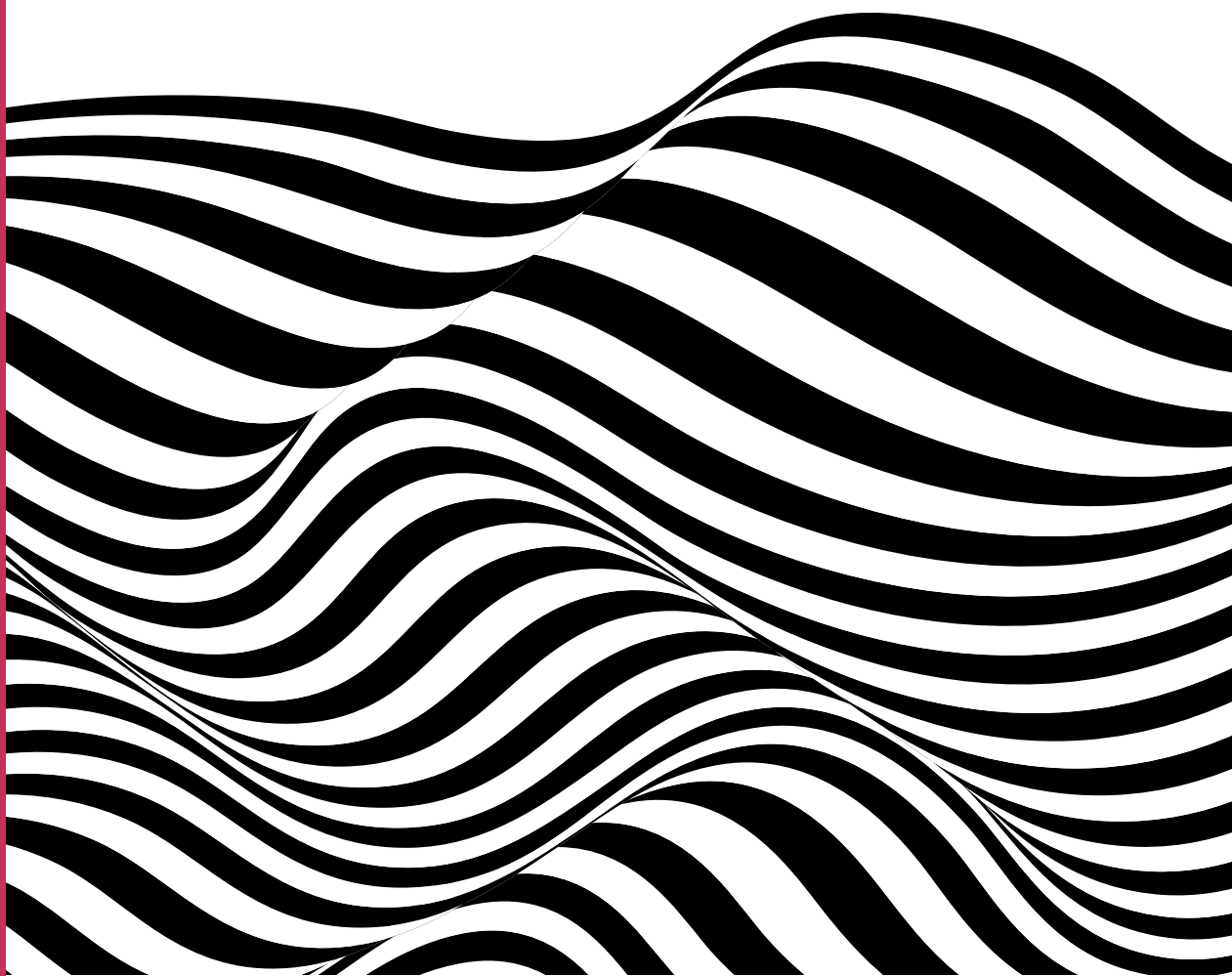


Diversity & Inclusion in Fashion

IN-DEPTH RESEARCH AND ANALYSIS FROM
THE MBS GROUP AND BRITISH FASHION COUNCIL



BRITISH
FASHION
COUNCIL

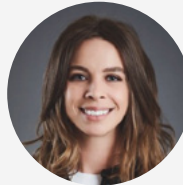
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Forewords



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In the summer of 2020, the fashion industry called for change. In the wake of the Black Lives Matter movement, businesses of all sizes and scopes denounced racism, and committed to prioritising diversity and inclusion in all its forms.

Last year, we partnered with the British Fashion Council to examine whether this intention had turned into action. Were companies committing to diversity and inclusion? Did the industry's leadership teams reflect the communities it served? And were fashion businesses really promoting inclusion? We found that D&I was gradually rising up the corporate agenda, but that fashion companies were not sufficiently or consistently prioritising D&I.

Today, we are pleased to once again be partnering with the British Fashion Council for the second year of research into D&I in the fashion industry. We have gathered data from more than 100 companies, and had detailed conversations with Chairs, CEOs and HRDs to assess how businesses are driving this agenda.

Happily, our results are more positive this year. Today, nearly three-quarters of fashion businesses have a coordinated D&I strategy (up from only half last year) and some are backed up by budget and in-depth employee data.

We've seen a solid increase in the proportion of leadership roles held by women and people from an ethnic minority background. Most encouragingly, there are now just as many women as men reporting into the executive committee.

However, there are still many structural barriers to climb. In fashion, responsibility for D&I typically sits within the HR function, rather than being integrated into the CEO's core business priorities. D&I is not yet consistently led from the top; we found little evidence of sufficient support from the non-executive board or executive committee.

Historic hiring models are also stalling progress. An over-reliance on talent sourcing from a small number of aspirational brands and schools has created homogenous teams, which have little diversity of thought or variety in socioeconomic backgrounds. Fashion still urgently requires a cultural reset, and for leaders to embrace new types of candidates who may not fit the typical fashion 'mould'. Excitingly, many of the leaders we spoke with are well aware of this need, and there are a growing number of best-in-class initiatives in place designed to drive-up social mobility across the entire industry.

Our challenge to leaders is not to lose focus. As the fashion space continues to evolve at a rapid rate, companies need creative ideas that will push boundaries. The best ideas come from happy, diverse teams who feel supported to speak up and challenge the status quo.

We'd like to thank the Chairs, CEOs and HRDs who generously gave up their time to be interviewed for this research, and to Caroline Rush and Jamie Gill at the BFC for their passion and commitment to creating a more inclusive industry. Particular acknowledgement must also go to our team at The MBS Group, who drove the production of this research.



**CAROLINE
RUSH CBE**
Chief Executive
British Fashion Council

Thank you to The MBS Group and to all the companies that have participated in this vital research programme, now in its second year.

The fashion industry is facing multiple challenges in today's economic and international trading environment – from striving for carbon reduction targets and grappling with what systems change within the industry looks like, to future-proofing our organisations and making swift progress through our DE&I strategies. These multiple challenges have led to less public scrutiny of the fashion industry's DE&I programmes. Against this backdrop, we call for organisations to retain focus in this area, as a diverse and inclusive workforce is a future-proofed workforce.

For many of us, we are in the early stages of change, and we're grappling with embedding programmes for change in our culture, building our strategy and demonstrating to our teams the commitment at Board-level. This report not only demonstrates the progress being made across the industry, but also provides an opportunity for us all

to reflect on our DE&I programmes, our progress, the engagement across all levels of the business and to take inspiration from organisations that are making strides forward.

At The British Fashion Council, we have placed DE&I as a core part of our strategy for innovation and we will continue to champion best practice and look at ways in which we can bring together the industry to collectively accelerate change. Our internal DE&I strategy, like many in this report, is in the relatively early stages. While we have made some progress, there is more to do, and we continue to learn through our programmes and partners and through feedback from our team to shape best practice.

Executive summary

This report is the second annual publication from The MBS Group and the British Fashion Council, looking in depth at the diversity and inclusivity of businesses in the European fashion industry. Our intention is to hold a mirror up to fashion businesses, and to inspire change in an industry where discrimination, and the systematic underrepresentation of minority groups, has historically been pervasive.

Methodology

This research, undertaken by The MBS Group, draws on data voluntarily given by the 100 biggest fashion companies operating in Europe. They provided information on the representation of women, ethnic minority leaders, LGBTQ+ leaders and Disabled leaders at Board, executive committee and direct reports level. This is the second year we have collected this data, allowing us to measure progress and gauge the pace of change in the industry.

On top of this, we held in-depth conversations with Chairs, CEOs, HRDs, and Heads of D&I to explore how businesses were prioritising inclusion and the barriers to progress.

The publications also includes Q&As with industry leaders, who share insight on how they are driving up D&I in their business – from leveraging employee networks to undertaking data collection.

1 | Nearly three-quarters of fashion companies have D&I strategies, but they are underdeveloped

Today, more than 70% of fashion companies have in place a formal strategy to drive inclusion and encourage representation of minority groups, up from just half of companies last year. While more fashion businesses are collecting data, dedicating budget and hiring D&I Leads, most D&I strategies are still in their early stages.

2 | There are now just as many women as men reporting into the executive committee, and more people of colour in leadership positions

In fashion, 41% of Board seats and 43% of executive committee positions are held by women. Most positively, more than half of leaders reporting into the executive committee are women. On ethnic diversity, 10% of Board seats, 11% of executive committee positions, and 6% of direct report roles are held by leaders from an ethnic minority background – figures which represent steady improvement from last year, but a long road ahead.

3 | Fashion lacks consistent Board sponsorship on D&I

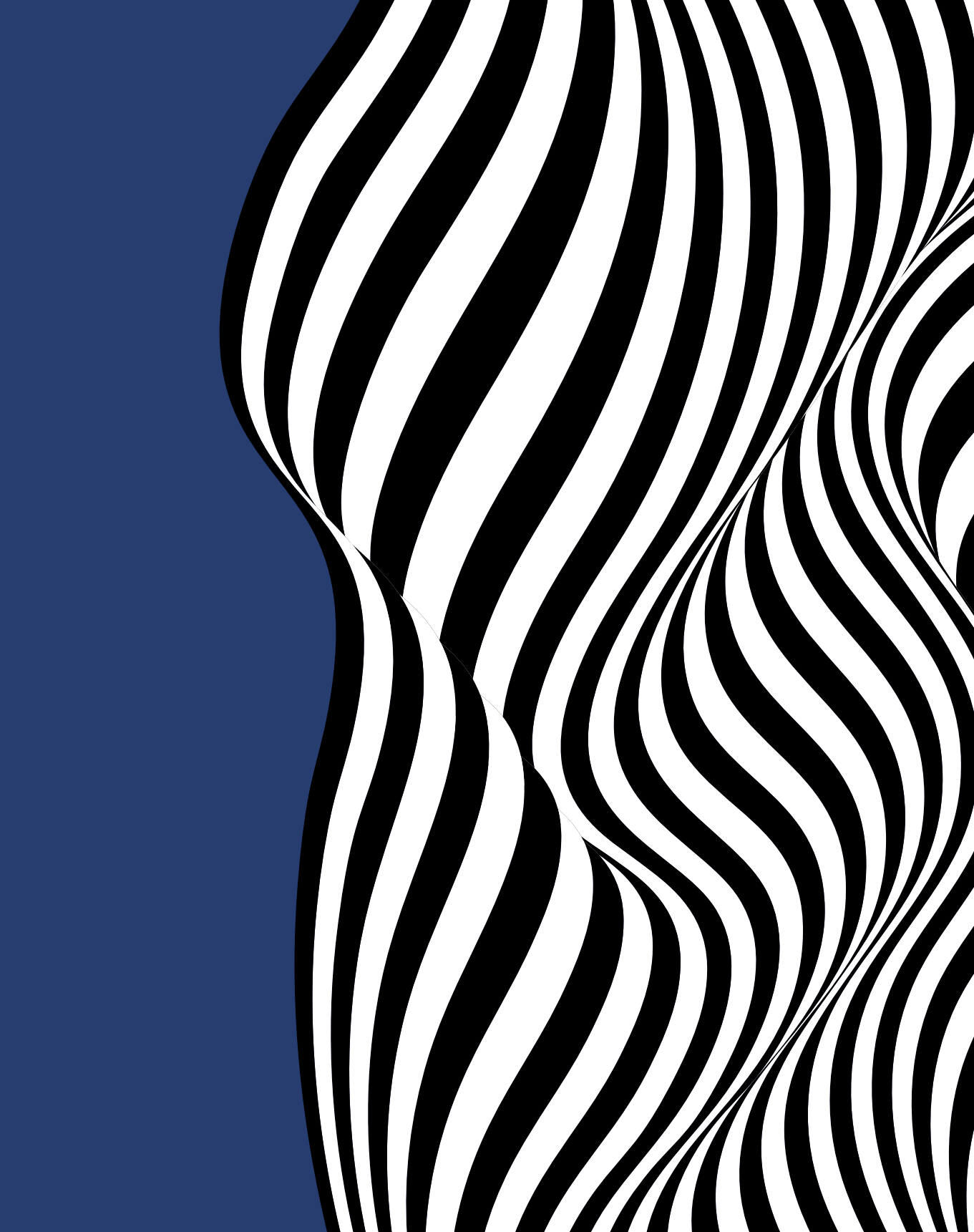
D&I still sits firmly within the HR function in most fashion businesses. While HR has a critical role to play in designing and rolling out people policies which promote inclusion, D&I strategies must be owned by the Board and executive committee to be most effective.

4 | Steps are being taken towards a cultural reset

Last year, we found that historic hiring models and patterns of behaviour had become barriers to progress on D&I. While the fashion industry still has a reputation for its exclusivity, attitudes are shifting and programmes to drive up social mobility – like internships, mentoring and new hiring strategies – are common.

5 | Competing priorities pose threats to progress

Deliberate, focused action is needed to drive change, at a time when public scrutiny on D&I is waning. Fashion companies must balance D&I efforts with other priorities such as sustainability and ESG.





How diverse and inclusive is the fashion industry in 2023?

In 2020, the fashion industry made bold commitments to diversity and inclusion. In the wake of George Floyd's murder, European fashion companies pledged to increase representation of minority groups, and to create a more inclusive industry culture.

Now, for the second consecutive year, The MBS Group and the British Fashion Council have partnered to see if businesses in fashion have taken meaningful action.

Our research finds that fashion companies are making steady and encouraging progress on the representation of minority groups, but that there is still a long way to go until D&I is embedded into organisations, and until leadership teams truly reflect their wider communities.

Nearly three-quarters of fashion businesses have coordinated D&I strategies

In 2022, we found that only half of all fashion companies had a coordinated D&I strategy. This was well below the consumer-facing sector standard.

Nearly three-quarters of fashion companies have D&I strategies

Today, more than 70% of fashion companies have in place a formal strategy to drive inclusion and encourage representation of minority groups, like women, those from an ethnic minority background, and people with a disability.

“

We've only got data for about 600 of our 3,000 colleagues.”

HRD, fashion retailer

Fashion businesses have also doubled down on their data collection efforts: our analysis found that nearly 60% of companies are gathering information on the diversity of their business, compared with fewer than 30% last year.

We're also seeing specific budgets being put in place to support D&I strategies, and dedicated leaders hired to drive the agenda. Today, more than half of D&I strategies are backed up by a specific budget.

However, strategies are underdeveloped

Strategies across the fashion industry are still in their early stages. Specifically, the agenda still sits firmly within the HR function, rather than being embraced as a core business priority and owned by the Board and CEO. Many businesses told us that D&I had never been an item on the executive committee agenda, for example. And some HR leaders told us that D&I was only now being added to their list of responsibilities. We discuss this further in on page 16.

Moreover, most strategies in the fashion industry are not very comprehensive. While businesses are collecting data, very few have a full picture of what diversity looks like in their organisation – and even fewer have specific goals in place to measure progress.

Just 10% of the companies we spoke with had targets for improvement on diversity and inclusion, with many citing a lack of data as the reason for not

implementing goals. Using legacy HR systems and navigating strict EU laws on data collection were frequently cited as barriers to progress in this area.

The most mature strategies have broadened out and become more comprehensive

Turning to the strategies themselves, the furthest-ahead strategies feature:

- Board sponsorship
- Goals and targets
- Employee resource groups
- A calendar of inclusion events

A small handful of businesses have broadened out their D&I initiatives in the past year, to include:

- Menopause policies
- Fertility policies
- Specific management training on issues like trans inclusion and disability inclusion

There is a widening gap between the leading businesses and those for which D&I is not a priority

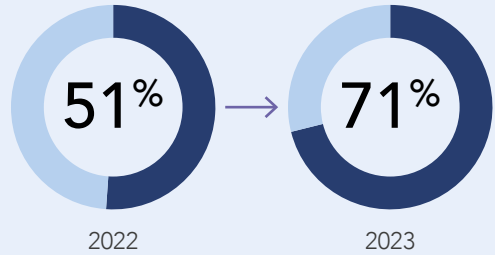
There are clear leaders and laggards on this agenda. Those at the front of the pack have in place some of the most comprehensive strategies across the whole of the consumer-facing sectors, backed up by Board sponsorship, budget, and clear targets. In these businesses, momentum on D&I has been consistently sustained over the past few years, and strategies are evolving to deepen their impact.

By contrast, the majority of businesses in fashion still have very underdeveloped D&I strategies. Without sufficient senior sponsorship or budget, it can be very hard to move the dial, either on representation of minority groups or attitudes towards inclusion.

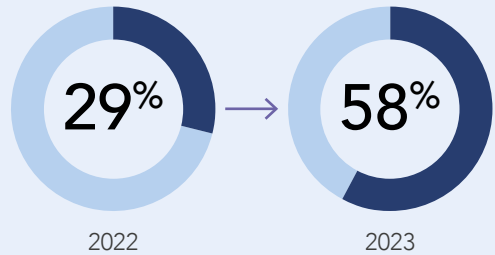
Fashion risks missing out on revenue, creativity, and talent

Companies which fail to fully embrace diversity will lose out to their more forward-thinking competitors. There's markedly less engagement in D&I in fashion than in other consumer-facing sectors. In retail, for example, more than 90% of companies have a coordinated D&I strategy.

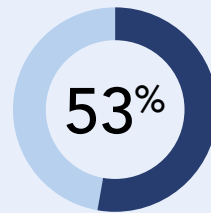
% OF FASHION COMPANIES WITH A COORDINATED D&I STRATEGY



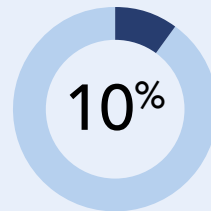
% OF FASHION COMPANIES WHICH ARE COLLECTING EMPLOYEE DATA ON D&I



% OF FASHION COMPANIES WITH A DEDICATED D&I BUDGET



% OF FASHION COMPANIES WITH D&I GOALS AND TARGETS



There are now just as many women as men reporting into the executive committee, and more people of colour in leadership positions

Diverse teams make better, more creative decisions. For the second year, we have measured how diverse the industry's leadership teams are, looking in detail at the proportion of women and ethnically diverse leaders, and the visibility of senior Disabled and LGBTQ+ role models.

The proportion of women in senior roles has increased since last year, and there's now a 50/50 split between men and women at direct reports level

The proportion of women at Board and executive committee level has climbed slightly since last year, to 41% and 43% respectively. At direct reports level, the proportion of roles held by women has jumped from just under 40% to 53%.

This is encouraging progress. At all levels, the fashion industry has greater representation of women than most of its adjacent consumer industries, such as retail, hospitality, and consumer goods. And at Board level specifically, fashion has surpassed the benchmark met by FTSE 350 businesses of 40% women on Boards.

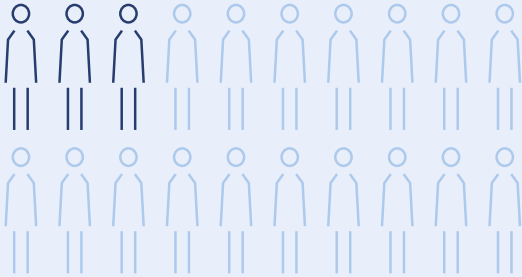
Particularly positive is the improvement at direct reports level: there are now just as many women as men reporting into the executive committee in the fashion industry. Not only does this represent strong progress from last year, but speaks to the strong pipeline of future women leaders who can step up into executive committee and Board roles in the years ahead.

The industry's most senior strategic roles are still held by men

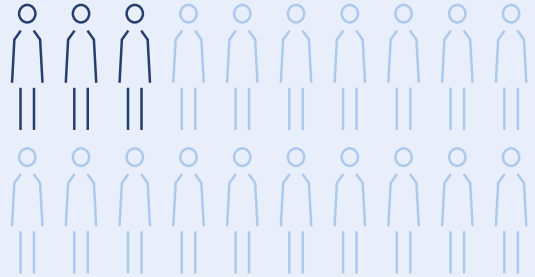
Fashion must not lose focus. At Board and executive committee level, we are still a way off reaching gender parity – and it will take some time for the bench of women leaders at direct reports level to step up.

Moreover, the industry's most senior strategic roles are still dominated by men. Analysis by MBS found that only three of the top-twenty fashion groups (which generate a combined \$280bn in revenue) are led by a woman – and only three have a woman in the role of Chair.

ONLY 15% OF THE TOP-TWENTY FASHION GROUPS ARE LED BY A WOMAN CEO



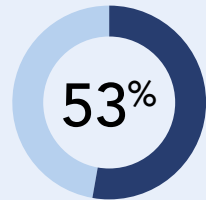
ONLY 15% OF THE TOP-TWENTY FASHION GROUPS HAVE A WOMAN CHAIR



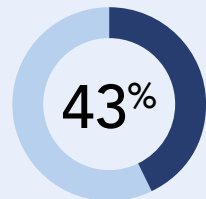
FASHION HAS REACHED 50/50 GENDER SPLIT AT DIRECT REPORTS LEVEL, BUT THERE'S SLOW PROGRESS ELSEWHERE



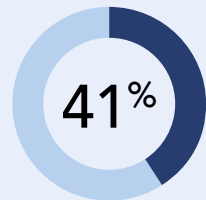
DIRECT REPORTS



EXECUTIVE COMMITTEE



BOARD



● Women

Some progress has been made on the representation of ethnic minority groups in fashion

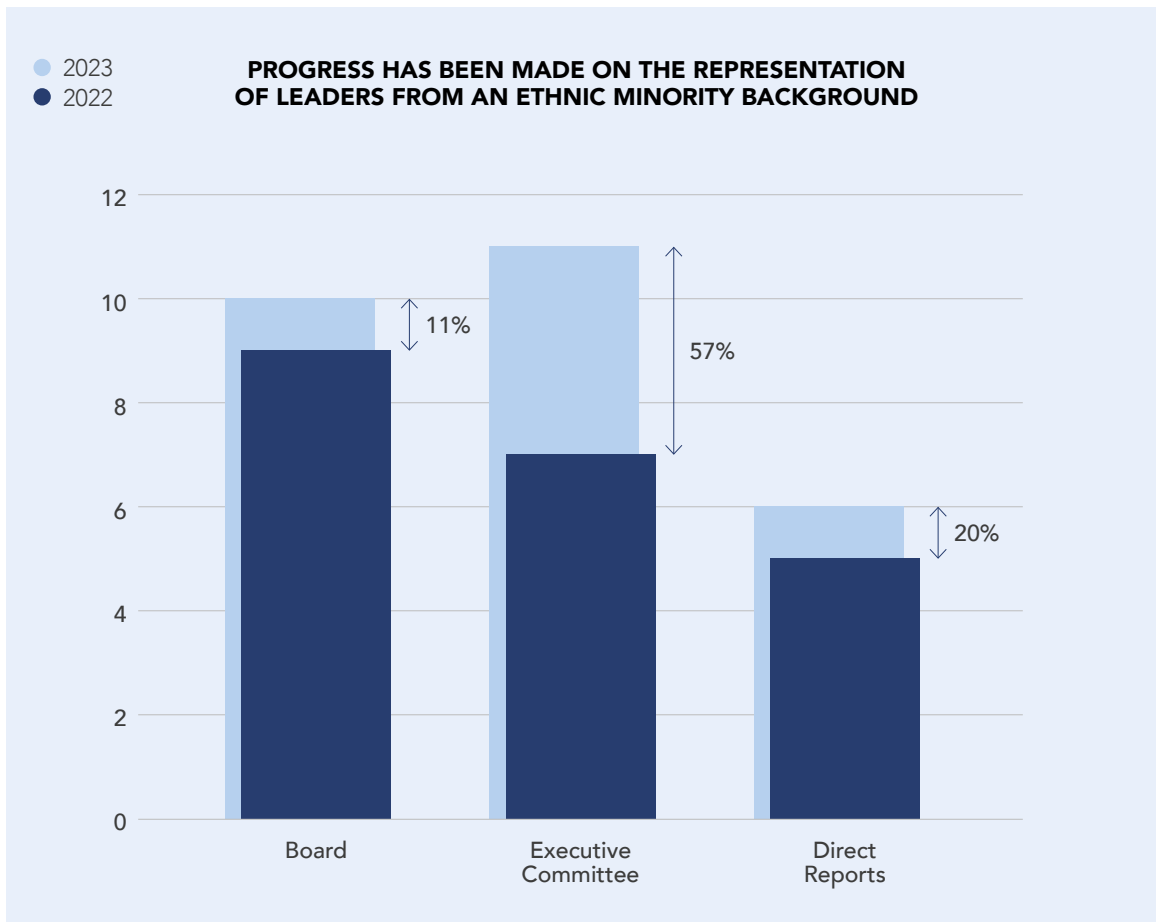
Today, 10% of Board roles, 11% of executive committee roles, and just 6% of direct report roles are held by those from an ethnic minority background. These figures show that the fashion industry is still a way off from representing the communities it serves (especially at direct reports level), but also that significant improvement has been made since last year.

At executive committee level in particular, it's clear that deliberate action has been taken to appoint leaders from an ethnic minority background. The proportion of people on the executive committee from an ethnic minority background has increased by nearly 60% since 2022.

But the industry is still predominantly white, and far from truly representing society

First, progress is not widespread. Startlingly, a third of all non-executive boards in fashion still have zero ethnic diversity. This is despite pledges made by fashion companies in the wake of George Floyd's murder in 2020, which promised to drive up the representation of ethnic minority decision-makers in the industry.

Moreover, any change won't be sustained unless the industry makes a conscious effort to build a pipeline of leaders from an ethnic minority background. Today, the proportion of people of colour at direct report level sits at just 6%. EU law prohibits collecting data on race, so it is difficult to provide a benchmark for Europe, but in the UK, the proportion of non-white people was recorded at 18% in the 2021 census.





Fashion has more Disabled role models than last year, but there's still more to be done

As part of our research, we asked businesses if they could identify at least one Disabled senior leader in their business. This year, 11% of businesses could, up from 7% last year.

This is a step in the right direction, suggesting that more Disabled people have been hired or promoted, and possibly also that senior leaders have become more comfortable disclosing their disabilities.

However, given the prominence of the Disabled community in society – in a UK context, the 2021 census found that 18% of people in England and Wales have a disability – it's clear that there is still further to go.

LGBTQ+ senior leaders are common in the fashion industry

This year, nearly 70% of respondents could identify at least one LGBTQ+ senior leader in their organisation, an increase from 62% last year. LGBTQ+ inclusion tends not to be a focus area in fashion, because of the historically high numbers of LGBTQ+ leaders in the industry.

Fashion lacks consistent Board sponsorship on D&I

For businesses to make real progress on D&I, strategies must be led from the very top. However, our conversations revealed that most strategies are still owned by the HR function, and many leaders told us that they do not receive frequent support from their executive committee or Board on this agenda.

D&I is still an “HR issue” in fashion

In most businesses we spoke with, D&I sits within the HR function. While HR has a critical role to play in designing and rolling out people policies which promote inclusion, the most forward-thinking businesses recognise D&I as a business priority – not an HR priority.

There is a growing number of D&I Leads and Heads of D&I in the fashion industry. While appointing a specific leader to drive the agenda can be transformative, Heads of D&I must be sufficiently supported and held to account by those at the very top. There is also a risk that appointing a D&I-focused leader can ‘silo’ the issue, and disempower other team members from taking action on D&I.

The furthest-ahead businesses have D&I as an item on the executive committee and Board agenda

In a small handful of businesses in fashion, D&I is owned by the executive committee and the Board. Meaningful change happens fast when D&I is discussed around the top table.

However, this is not the case in most fashion companies. This lack of support is slowing progress, and is in stark contrast to other consumer-facing sectors. In previous research into the retail sector for example, one executive-level leader told us that they spend around forty percent of their time on matters relating to D&I.

Steps for ensuring senior and Board-level support

- Link goals on D&I to executive committee-level bonuses
- Appoint each member of the executive committee as Chair of a D&I Networking Group
- Establish a specific D&I Committee on the Board, separate to the ESG Committee
- Ensure frequent reporting into the Board on D&I
- Provide specific training for the executive committee and the Board on D&I

Progress on diversity and inclusion in fashion is held back by a fear of saying the wrong thing

When D&I is spoken about openly at the most senior levels, it trickles down to the rest of the organisation. This is not happening in fashion.

The furthest-ahead businesses are creating forums for open conversations about D&I, for senior leaders, head office employees and retail teams. This is particularly crucial for managers, and some fashion businesses are providing training for leaders on how to lead in an inclusive way, how to talk about D&I, and how to navigate bad, non-inclusive behaviours.

Later in this report, you can read insights from the industry about how businesses are working to create more conversations:

- Page 24: Burberry's Diversity, Equity & Inclusion Event gave a platform to senior leaders to speak about D&I
- Page 30: Lululemon's management training provides a psychologically safe space for leaders to ask questions, and become equipped with the tools they need to discuss D&I with the rest of the business.

“

I've detected a real hesitance to talk about disability. People are afraid to make mistakes and say the wrong thing, especially in our industry where there historically haven't been many Disabled colleagues.”

CEO, fashion retailer

“

We have no dedicated champion of this issue on the Board.”

D&I Lead, fashion retailer

“

We talk about D&I in our HR team, but I don't think the rest of the business feel comfortable having those conversations. We spoke about inclusion during the Black Lives Matter protests in 2020, but there's been very little follow-up.”

HRD, fashion retailer

“

I'd say only around half of my executive team really support this agenda.”

HRD, fashion brand

Steps are being taken towards a cultural reset

Last year, we detected the need for a cultural reset within fashion. We found that historic hiring models and patterns of behaviour had become serious barriers to progress on D&I, allowing for discrimination and systematic under-representation to take hold.

Today, fashion is still known for its exclusivity

The fashion industry has a reputation for exclusivity, and continues to be built on structures which make it hard for certain groups to gain access.

For example, businesses are still hiring for 'culture fit', and placing undue emphasis on previous experience from specific aspirational brands when recruiting. Some leaders told us that in the current commercial landscape, they are looking for people who can 'hit the ground running', rather than candidates who need further training or time to familiarise themselves with the industry. While this is understandable, it leads to the circular movement of talent around the sector, and leaves little room for new, more diverse candidates to enter the space.

At an entry level, hiring managers have historically limited their search for talent to a small number of exclusive fashion schools. This trend is worsened by the fact that many roles in fashion are still underpinned by unpaid internships, or low-salary entry-level positions in expensive capital cities. This effectively closes the door to young people who do not have sufficient financial support behind them.

“

Fashion can be a bit snobbish. There's a tendency to set incredibly narrow hiring criteria, which limits who we can appoint.”

CEO, luxury fashion brand

“

We're told to build our shortlists based on who is doing the role we need at a small handful of fashion brands. It doesn't promote the D&I agenda at all, because the same people just rotate through the industry.”

HRD, luxury fashion brand

Attitudes and practices are shifting slowly

Encouragingly, many leaders we spoke to were keenly aware of the need to evolve the industry, and to make it more accessible to a wider range of junior, mid-level and senior talent.

Alongside specific schemes such as internships and academy programmes, the most dedicated businesses are trying to fundamentally change conversations around hiring in their business. Specifically, by re-thinking the need for proven experience in a certain field or company, and by empowering managers to know that they can train new team members to be great.

Businesses are trying to open up the industry in a number of different ways:

1. Internships and apprenticeships, to provide junior talent with relevant work experience
2. Dedicated academy programmes
3. Partnerships with schools and colleges
4. Partnerships with charities to reach specific talent pools like people from low-income backgrounds
5. Blind hiring processes
6. Competency-based assessments, which de-prioritise previous experience
7. Training for hiring managers on how to recruit for diversity
8. Empowering managers to know that new joiners who lack specific fashion experience can be trained to be great
9. Starting grants for entry-level team members to relocate
10. Mentoring schemes

Competing priorities pose threats to progress

Deliberate, focused action is needed to drive change in the fashion industry – and companies must balance diversity with other business priorities.

Activity in 2022 was driven by global pressure on ethnic diversity following the Black Lives Matter movement

The murder of George Floyd and subsequent Black Lives Matter protests triggered much-needed conversations on the representation and experiences of different ethnic groups at work. Against this backdrop, many companies felt compelled – by their employees and their customers – to launch or re-vamp D&I strategies. Three years on, and this momentum has slowed considerably.

In 2023, consumers are more concerned with sustainability than D&I

Many fashion leaders told us that sustainability has become more of a pressing topic in the past twelve months. While 2020 and 2021 saw increased scrutiny around D&I, today's customers are more likely to apply pressure and demand transparency on issues related to the environment.

There is greater focus on the broader ESG agenda – especially for listed businesses

Our conversations revealed that fashion companies are subject to greater scrutiny across all facets of the ESG agenda than they were last year. Leaders told us that they were feeling pressure on investors on topics like supply chain transparency and treatment of workers. Some leaders told us that this wave of interest in ESG had taken time and resources away from internal programmes to promote inclusion.

“

I'm sure D&I will get to the same place eventually. But at the moment it feels like our customers expect us to operate in a sustainable way – and they'll speak up if we miss the mark. We don't get this level of feedback on things relating to diversity.”

CEO, luxury fashion retailer

“

If I'm being really honest, I think that sustainability is a bigger issue than D&I for us at the moment.”

CEO, fashion retailer

“

Our broader ESG agenda has developed in the past year, which has distracted from our internal D&I. For example, we're looking now at how to ensure people who are employed in our wider supply chain are being treated and paid fairly.”

CEO, luxury fashion brand





Industry insights

Examples of best practice can be found right across the fashion industry.

In the case studies below, we spoke with some of our industry's most senior leaders, who shared insight on how they are driving up representation and fostering a culture of inclusion in their organisation.

From hosting Inclusion events at Burberry to working with external Disability Inclusion partners at Capri Holdings, these case studies provide practical examples of effective ways to increase representation and foster an inclusive environment in the fashion industry.

BURBERRY



GEOFFREY O. WILLIAMS

Global Vice President of
Diversity, Equity & Inclusion

Last year, Burberry held its first-ever internal Diversity, Equity & Inclusion Conference. Can you give us an overview of the event?

The Conference was one day where we invited all of our senior leaders to join us to discuss the topic of DE&I. We had 500 leaders at the event, which was entitled The Gender Edition, focused on the modern conversation of gender. We had three amazing keynote speakers, and sessions which the entire organisation could dial in to and listen in on. The day was curated to really take people on a journey.

We started off with John Amaechi OBE, who spoke powerfully about leadership. One point that really resonated was around what it means to be a good leader, and to be a good colleague. Your colleagues' family and friends know your name, he said. We all go back home after a day of work and tell those we live with about our experiences – so why would you not want to leave a good impression and have a positive connection with those around you at work?

We then had three fantastic speakers, each talking about their personal experience of the workplace. For example, a woman of colour might have a different relationship with work than a white woman. And there are distinctions to be made between how men

and women structure their careers. Typically, women will dial up their career in their forties, whereas men tend to do that in their thirties. We also had a session on how men can struggle, and are often not given the space they need to explore their vulnerabilities and speak up.

To close out the event, we had a talk based on the idea that there is no 'end date' to DE&I. It's about continuous movement and constant improvement.

Why did you put on the event? What were your motivations?

The Conference was one of the first projects I undertook in my role at Burberry. My aim was really to reset the conversation about DE&I.

I've worked in this space for around fifteen years, and we often see businesses very focused on representation and numbers. But I wanted to move the conversation along, and reframe it around culture, and the opportunity we've all got to be truly thoughtful leaders. Coming into this business, I saw there was scope for greater reflection. A lot of great work had happened on D&I, but it had all happened organically. I wanted to see deliberate progress, and progress conversationally.



Burberry CEO Jonathan Akeroyd played a key role in the event, as did Burberry's CPO, and other senior leaders. Why was this important to you?

DE&I has to come right from the top. If leaders don't have a viewpoint on this, then the agenda won't go anywhere. We have a lot of passionate people leading our Employee Resource Groups and our internal councils, but naturally, they can only take things so far.

Having our senior leaders at the event was integral. They came up on stage and spoke about leadership standards and our value system at Burberry, and how to measure our success against this value set. If your CEO says "we're doing this" then people buy into it.

What impact do you think the event had across the business?

We received overwhelmingly positive feedback on every element of the day. People loved it. While it was only one day, it's tied to a journey we're going on as an organisation, and we're still talking about it, months later.

For many people, it was the first time they had spoken openly about diversity in any kind of public forum. We're not normally given the space and time to reflect on these topics – especially in the fashion industry. I think it was quite cathartic for a lot of people, particularly seeing our leaders talk openly about it.

Within the industry, we often hear from smaller businesses, who struggle with fewer resources to dedicate to D&I. What advice would you give to these businesses?

I'd say that it's actually easier for smaller businesses to be deliberate about D&I. We are over 9,000 people globally, with over 300 leaders worldwide. Trying to move that ship is not easy.

But if you're a team of 30, 40, or 50, then it doesn't cost anything to get everyone in the same room and have a conversation about diversity. Just listening to each other, sharing insight, and speaking about your lived experiences can go such a long way. As a leader, you need to hear about the clunky parts of your business that are perhaps slowing things down.

Too often, D&I is considered as a "nice to have" rather than critical to business. What would you say in response to this?

I think the industry probably needs to shift its mindset. Diversity, equity and inclusion is a culture and business enabler, not something that sits on the side.

In a diverse and inclusive organisation, people can turn up to work and be the very best authentic versions of themselves. That is so valuable to a business – creating the right conditions for innovation, creativity, and better problem solving.

Diversity and inclusion is fundamentally just good business. In fashion today, we need ideas – and ideas come from people feeling safe, included and empowered.



**SEMONEEL
BAMBOAT**

Vice President, Global Head of
Diversity & Inclusion and Talent



You've been Global Head of D&I for the best part of three years. What were your priorities when you took on the role?

When I stepped into this position, my primary focus was to set Capri's foundation in D&I. We established three key pillars: Capri Culture, Capri Talent, and Capri Community. Our culture pillar aims to continually improve our work environment, which, for example, includes hosting educational speaker series. Under the talent pillar, we prioritise diversity in recruitment to achieve a balanced representation of gender and ethnicity as well as the development of our existing population through the Capri mentorship programme. Lastly, our community pillar is all about making an impact beyond our employees through our Foundation and by fostering partnerships with key organisations.

Bringing colleagues on the journey is a critical part of driving up diversity and building a truly inclusive culture. How are you doing this at Capri?

Fostering inclusion and elevating diversity within our organisation requires the active involvement of the entire Capri Community. At Capri, we place great importance on engaging with every member of our business. To achieve this, we have created our D&I

initiatives to be an adaptable and customisable menu, where individuals can choose programmes or events that align with their preferences and needs.

Whether it's through sharing experiences within Employee Resource Groups (ERGs), seeking mentorship opportunities, or attending informative talks, we have designed a comprehensive and inclusive programme to meet people where they're at now, and capture their attention in different ways.

Capri is a global business. How have you designed your D&I strategy to be effective around the world?

Initially, our approach to designing a D&I strategy involved considering regions as distinct entities, with plans crafted for North America, APAC, and EMEA. However, we quickly realised the limitations of this approach, as the nuances between countries required a more specific and tailored strategy.

For instance, we noticed that Employee Resource Groups (ERGs) are more prevalent in the US market. Knowing this, we have proactively expanded the presence of ERGs in the United States, while simultaneously working towards educating our global workforce about their significance beyond US borders.



Recognising that not every country will find ERGs necessary, we remain adaptable and committed to creating alternative options that will drive the same purpose of inclusion. Our 'a la carte' approach has been instrumental in enabling different markets to select and fine-tune initiatives that align with their unique needs and employee population.

What advice would you give to other global businesses?

I strongly recommend investing substantial time in educating senior leadership teams in order to secure their full support and buy-in for D&I initiatives. It's also important to acknowledge that the meaning and significance of D&I varies across different countries and cultures. We've taken the time to engage in meaningful discussions about the holistic idea of diversity.

Beyond explaining what diversity means, it's vital for global businesses to ensure that their leadership teams understand its importance. Finding the most effective language and messaging that resonates with each team's specific priorities and values is key. Some may resonate with the moral case for D&I, while others may perceive it as a revenue driver, a means to foster creativity and innovation, or an opportunity to engage new audiences. By identifying the best approach to take with each team, global businesses can ensure a more receptive and impactful journey towards embracing diversity and inclusion.

How is the Capri Foundation striving to make the fashion industry a more diverse and inclusive place?

We acknowledge the current lack of diversity in the industry, and we actively seek to expand our recruitment efforts beyond our competitors, recognising the need for fresh perspectives and talents.

While we encourage our recruiters and hiring partners to think creatively and explore candidates from outside the industry, we understand that the pool of available talent, especially at senior levels, is often limited. The Capri Foundation was established with this in mind and our mission is to drive diversity and foster inclusivity within the fashion industry.

Its full name is the Capri Foundation for the Advancement of Diversity in the Fashion Industry. Generously endowed with a \$20 million grant from our CEO, the foundation focuses on granting scholarships to students from underrepresented communities and supporting them in their early careers in fashion. We cover their educational expenses, their housing for internships in major cities, provide them with mentors from one of our three brands, and orchestrate sessions with different departments, such as buying, planning or design. The foundation's overarching purpose goes beyond career development alone, aiming to provide familiarity with the industry and cultivate the crucial connections necessary for success in the fashion world.

Disability is another area that requires deliberate focus for fashion businesses. What are you doing in Capri to drive up disability inclusion?

At Capri, we are very focused on creating an inclusive environment for all of our employees. Currently, we are in the final stages of developing our Reasonable Adjustment Process, a comprehensive framework that aims to enhance accessibility and accommodate the diverse needs of our workforce.

We're also very excited to share that our partnership between Jimmy Choo and SCOPE, a charity committed to championing disability inclusion, has enabled Jimmy Choo to earn the distinction of being a "Disability Confident" employer – showcasing our commitment to creating a supportive and empowering environment for individuals with disabilities.

H&M Group



ANNIE WU

Global Head of
Inclusion & Diversity



Can you tell us about your D&I journey so far?

At H&M Group, we have always prioritised I&D and in 2015 we began to work as a separate function. At that time, it sat in our Global Sustainability department and design office, and was one of our key focus areas when it came to social issues. The I&D strategy was very outward looking, focused more on customer-facing, supply chain, and community investment with less focus on the internal I&D perspectives.

In 2018, we decided we needed a much more comprehensive strategy. We built our strategy, which was broad in scope and included the internal dimension of I&D – and each year since then it has been updated, fine-tuned and tweaked.

Today, our strategy covers three areas. Firstly, People – which is our internal I&D focus, looking at H&M Group as an employer and all our colleagues. Secondly, Business – which includes everything customer-facing, like products, marketing and models. And thirdly, Communities – which is about how we use our business to advance opportunities for people in the communities where we operate. Through our Communities pillar we work with different groups around the world, from migrants and refugees to women and the LGBTQIA+ community.

H&M Group is a global business, which operates multiple brands across many markets. How does this impact your approach to I&D?

While our strategy is group-wide, we give teams in different brands and different markets the freedom to make I&D work for them, to reflect the Group strategy in a way which corresponds and is relevant to their brand or local perspective.

At a basic level, diversity looks different in different countries. What's needed in Germany won't be needed in Japan, for example. Things need to be handled locally.

We provide the framework and encourage leaders to interpret and adapt it to suit their needs. So, teams in different markets or in different brands are free to build partnerships, or launch initiatives that they feel would be beneficial to their corner of our organisation. They know what will work better than we do.

Being a global business also drives the business case for I&D. We are a huge retailer, present in 76 + markets. To be able to cater for our diverse customer base, we of course need sufficient representation in Head Office, at our brands, in support offices and markets. Our aim is to reflect the societies we are in and the diverse customer base we have.



H&M Group's Business pillar is particularly interesting, and unusual within the European fashion industry. Can you explain how you are considering I&D in your business operations?

The Business part of our strategy ensures that I&D is built into our design, buying and production processes. We've actually been thinking this way since 2015, and working closely with our supply chain, designers and product developers.

We partner with teams in other countries to gather insights on different cultural customs, traditions & laws to ensure that H&M Group is a culturally sensitive business from the products we produce to the training we provide for our colleagues. We've got lots of internal tools and training that have been built using this research.

Thinking about design specifically, we collaborate with selected representative designers, and think carefully about topics like cultural appropriation.

We also provide a lot of support to our suppliers, to help them meet their diversity goals and build out their understanding of inclusion, with a particular focus on non-discrimination and gender equality. We now score suppliers on three dimensions: ratio of women workers employed, ratio of women supervisors, and their gender pay gap.

On top of that, we offer guidance for our suppliers on topics like gender-based violence and sexual harassment. In 2022, we reached more than 414,000 supply chain workers and provided activities and training on these topics.

Social mobility has been identified as a much-needed area of focus in the fashion industry. Do you have any policies in place to drive up social mobility in your organisation?

We have an initiative called the LEAD Programme, which is in place to build up a talent pipeline from our shop floor and distribution centers into management and head office positions. LEAD stands for 'learn,

accelerate and develop'. The programme was launched in the US, after looking at the data and seeing that our store employee population was far more diverse, from an ethnicity and social mobility standpoint, than our head office population.

With LEAD, we're equipping our current talent with the skills to really progress through the business. It's just in place in the US at the moment, but we're looking at how to scale it up across the H&M Group.

Increasing gender diversity in tech functions is a challenge for many businesses world-wide. What is H&M Group doing in this area?

H&M Group's first-ever STEAM (science, tech, engineering, arts, maths) programme for young women and non-binary individuals launched in February 2022 in the UK and Ireland, in partnership with not-for-profit charity Stemettes. A virtual panel was created followed by a networking session. The event celebrated Women in STEAM with a focus on sustainability in fashion, teamwork and creativity.

In October 2022, the programme was launched in South Africa in partnership with Scifest Africa to raise awareness and empower underrepresented female students.

In April 2023, H&M has partnered with Hello World, a non-profit association that offers free courses and activities in digital creativity for children and young people, to carry out a full day of hacking in Stockholm where youths from underrepresented groups in tech will get together to explore the STEAM fields.

How have you seen the I&D agenda develop over the past few years?

It's been great feeling a shift among the business at large. Gradually, more people are understanding that we must be deliberate about inclusion. Today, I&D is top of mind in many of our brands, and people are aware that it should be treated as a business imperative.



STACIA MARIE JONES, ESQ.

Vice President and Global Head of IDEA, Employee Relations, and Employee Policy & Compliance

lululemon's D&I strategy is comprehensive and disruptive. Can you please provide an overview of how you're driving up D&I in your organisation?

At lululemon, IDEA stands for inclusion, diversity, equity and action, and it's a global unit that works with regional strategies and with our senior leadership team, pursuing concrete and measurable objectives.

In 2020 we shared our social commitments that drive our global and local strategies for IDEA, and enable the innovation and the resilience of our company. At the time, we committed to reflect the diversity of the communities we serve and operate in around the world by 2025.

To achieve that in EMEA, in collaboration with our Sr Manager for IDEA Dr Gus Bussmann, we partnered with the regional leadership team to establish a local strategy, which included:

- Increase racial representation to 30% on leadership team;
- Increase racial representation to 40% on retail teams by 2023;

We achieved our 2023 goal of 40 percent racial diversity across our global stores a year early, but while data and accolades speak to our collectives' dedication to putting IDEA in action, it is the employees' testimonials and community recognition that truly demonstrate our impact.

We are also committed to applying Inclusive and Equitable Design principles in everything we do. It is our goal to ensure that everything we design – from employment policies to guest relations processes, to product and branding, and how we interact with business partners – is designed in a way that is best for those at the margins, giving us the best opportunity to positively impact more people than traditional ways of design.

By embracing personal needs and preferences, utilizing inclusive processes and tools, and assessing the broader impact of their design choices, participants in the program become agents of positive change. We have realized impact in all areas of the business, including EMEA, who have participated in this program over the last three years and generated more inclusive approaches to products, policies, store designs, and more.

How are you making 'belonging' a priority? How do you quantify it?

At lululemon, we have taken strides to not only maintain but expand our commitment to marginalized groups within our collective with unwavering dedication to foster an inclusive workplace through IDEA (Inclusion, Diversity, Equity, and Action). IDEA is infused in everything we do.

We continue to forge ahead with innovation, launching programs that reshape the future of our workplace. We have an unapologetic bias towards action, and that has been especially true in the work of IDEA. We have created a sustainable program that reaches beyond opportunistic, in-the-moment activism, and into novel approaches intended to not allow our work or marketplaces to fall back into the way things were.

We seek the removal of barriers for equity by promoting an inclusive and equitable environment where all employees can thrive.



An example is our recently launched programme named Women Of: a guided 6-month learning journey designed for 40 self-identifying Black, Indigenous, and Women of Colour leaders to:

- cultivate community and expand networking opportunities
- support personal, leadership and professional development
- empower healing, storytelling, visioning, and goal-setting
- engage the allies who directly support and surround these leaders

The question always is: how do we make our programmes more authentic? How do we represent different needs and support our people in a way that speaks to them? What are the particular struggles of these communities we can address via training, policies and action?

The concept of psychological safety sits at the heart of lululemon's IDEA team. Can you talk about why this is important?

Our goal at lululemon is to foster an environment where we can bring our full selves to work, feel a sense of community, belonging and support, and share ideas and perspectives without judgement.

Creating a culture where people can feel like they can thrive in their identities, includes the ability to ask questions, listen. Being in the real conversation builds trust and authentic connection. It is essential that we all do our part to curate spaces where our people feel brave and safe to learn and grow.

And this sentiment works both ways: we want to create a strong collective of allies who bring our values to life; but also to create the general sentiment that it is okay to make mistakes.

It is really important to us to not burden historically oppressed communities with the duty to speak up and educate their colleagues. To enable that, we train and upskill our teams with nuanced approaches that cater to different needs, according to geography, social and historical background etc.

Particularly with our leadership, we continue to enroll them on a journey so they are ready to champion and advocate for our IDEA values and have a firm grasp on the nuances of what it means to be an inclusive organisation.

What does the last year of your strategy look like?

In EMEA, and through the localized lens of our cultural and geographical diversities, our priorities are focused on reaching 2023 goals and advancing the IDEA function to the next level of DEI excellence, which for us, means:

- Elevate existing programmes;
- Action new initiatives;
- Build ambassador + grow (influence) communities
- Empower through allyship

lululemon's commitments put DEI into action, through our IDEA work. We are steadfastly advancing equity, empowering marginalized leaders, fostering allyship, and championing inclusive and equitable design. Our efforts underscore the potential of companies to drive systemic change by going beyond the surface level and embedding inclusivity into the very fabric of our operations.

We trust that our innovative IDEA programs can shape a better future and not just for our collective, but for all people across the globe. By refusing to relent in our mission, which is to expand wellbeing to encompass a culture of inclusion, where diversity is celebrated, equity is the norm, and action is the commitment, we continue to build actionable, inclusive behaviours that push us further towards lasting change.



ANALIA MAC LAUGHLIN

EVP People & Campus, PVH Europe



SABINE KROMOWIDJOJO

Senior Director, Inclusion & Diversity, PVH Europe

How has D&I evolved in the past twelve months at PVH in Europe?

In 2022, we prioritised several initiatives in Europe to drive meaningful impact, laddering up to our global I&D commitments. As part of our Workplace pillar, we launched the second Self ID survey with a focus on EMEA, helping us understand the diversity of our associates. Based on the findings, we established two additional Business Resource Groups – voluntary, associate-led groups that foster a culture of inclusion, introduced a new learning course, the I&D Champion Badge, that has helped us become more self-aware of our differences and biases and launched a pilot in our Amsterdam headquarters offering a selection of gender-inclusive toilet facilities.

Additionally, we have reached our commitment to make unconscious bias training available to 100% of our associates and will continue to maintain this in the onboarding journey of all new associates. We also broadened our eligibility for Inclusive Parental Leave, implemented formal mentoring programs for women, racially/ethnically diverse and other underrepresented groups, and established an I&D leadership goal for the annual performance review process for people managers globally.

To support our Marketplace commitment, PVH launched the PVH I&D Brand Advisory Board with the goal to shift ways of working for consumer-facing teams and become more inclusive and culturally aware. The Board includes a diverse group of global cross-brand and business associates and focuses on best practices for inclusive materials, product, and experiences while empowering teams with informed advice.

Finally, as part of our Community pillar, we have established partnerships with three organisations in the UK, Germany, and the Netherlands which make a positive impact in changing the face of fashion. These include strong relationships with the Fashion Council Germany, Graduate Fashion Foundation, and the House of Denim. These partnerships were established as part of PVH's four-year commitment to invest \$10 million USD with global nonprofit organisations to support programming and initiatives that enhance awareness of, and access to, opportunities in the fashion industry for underrepresented communities.



How is PVH focusing on social mobility in Europe?

We remain steadfast in our commitment to an inclusive and diverse community, and we take pride in working with talent from every walk of life and corner of the world. We know that change comes by creating long-term impact and opportunities for those who are often excluded or lack access. In 2022, through our Community commitment, we supported House of Denim in The Netherlands. This partnership enables a cohort of young talent to develop their design skills, from learning how to work with denim and create their own pieces to understanding the various elements that come with owning a business. The program is designed to create pathways for those from underserved and underrepresented communities – and we are excited to further support social mobility initiatives in the coming years.

What are the biggest challenges that you face in reaching your D&I goals?

We continue to make great progress against our I&D Commitments and work across brands, regions and businesses to create an inclusive culture for all. To ensure we continue making positive impacts in our workplace, marketplace and community, we are focused on taking actions to establish a way of working that will take advantage of our global scale, empower our teams to make decisions and streamline our efforts. Not only will this improve and accelerate our I&D progress, but it will also strengthen our foundation for growth and ensure longevity.

What have been your most successful initiatives, on any scale, since beginning your D&I journey?

In 2018, we joined Amsterdam's Canal Parade for the first time – what started as a grassroots initiative ended with the entire organisation contributing to the overall success. From various designers working on outfits, to several associates joining us from across the EU, we came together to celebrate individuality. We

harnessed this passion and energy into our Business Resource Groups (BRGs), where associates still come together and work as one unified team. The BRGs have expanded over the last years into five successful chapters and help us foster an inclusive culture while allowing us to stay connected to associates. Our EMEA region LGBTQIA+ network was even nominated by the Workplace Pride not-for-profit organisation for the most engaging network in 2022.

Additionally, in 2022, we completed the Talent Practice Review – a report created by reviewing key practices of the Talent Life Cycle and reviewing over 200+ HR documents, policies, processes and training material. While the review was an investment, it gave us invaluable insight into our European Workplace pillar as well as providing strategic direction to our long-term I&D work so we can further drive meaningful impact.

What advice would you give to leaders looking to drive up D&I in their business?

Allyship is the key to creating an inclusive workplace. It is imperative across all levels of the organisation that we support and take actions to help underrepresented individuals and groups. We can start by deeply understanding the experiences of others, from everyday acts of empathy and curiosity to building an awareness of our own privilege. Through allyship, we can begin to uplift others and change the narrative.

What do you hope the future of D&I will look like in the fashion industry?

We hope to build a just fashion industry where there is equity and equal opportunity for all. To work with diverse communities and create equity across cultures, we need to reframe and radically rethink how we do business across the industry and challenge old standards of beauty and success. Only then can we work towards a more just fashion landscape.



**LAETITIA
TIERNY**

IDEA Director EMEA

**MONIKA
MICHALISZYN**

VP People Services EMEA

How is inclusion and diversity structured at VF Corp?

As a purpose-led, performance-driven company, we strive to foster a culture of belonging based on respect, connection, openness and authenticity. We are also committed to building and maintaining a workplace that celebrates the diversity of our associates regardless of gender, nationality, ethnic origin, religion, world views, abilities, age, sexual orientation or identity and allowing them to bring their authentic selves to work every day. Our group-level global I&D strategy is called IDEA, which stands for Inclusion, Diversity, Equity and Action. The business is a key partner in developing our IDEA strategy, with different initiatives taking place in different markets and within different brands.

In EMEA, our IDEA strategy was elevated a year ago, upon the arrival of Laetitia. But we haven't been staying silent on this topic until then. The EMEA Inclusion and Diversity Network, our employee resource group, was formed in 2018, and has led the way across EMEA in raising awareness and providing education on this very important topic.

We are working to build a culture of belonging and inclusion in every part of our organisation. To date, our main areas of focus have been on achieving gender parity (WOVEN), and promoting community and allyship for ethnically diverse associates (ACE

Diversity), and LGBTQ+ associates (Pride). We consciously choose to focus on prioritised areas to help us drive tangible impact and results. While we continue to focus our energy on these three employee resource groups (ERGs), we are always looking to expand our horizon. Over the next year we plan to launch our new ERG which will have a focus on disability. Our ERGs meet regularly to share experiences, align tactics, cover intersectionalities and discuss the upcoming events for the following quarter, to ensure that we provide our associates with meaningful content through initiatives like speaker series, newsletters, mentoring circles, and many many more. It's very important to us that our ERGs stay close to our associates and are active. It's a key part of our strategy to ensure our associates have the resources to be educated on these topics and help us cultivate a culture of belonging. It's not just about making noise during Pride, for example, but about facilitating consistent awareness, providing support throughout the year and driving impactful actions, all together and in every corner of the business. Communication is meaningful, and we can see the lasting positive change our ERGs are having on our teams within VF.

Our ERGs have support from senior leadership, while being given the space and the psychological safety to drive initiatives themselves.

I&D is most effective when it is championed by senior leaders. How is I&D being led from the top at VF Corp in Europe?

The EVP and President in EMEA, Martino Scabbia Guerrini, is definitely the most senior sponsor of inclusion and diversity in our business. He's got a real passion for the topic, a willingness to learn, and a drive to take it to the next level. He knows that embracing I&D brings a competitive advantage from a business perspective.

One of our priorities is to more regularly check in with the EMEA region leadership team to discuss IDEA, share IDEA dashboards, and align on upcoming actions. We want all our senior leaders to champion inclusion, and that means regular engagement and continuous learning. We meet every quarter to review the data and review our strategy, as well as the allocated budget. We've already done quite a lot, and there's always more to be done – it's not a tick-off-the-box exercise, it's a continuous journey.



Across the fashion industry, one of the biggest blockers to progress is a lack of diversity data. This is especially true for businesses which span multiple geographies, requiring leaders to navigate different regulations and mindsets around disclosing personal information. What are you doing at VF Corp to tackle this issue?

Building a full picture of what diversity looks like at VF Corp is certainly a priority at the Global level, as well as in Europe. At the moment, we have information on gender and nationality, but we're working with our HR and legal teams to gather more. It's a challenge for us from the privacy standpoint, because of European GDPR requirements, as well as due to the consistency of data shared by employees which varies across EMEA. Once we have consistent data across the region, we will be able to measure and create meaningful actions where opportunities are identified, as what gets measured gets done.

Alongside efforts to boost our quantitative data, we also run focus groups to better understand our employee base and really get under the skin of the information we do have. We hold a series of focus groups with different communities, which allows us to ask questions and gain insight that you wouldn't get from the data alone. It's that mixture of quantitative and qualitative data which is most meaningful and informs our focus areas and actions.

Leveraging social mobility is key to making the fashion industry more inclusive. What is VF Corp doing in this area?

We've got some really positive individual initiatives. Our Talent Acquisition team, for example, has just launched a really wonderful internship program that includes spaces for refugees. We've also recently launched a scholarship with Black Talent Fund, to support Black students in design who may be in difficult financial situations through their studies.

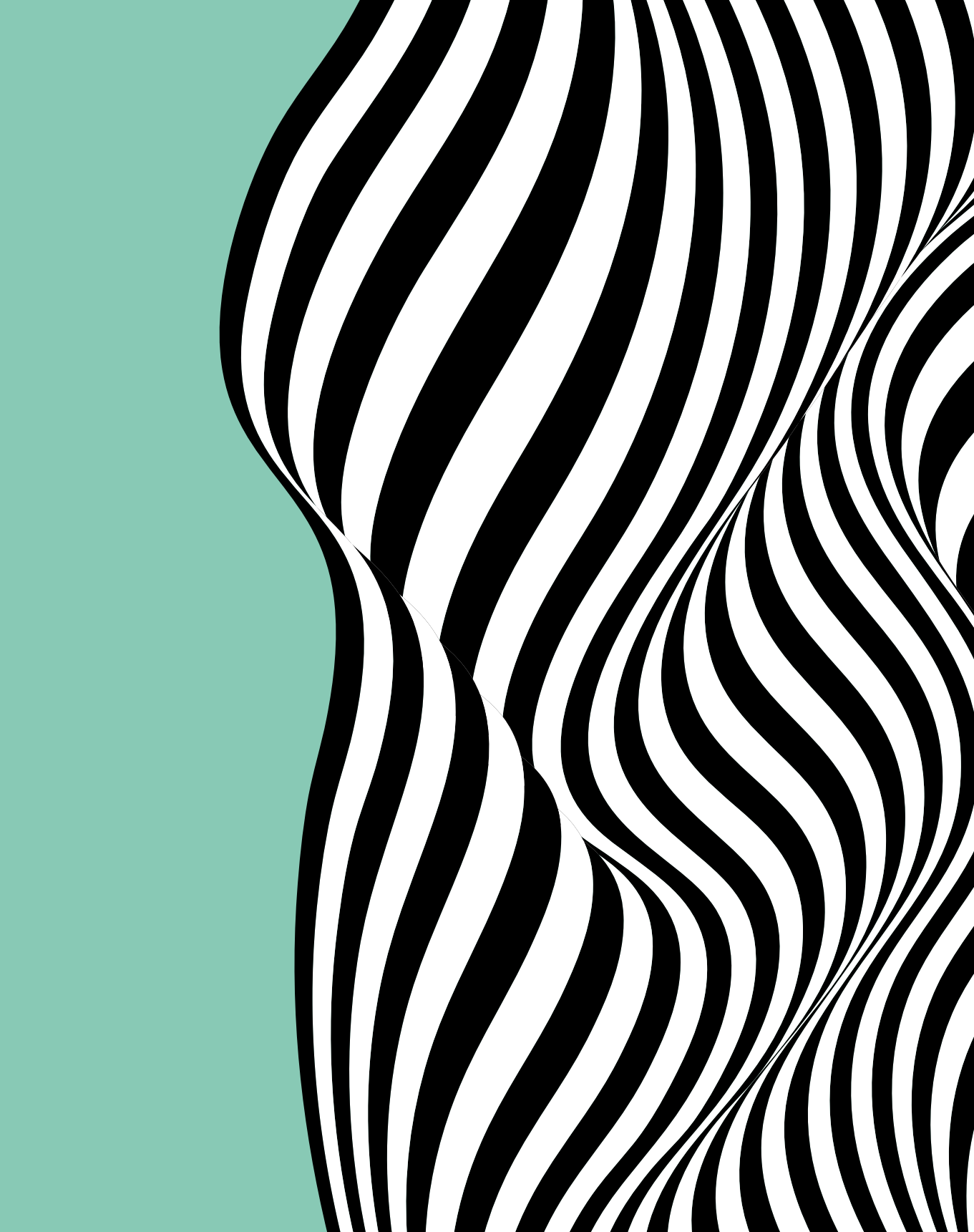
We also provide mentoring, with a focus on Black

young professionals. This is in partnership with a UK-based organisation which supports young Black people at the early stage of their careers. We offer free mentoring hours with our team members, ranging from manager up to Vice President level.

Our last report found that disability is not being sufficiently addressed in the fashion industry. Are there any policies or initiatives at VF Corp which focus on disability inclusion?

Across the group, there are some great programmes underway. In the US, we've invested in an 'adults with a disability' programme in a distribution centre. Some of our team members in this location have Autism and other neurodivergent conditions, and we've provided accommodations such as noise control and light control. The results are amazing – retention in that team is at 80%, and productivity is through the roof at 92%. Today, we're looking to bring this concept to EMEA. We are also looking at improving our digital accessibility across our websites. Some of our brands are also working to build some more accessible products (e.g. JanSport launched an Adaptive Collection with two products – Central Adaptive Accessory Bag and Central Adaptive Pack; Vans had a collection of sensory friendly footwear and apparel for people with autism).

At the moment, we're focused on building a dialogue around disabilities and hidden disabilities, providing learning resources and information on various topics within this space. On an annual basis our ERGs run what we refer to as the "I&D Series" which is a month during which we do a guerilla marketing campaign on various I&D topics, including disabilities. Two years ago, our focus was on neurodiversity, to raise awareness on the fact that not every disability is visible. We provided our associates with some interesting facts on neurodiversity, as well as included resources on inclusive language around this topic. In a more recent series we ran a very successful speaker event with a modeling agency with whom we collaborate who represents models with disabilities.





Leading from the top

Change happens when a company's most senior leaders commit to progress. To make the fashion industry more inclusive, leaders should own the agenda and treat it as a core business priority – in the same way as, for example, digital transformation.

At The MBS Group, we advise on all senior roles of strategic importance, and we've seen the impact that a singular leader who prioritises D&I can have on the wider organisation. In this section, we explore the part that different senior roles have to play in driving this agenda, and what executives can do to lead with D&I at front of mind.

What role do senior leaders play in driving D&I?

Non-executive Board

The role of the Board is to hold the executive to account on progress on D&I. In the furthest-ahead businesses, Boards:

- Receive specific training on D&I
- Are comprised of a diverse group of people with a broad range of lived experiences
- Regularly meet with the executive committee to discuss progress on D&I
- Have a specific D&I Committee, that is separate to the ESG Committee
- Ask D&I-centred questions at critical inflexion points, such as redundancies or commercial strategy pivots

Chief Executive Officer

Ultimate responsibility on D&I should lie with the CEO. In the furthest ahead businesses, the CEO:

- Works with relevant departments to set the D&I strategy
- Sets the tone for the rest of the business, speaking openly about D&I and setting an example
- Has any bonuses linked to progress on D&I goals and targets (this can be goals for representation, inclusion activity, or employee sentiment, for example)

Chief People Officer

In many businesses, the CPO is responsible for the day-to-day implementation of a D&I strategy. In the furthest-ahead businesses, the CPO:

- Works alongside the CEO to design the strategy, especially where it relates to hiring and recruitment
- Examines existing policies to determine whether they are promoting inclusion
- Encourages policies like flexible working, which can drive up diversity among women and people with disabilities
- Drives the efforts to re-think how fashion companies hire, including education and empowering hiring managers
- Is responsible for building a picture of what diversity looks like in the business. This includes gathering data on demographics at each stage of the employee life cycle (application, hiring, promotion etc) and also measuring the impact of D&I initiatives



Chief Marketing Officer

It is the CMO's role to ensure the outward promotion of D&I at a business. In the furthest-ahead businesses, the CMO:

- Designs marketing strategies that promote company values
- Designs marketing strategies that speak to a wide range of customers from different backgrounds
- Coordinates with the CPO to build an inclusive employer brand

Creative Director

In a similar way to the CMO, it is a creative director's role to build an inclusive brand identity. In the furthest-ahead businesses, the creative director:

- Considers D&I in every creative element of the business, from marketing to product to fashion show design
- Designs merchandising and store format strategies that are inclusive of people with disabilities

Media

Media outlets serve as mouthpieces for the industry, and legacy institutions as well as new platforms have a critical role to play in redefining the fashion landscape to make it more inclusive. The furthest-ahead media organisations are:

- Platforming diverse designers, photographers and models
- Considering D&I when choosing advertising partners
- Holding fashion companies to account through their reporting



The non-executive director has an important role to play in supporting and challenging the CEO to take D&I seriously. Through the language we use, what we speak up about, and how frequently we do so, we can make it clear that we are looking for change.

Orna NiChionna, Senior Independent Director, Burberry

Data appendix

% businesses with coordinated strategies

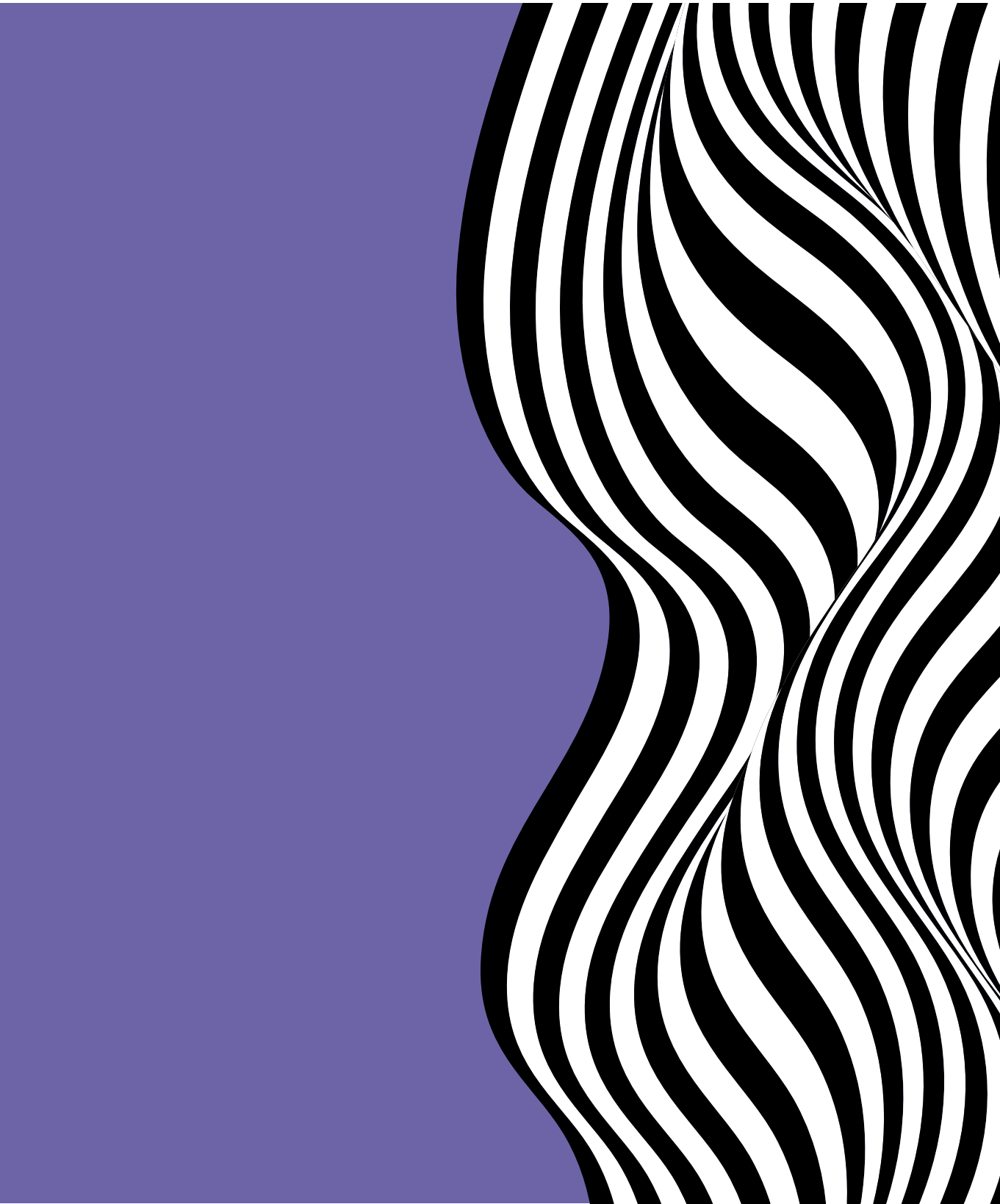
Fashion	71
Retail	91
Hospitality, travel and leisure	89
Consumer goods	77
Beauty	76

% women at top-three leadership levels

	Board	Executive Committee	Direct Reports
Fashion	41	43	53
Retail	38	37	42
Hospitality, travel and leisure	31	31	40
Consumer goods	30	27	40
Beauty	38	35	59

% ethnically diverse leaders at top-three leadership levels

	Board	Executive Committee	Direct Reports
Fashion	10	11	6
Retail	12	8	13
Hospitality, travel and leisure	10	9	6
Consumer goods	16	10	8
Beauty	9	7	18



About Us

About The MBS Group

The MBS Group is a leading sector-specialist B Corp executive search firm advising all consumer-facing industries, with a particular focus on the fashion industry. Clients consider us to be the partner of choice when searching for critical leadership roles that make a difference. We work at Board level and on executive positions across all functions of strategic importance.

For more information, visit www.thembgroup.co.uk

About the British Fashion Council

The British Fashion Council (BFC) is a not-for-profit organisation set up in 1983 with the role to strengthen British fashion in the global economy as a leader in responsible, creative businesses. We do this through championing diversity and building and inviting the industry to actively participate in a network to accelerate a successful circular fashion economy. Our work encompasses promoting British fashion internationally and does so through Fashion Weeks, Exhibitions and Showcasing Events.

For more information, visit www.britishfashioncouncil.co.uk

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