI), is the accountability tool – in both procedures and results. “We’ve built trust at the leadership level,” Murguía explains, “and that allows us to have real dialogue with honest feedback.” CII surveys corporations to track their progress in DEI against HACR’s four action pillars, identifying opportunities for growth.

“We’re proud to see the number of respondents and the number of indus-

tries they represent grow every year,” Wilson reports. “Companies increasingly value how we showcase those with the highest ratings, and more progress is encouraged when they see where they perform in relationship to other companies.”

In evaluating **the first pillar, governance**, CII tracks diversity among corporate board members and C-suite executives. The good news is that almost all respondent companies now

“We’ve built trust at the leadership level and that allows us to have real dialogue with honest feedback.”

require external recruiters to present diverse slates for board and C-suite candidates. Yet the number of Hispanic candidates actually selected remains disappointingly low; only 7% of all board seats are held by Hispanics; Latinas hold only 2% of those seats.

These results square with the findings of the broadest survey of women and minorities on the boards of the top 500 US corporations, conducted by the Alliance for Board Diversity (ABD) since 2004:

**Missing Pieces Report: The Board Diversity Census of Women and Minorities on Fortune 500 Boards.**

HACR is a founding member of ABD, along with The Executive Leadership Council (The ELC), Catalyst and Leadership Education for Asian Pacifics (LEAP), since 2016 in collaboration with Deloitte. The 6th edition of Missing Pieces, published in 2021, reports that all minorities together reached only 17.5%, and minority women only 5.7%.

CII similarly reports that Hispanics are also underrepresented in the C-suite: there are only 4% Hispanics overall, only 1.2% of them Latinas. Only 5% of Hispanic executives report directly to the CEO; 7% report two levels from the CEO, and 6% three levels from the CEO. The leadership pipeline needs attention.

**The second pillar, employment**, directly addresses that leadership pipeline. “Hispanics in the corporate sector expressed a strong desire to participate in customized, curated professional development sessions to strengthen their skills and to acknowledge the natural assets in our culture and their diverse experiences,” observes Murguía. “And we responded.”

**HACR Young Hispanic Corporate Achievers™ (YHCA)** is a highly competitive program designed in 2007 under the guidance of Dr. Juana Bordas, a renowned leadership trainer, motivational speaker and author in the field of Hispanic diversity and inclusion. The select group of high-potential Hispanics between the ages of 25 and 40, chosen from hundreds of applicants nominated by their corporations, participate in an intensive series of sessions covering every aspect of leadership.

Additional programs offer open enrollment for Hispanics at every step on their corporate journeys. **The Leadership Pipeline Program (LPP)**, drawing several hundred participants each year, is for any mid-level corporate manager who seeks career advancement.



HACR Young Hispanic Corporate Achievers™



# CONVERSATIONS AT THE TOP

## MONICA LOZANO

Director, Apple,  
Bank of America and Target



**CID WILSON:** Monica, how have you seen Hispanic DEI evolve from your early years on corporate boards?

**MONICA LOZANO:** Years back, companies approached this work within the framework of Corporate Social Responsibility. It was something they did as opposed to what it has become today whereby DEI is about who they are. Companies are valued and evaluated on how DEI shows up in their policies and

practices internally across the organization, as well as externally in their relationships with customers, communities and stakeholders more broadly. It's a tremendous evolution.

**CW:** What in your work and life experiences inspired you to commit yourself to DEI?

**ML:** My 30 years running a Spanish-language media company made it clear to me that Hispanics were underrepresented in media broadly, oftentimes misunderstood, misrepresented or ignored. I wanted to be a part of changing the narrative, shedding a light on all the contributions our community makes, in business, the political arena and in civic life more broadly.

**CW:** How do you advise corporations to improve Hispanic representation on their boards?

**ML:** Traditionally candidates to boards were expected to have also been CEOs of large, global, complex companies, but Latinos have not been in that pipeline and do not have representation at that level. I would encourage companies and their Nominations committees to expand their criteria and focus on competencies

rather than titles. Boards are well served by people who are strategic thinkers, exercise good judgment and can round out the perspective of the other directors.

**CW:** What is it that you would like your fellow directors to acknowledge about you?

**ML:** That the perspective I brought to the board made them a better company, and that I helped shape their thinking about their contribution to society beyond the bottom line.

**CW:** Finally, do you have some special advice for Latinas?

**ML:** In our culture we oftentimes were not encouraged to bring too much attention to ourselves. I encourage Latinas to find ways to volunteer for stretch assignments, to become visible to leadership and to take on roles that provide P&L authority. And outside your company, look for ways to build your reputation, like joining non-profit boards. That's how I was identified for my first corporate board role.

**CW:** Monica, you're really a beacon for so many. As you've risen, you've brought us with you. That's tells a lot about your character. We're just deeply thankful.

The **Executive Programs** focus more senior Hispanics on positioning themselves for the C-suite and board directorships. A new program, **Latina Empow(h)er Summit™ (LES)**, for high-ranking Latina corporate professionals, centers skill building around the Latina experience in corporate America.

The **third pillar, procurement**, focuses on increasing the corporate vendor pipeline for Hispanic-owned businesses. The effort is managed in large measure by HACR coalition member the US Hispanic Chamber of Commerce and Ramiro Cavazos, its president and CEO, a long-time expert in economic development. "There are 4.7 million Hispanic-owned small businesses," Cavazos reports,

Hispanic vendors are fewer than 1% of major corporation vendors, and the total spend is a mere 2.5%.

"and more than 250,000 of them exceed annual sales of \$1 million." Yet according to CII, Hispanic vendors are fewer than 1% of major corporation vendors, and the total spend is a mere 2.5%.

CII does report progress in procurement procedures: fully 90% of respondents have a full-time employee with a designated budget responsible for

supplier diversity. Key is convincing corporations to hold their supplier diversity professionals and Tier 1 suppliers accountable for increasing Hispanic vendors and then providing assistance, financial and otherwise, to build new vendor sustainability.

The **fourth pillar, philanthropy**, has sadly lagged over the last three years. CII found a slight increase in volunteer hours and in-kind contributions but a decrease in foundation donations. Companies thus sacrifice relatively inexpensive opportunities for customer goodwill, trust and brand recognition and increased employee satisfaction, which

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Symposium/CEO Roundtable: Tim Ryan, US Chair and Senior Partner, PwC; Arnold Donald, CEO, Carnival Corp.; JoAnn Jenkins, CEO, AARP; and Bertha Coombs, Reporter, CNBC

helps improve recruitment and retention.

HACR's signature event is the **Annual Symposium**, now in its 29th year, which for the last 15 years includes the very popular **CEO Roundtable**. The Symposium, with its CEO Roundtable, attracts a growing number of top corporate executives, Chief Diversity Officers and HACR coalition members. "There are not very many forums for dialogue between

corporate leaders and community leaders," Murguía states. "So in creating a platform where both sides share and learn, HACR has provided great value." During the CEO Roundtable, the dialogue continues: four or five CEOs discuss their careers in front of what board member Blackburn-Moreno describes as "packed audiences."

Finally, in a bold stroke a few years ago,

HACR President and CEO Wilson decided to introduce HACR to the most prestigious corporate gathering, the World Economic Forum (WEF). "We can't wait for the red carpet to be rolled out in front of us," Wilson explains. "We have to go where the decision makers are." HACR's presence at the WEF is "a major accomplishment," declares Blackburn-Moreno. "We now have global visibility."

Wilson delivers a simple but compelling argument for corporate investment in the Hispanic-American community:

***"Imagine a country that is the eighth largest economy in the world • one of the fastest-growing developed economies • dollar denominated • English dominant • AAA-rated • stable interest rate environment • good governmental regulatory structures • no sovereign issues • average population age, 27. Wouldn't you want to invest in that country? Of course!"***

Visit [www.hacr.org](http://www.hacr.org) for more information.

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## United, we move forward

Growing up as a child of a small business owner and Mexican immigrants helped guide my path to Bank of America, where I began my career in 1989. Early on, I learned a lot from my various mentors. Today, I'm paying that forward as a member of the Hispanic-Latino Executive Council, which is comprised of the bank's most senior Hispanic-Latino executives who help devise strategies to influence how the company advances outcomes related to talent, responsible growth and social responsibility. We also function as the steering committee for our Hispanic-Latino Organization for Leadership & Advancement (HOLA) Employee Network. With more than 16,000 members, HOLA provides a resource for support and a platform to help drive progress for inclusion and equality.

We're proud to be the bank of choice for Hispanic-Latino clients and businesses. About one in every three checking accounts opened with us are by Hispanic-Latino clients. In addition, we continue to support our Hispanic-Latino clients' financial wellness across a spectrum of needs—whether that is through

programs like Mejores Hábitos Financieros™ (Better Money Habits) where we provide free online tools and education to help build financial literacy by delivering complete investment and wealth management solutions, or helping them grow their businesses.

America's history has been written in part by the many contributions of Hispanic-Latinos, and I am honored to serve on the board of trustees for the new National Museum of the American Latino in Washington, D.C. Additionally, earlier this year, Bank of America announced a \$1 million gift to the Smithsonian Latino Center to support the opening of the Molina Family Latino Gallery at the Smithsonian's National Museum of American History.

To change the trajectories of underserved Hispanic-Latino communities, strong collaboration by the public, private and nonprofit sectors is needed. We are honored to stand with organizations like the Hispanic Association on Corporate Responsibility and other members of the business community to help our growing community move forward and propel our country to new heights.



*"I always remember my roots as the son of immigrant parents. I view my success as an opportunity to pay it forward and to help others around me become better bankers, better leaders and better individuals."*

Raul A. Anaya  
President, Business Banking  
President, Bank of America Los Angeles

# THE POWER TO aspire and inspire

Thank you to the Hispanic Association on Corporate Responsibility for being at the forefront of inclusion in Corporate America and for creating opportunities for past, present and future Hispanic-Latino leaders.

Bank of America shares your determination, passion and commitment, and we've expanded our own efforts to drive progress through a \$1.25 billion, five-year commitment to advance racial equality and economic opportunity.

We proudly recognize our Hispanic-Latino Executive Council, which includes 230 leaders focused on advancing diverse talent within the company and in our communities.

Y tú, ¿Qué quieres lograr?®

We also thank our most senior Hispanic-Latino executives who are leading across our company.



Al Osorio



Alberto Garofalo



Alexandre Bettamio



Andrés de Corral



Augusto Urmeneta



Elizabeth Romero



Fernando Iraola



Jamie Fox



Jonathan Echeverría



José Tavaréz



Julian Parra



Linda Patel



Marlene Potter



Mónica Ríos



Raul Anaya



Ray Chinn



Robert Kozmann Jr.



Sebastián Zugman



Stephanie Friedman



Sofia Santos

Visit [bankofamerica.com/inclusion](https://www.bankofamerica.com/inclusion) to learn more.

# CONVERSATIONS AT THE TOP

## RAMON LAGUARTA

Chair and CEO,  
PepsiCo



**CID WILSON:** Welcome, Ramon. Why is DEI so important to you?

**RAMON LAGUARTA:** My parents raised me to believe that all people are equal, that diversity is a reflection of our common humanity. Over the years, I have

learned that diversity is also a major competitive advantage for PepsiCo, whether we are creating new products or looking to attract top talent.

**CW:** In your mind, what benefits has DEI brought?

**RL:** We do business in hundreds of different markets, so we must be as diverse as the people we serve. This helps us put the unique needs of local consumers at the center of everything we do, from our products and campaigns, to our partnerships and innovations.

**CW:** Why is the Hispanic community in particular important to you?

**RL:** The Hispanic market represents huge opportunity for us, and our vision is to become the most beloved food and beverage company among Hispanic consumers. That is why we created two Hispanic Business Units – one for foods, one for beverages – and why we set the goal of investing \$172 million over five years to create opportunity for Hispanic

Americans within PepsiCo, among our suppliers and across our communities.

**CW:** Do you see more opportunity to expand DEI?

**RL:** Absolutely. We're proud of our progress, but we know DEI is not a destination. It's but a continuous opportunity to improve our business.

**CW:** Has your longtime partnership with HACR furthered your commitment to DEI?

**RL:** Indeed. HACR has given us a platform to keep doing our part to defeat inequality, inequity and injustice.

**CW:** What advice do you have for companies who are early in their DEI journey?

**RL:** I would tell them to keep moving from awareness to commitment, and from commitment to action.

**CW:** Perfect summary. Thank you, Ramon.

## Gender Parity at PepsiCo

Gender parity is a cornerstone of our robust diversity, equity and inclusion (DEI) agenda. Our goal is to achieve 50 percent women in managerial roles by 2025. The key to achieving our goal is supporting employees in building successful and fulfilling careers, while doing our part to support them through different stages of their life and career. The following are a few ways we are supporting our associates:

### PROVIDE GREATER FLEXIBILITY THROUGH OUR BENEFITS & POLICIES:

- **Facilities.** In more than half of our locations worldwide with 500 or more employees, we have dedicated mother's rooms, wellness rooms or alternate space available for nursing mothers.
- **Policies.** We've also established policies for associates – in partnership with their manager – to have the flexibility to choose location based on role, work activities and team.

### DEVELOPMENT AND RETENTION TRAININGS:

- In Latin America, our INSPIRA Talent Development Program helps to build female bench, drive engagement and reduce turnover by offering manager and executive women tools, knowledge and experiences to accelerate their growth.

### BUILDING RESILIENT WOMEN-OWNED BUSINESSES:

- Our female-founded Stacy's Pita Chips brand launched the Rise Project, a program dedicated to helping women grow their businesses through funding, mentorship and community. To date, Stacy's has invested more than \$300,000 to #HelpWomenRise.

### AGRICULTURE AND FARMING INITIATIVES:

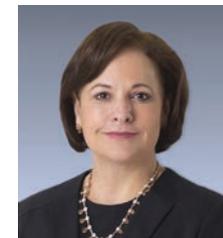
- In partnership with CARE, PepsiCo is supporting She Feeds the World, a program that trains female farmers around the world in everything from increasing crop yield to providing nutrition resources, so they can be successful. When we invest in women farmers, it helps uplift communities and create a more sustainable food system that benefits everyone.



**PAULA SANTILLI**

CEO, PepsiCo Latin America

*Leading the company's food and beverage businesses for Mexico, South America, Central America and the Caribbean*



**GRACE PUMA**

Executive Vice President and Chief Operations Officer of PepsiCo

*Leading global operations, global procurement, concentrate operations, safety and security, and holistic cost management*

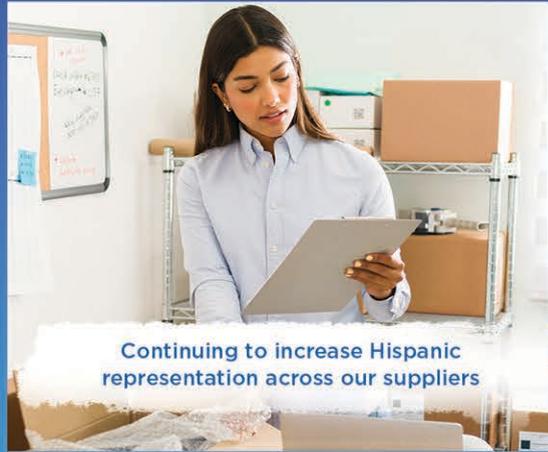


# Helping to Build a More Equitable Future

At PepsiCo, we know that our company can only succeed when our associates and the society we serve flourishes.



Increasing Hispanic representation at the managerial level and to our executive ranks



Continuing to increase Hispanic representation across our suppliers

As part of our Racial Equality Journey, we're investing \$172 million in commitments over the next five years to uplift Hispanic businesses and communities.



Expanding our Community College Scholarship Program to support 2,000 Hispanic students



Expanding PepsiCo Food for Good program to provide jobs and nutritious food access in Hispanic communities



**PEPSICO**



**Tropicana**

