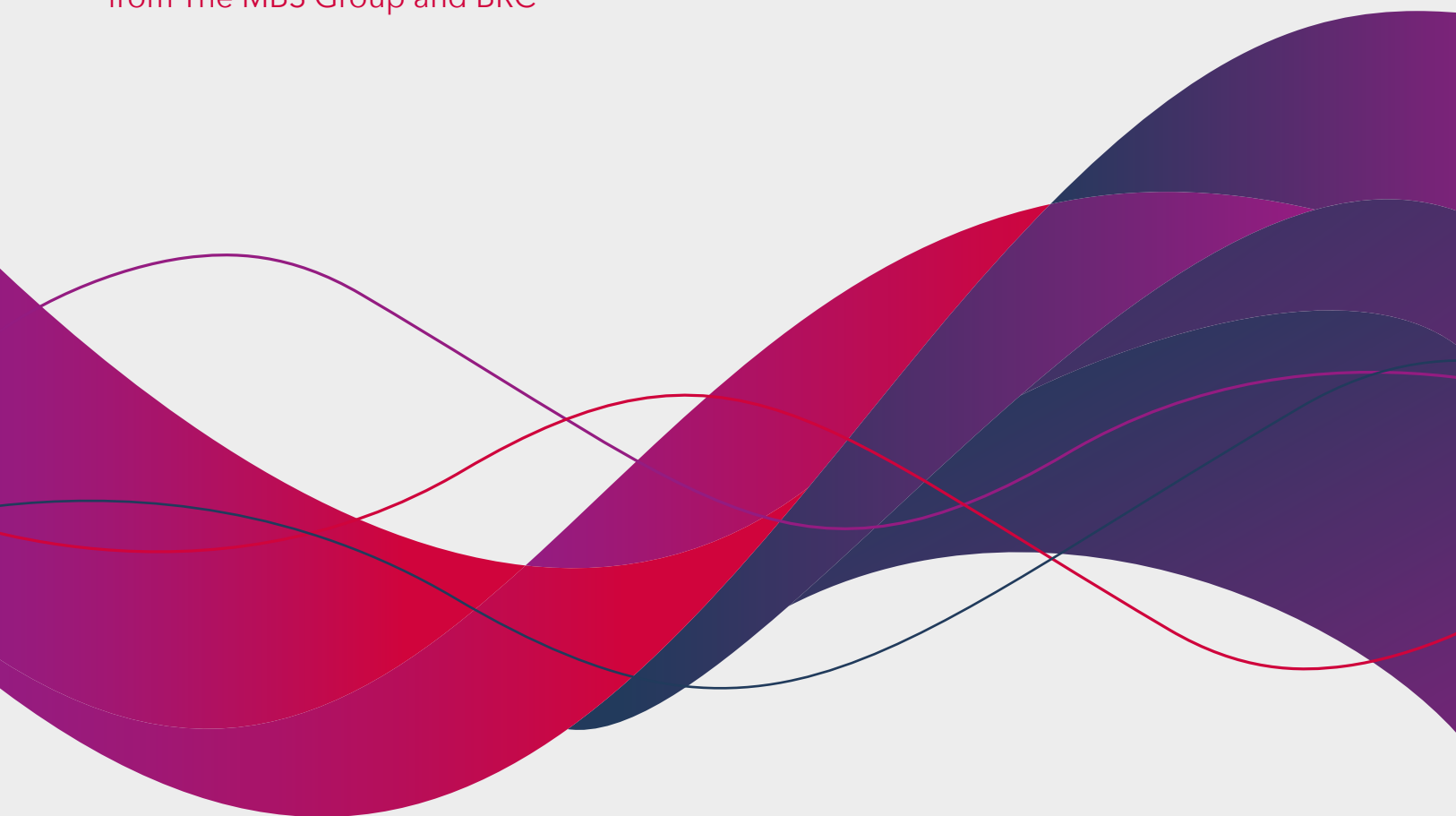


MBS Intelligence

# Tracking progress on diversity and inclusion in UK retail

The fifth edition of in-depth research and analysis from The MBS Group and BRC





MB BRC

# Contents

<b>Foreword</b>	<b>5</b>
<b>At a glance</b>	<b>7</b>
<b>What is the status of D&amp;I in the retail industry?</b>	<b>13</b>
<b>The Employee Inclusion Index</b>	<b>31</b>
<b>Case studies from retailers</b>	<b>39</b>
<b>About Us</b>	<b>46</b>



MB BRC

# Foreword

Retail serves millions of people every day, across the country and across the world. Its customer base is vast, spanning across all ethnicities, genders, sexual orientations, abilities, and backgrounds.

The industry requires a workforce and senior leadership that understands the breadth of its customers to deliver the very best experiences and goods, and therefore it follows, that an inclusive workplace culture, where everyone can feel a sense of belonging, contributes to higher employee productivity.

Retailers know this, which is why so many signed up to the BRC's Diversity & Inclusion Charter, working hard to embed best practice throughout their business, and many more share data and insight for this report.

But, with the wider conversation around D&I becoming more toxic, particularly overseas, it would be easy to take a back seat. Retailers are grappling with rising people costs and budgets are under immense pressure, so it is reassuring to see D&I remaining a priority for so many retail businesses.

Since we first launched this report in 2021, we've come a long way.

The progress on gender is strong. Within five years, data collected by The MBS Group has shown we are very nearly at gender equity at Board level. In 2021, female representation was around 30%, now it is 47%. The proportion of disabled retail leaders has also improved.

Yet, elsewhere progress is slow. Ethnic representation has backtracked after notable progress last year, and we are nearly back to where we were in 2021. This is disappointing and serves as a stark reminder that we must never rest on our laurels.

Another challenge is creating an inclusive workplace where all employees feel comfortable and included. The Employee Inclusion Index shows that despite the progress made with more diverse representation, this has still not translated into lived experiences - as with previous years, those who are Black/African/Caribbean have the lowest levels of feeling included in the retail workplace.

So, the work continues toward a genuinely equitable playing field. CEO accountability and buy-in is vitally important in our quest for a diverse and inclusive industry, particularly CEO engagement with the wider workforce.

We must all continue to reflect and adapt until our mission is complete, and this report helps us do exactly that.

As ever, a huge thank you to Retail Trust for their part in the analysis, and to the Charter signatories, CEOs, Chairs and HRDs for their invaluable insights; this report, and the progress made so far, would not be possible without them. And finally, to our teams at BRC and The MBS Group who brought the research to life.



**Helen Dickinson OBE**

Chief Executive  
British Retail Consortium



**Elliott Goldstein**

Managing Partner  
The MBS Group



# At a glance

This is the fifth year of research from The MBS Group and BRC, exploring the status of diversity and inclusion (D&I) in the UK retail industry. This report encapsulates research on leadership diversity from The MBS Group, workforce diversity from the BRC, and an assessment of employee inclusion, based on the Retail Trust's "Better You" tool.

# Executive summary: where are we now?

90%

Retailers with a coordinated D&I strategy

75%

Retailers with at least one senior leader who demonstrates social mobility

4.3%

Drop in ethnic minority representation at Direct Reports level since last year

57%

Percentage of women who make up the retail workforce

% OF WOMEN AT TOP THREE LEADERSHIP LEVELS					
	2021	2022	2023	2024	2025
Board	32.6	37.5	37.8	42.3	47.4
Executive Committee	32.0	34.2	36.7	40.9	43.7
Direct Reports	37.5	34.8	42.8	55.2	50.5

% OF ETHNIC MINORITY LEADERS AT TOP THREE LEADERSHIP LEVELS					
	2021	2022	2023	2024	2025
Board	4.5	9.6	10.0	12	8
Executive Committee	5.8	7.7	9.1	8.9	8.3
Direct Reports	6.0	10.3	11.3	10.3	6.1

## **① Five years on, retail leadership teams are continuing to diversify, and D&I strategies are developing – but progress is slow**

Today, nearly 60% of women make up the retail workforce, and women make up nearly 50% of Board, Executive Committee and Direct Reports leadership levels in retail. This is a noticeable increase compared to when we started collecting data in 2021, where the numbers sat closer to 30%.

However, this progress is not widespread, as other areas – such as representation of ethnic minorities – has not improved to the same extent.

As D&I strategies become more sophisticated, retailers are turning their attention to areas of diversity and inclusion which have historically been less prominent, such as social mobility and neurodiversity. These focuses are in early stages, which means non-disclosure levels are high and concrete definitions are still being formulated in many cases.

## **② Diversity and inclusion strategies are not translating into a feeling of belonging for the retail workforce**

Feeling happy at work is not a sentiment that is shared widely across the retail workforce. Black/African/Caribbean scored lower than other ethnicities when asked about feelings of inclusion and those who identify as having a disability also scored significantly below those who did not. This feeds into an emerging picture that data and sentiment are not aligning. Whilst a large number of external factors are impacting employee wellbeing, this gap highlights the importance of continually revisiting D&I strategies to ensure they are being felt on the ground.

## **③ Geopolitical factors have had some impact on D&I communications externally, but not on implementation**

Due to new governments and the change in narrative around D&I coming out of the US, many retailers spoke of holding back on the publicity of their D&I agendas, but none said that it had impacted the implementation of them internally.

## **④ Fatigue and cumulative cost pressures in retail have impacted the progress of D&I**

The retail sector has faced some significant challenges over the past few years, and the current cost and regulatory environment means there is a real risk of D&I strategies falling off the radar of CEOs and Boards.

Smaller retailers are finding justifying dedicated D&I staff challenging as budgets are squeezed – in fact, many cited budget as a key factor in the hindering of progress.

## **⑤ Demonstrating that there is a link between inclusion, culture and performance is crucial**

Highlighting the outcomes of D&I strategies, in relation to feelings of inclusion an improved culture, and ultimately the benefit on productivity and ROI, is crucial in ensuring that D&I remains a business priority going forward.

# Insight from leaders

- **CEO accountability** – as stated in the BRC's D&I Charter – and **'buy-in to' D&I strategies** are now more important than ever. This is because of a challenging trading environment and the de-prioritisation of the agenda by some of the investor community. Our research emphasised the need for meaningful CEO engagement, particularly with the younger workforce, and this included positive reverse mentoring experiences.
- The current economic climate has made it **harder for investors to prioritise D&I** and ESG strategies. To remain relevant, D&I initiatives need to align more closely with broader organisational culture and leadership engagement, a shift which is becoming more prevalent among retailers.
- **Storytelling** remains crucial, especially for smaller retailers facing budget constraints. Demonstrating the benefits that **creating an inclusive experience for customers** can reap was also mentioned as a powerful tool for making the case at Board level for D&I in workplaces.
- Retailers emphasised the critical link between communication and implementation of D&I initiatives. While some are **softening their external approach**, internal strategies and commitments remain unchanged.
- The impact of external factors such as being subject to violence and abuse in the workplace, and the impact that economic challenges has on employees' lived experiences and feelings of inclusion were mentioned as potential contributing factors towards dissatisfaction. This makes it harder to solely attribute lower feelings of inclusion to either D&I initiatives or to the wider context.

# Methodology and motivation

## About MBS research

Our fifth-year findings are based on data from 200 of our industry's leading businesses, with a focus on the three highest leadership levels: Board, Executive Committee, and Direct Reports into the Executive Committee. We measured representation of women and leaders from an ethnic minority background at the senior levels of retail businesses, analysed the maturity of policies, and explored how companies are embracing aspects of D&I including LGBTQ+, disability, age, and social mobility.

## About BRC research

The BRC D&I Charter was launched alongside the first edition of this report in 2021. Participating retailers sign up to six pledges – focused on oversight, recruitment, progression, reporting, inclusivity, and responsibility – and gain exclusive access to a programme of workshops and events, helping challenge culture and biases holistically and embed D&I into their business. As part of the Charter commitments, the findings of an accompanying signatory survey are published in this report.

This is the fifth time data has been collected from BRC Charter signatories. The results have been collected directly from a wide range of retail companies. The sample encompassed 53 signatory companies comprising a workforce of close to one million (a third of the total retail workforce in the UK). Not only were there additional member responses compared to last year, the breadth and coverage of the industry response was enhanced, increasing the robustness of the results. The number of retailers committed to the BRC D&I Charter also continues to grow, indicating that D&I remains a priority.

Respondents were able to provide data for over 80% of the survey categories, a significant increase on last year which was 60%. Retailers varied in their data collection capabilities, and accurately accessing and gathering sensitive information about workforce characteristics can be a challenge for many companies.

Many responding companies were unable to provide a full picture of their workforce characteristics, whether through lack of data availability or lack of statistical robustness. 2% of respondents held no data on sex, 4% on age, 22% on ethnicity, 32% on disability and 36% on sexual orientation.

The legal context is also important, with specific rules around collection of diversity data. As an example, employers cannot question a candidate's health before shortlisting or making offers, but they may ask about their health to assess diversity to monitor equal opportunities.

Employees are under no obligation to disclose diversity data, and, according to retailers, are often reluctant to provide it.

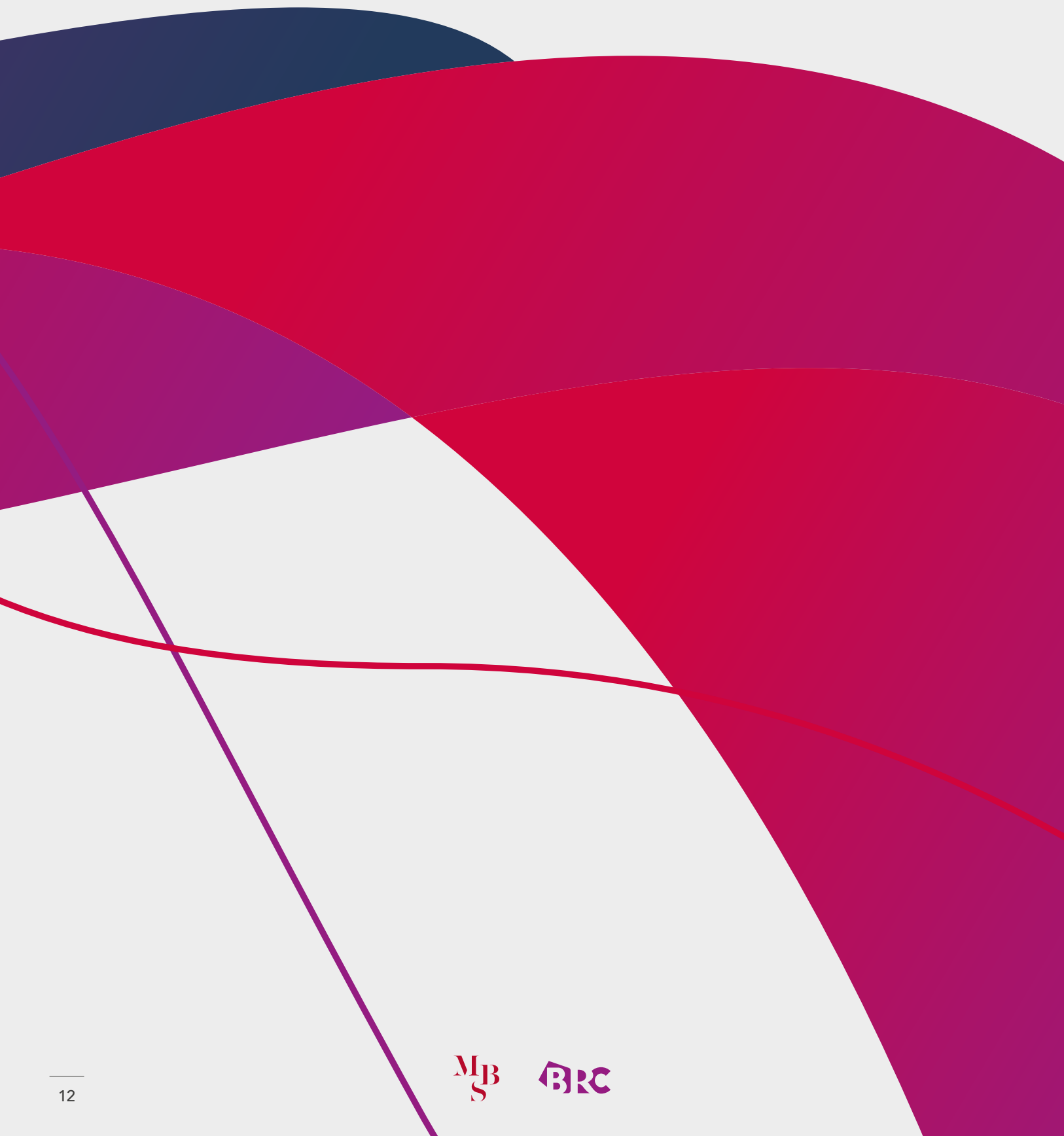
## About the Employee Inclusion Index

Retail Trust's happiness assessment and happiness dashboard provide an in-depth overview of how colleagues are engaging with the Retail Trust services, combined with a health and happiness score on how colleagues are feeling. The Retail Trust uses data collected from people within retail, to assess employee wellbeing. Drawing on that data, we have created an assessment of inclusion – the "Employee Inclusion Index".

### A note on data

It is critical to consider the role of data collection when presenting this report, as many retailers we spoke to said they still have an issue when it comes to disclosure from their employees. Alongside this, anecdotal sentiment can't be tracked in the same way as quantitative data.

Because of this, some of the data may not be an entirely accurate reflection of the reality of D&I in the retail sector, however it does give a helpful overview and insight into general industry trends.



MB  
S BRC

# What is the status of D&I in the retail industry?

This research is based on leadership data captured by The MBS Group from the 200 biggest retail businesses and insight from conversations with Chairs, CEOs and HRDs, combined with analysis of diversity across the workforce conducted by the BRC.

We've found that activity on D&I is translating into meaningful change on the representation of women, but that there is still some progress to be made in other areas such as ethnic diversity and disability inclusion.

# D&I strategies in 2025: action and barriers to progress

90%	85%	58%	58%
Companies with a co-ordinated D&I strategy 2024: 98%	Companies collecting data 2024: 85%	Companies with specific targets in place 2024: 50%	Companies with initiatives to drive up representation 2024: 64%

## An altered backdrop: Industry insights

“We’ve done all the set-up of having D&I measured, we’ve had it in the talent process, we’ve mapped our leaders, we’re getting to a good place on gender balance across society and generally. I think, from a gender perspective, we’re in a really strong place. I think where we’ve got to make the change is on all inclusion.” – COO, food retailer

“We’re not changing what we’re doing, but what has been impacted is how we communicate it. Our sub agenda now is not to be a target and to stay a bit below the radar.” – Senior Executive VP, fashion retailer

“If anything, we are doing more to drive those agenda pieces without getting too externally overt about it.” – CPO, food and drink retailer

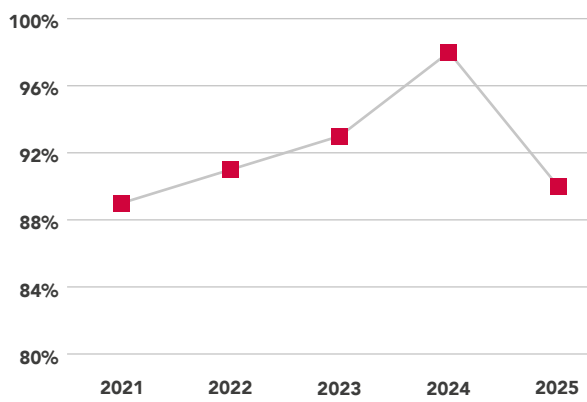
## Retailers are taking D&I seriously, and are now weaving strategy into all areas of the business, rather than highlighting it as a separate entity

Last year, we reported that 98% of companies had a co-ordinated D&I strategy. This year that figure has dropped to 90%, but this change doesn’t necessarily tell the whole story.

A number of companies who said they did not have a co-ordinated strategy, spoke about how D&I is now being weaved organically throughout the business, embedded across departments and teams. Although the majority do still have co-ordinated strategies, this shift looks to be a trend that is emerging as D&I becomes more ingrained in business philosophies and motivations.

As an example, some retailers are considering including inclusion in their bonus metrics, focusing on measuring employee sentiment rather than just demographics, placing higher importance on the feeling of inclusion.

## % OF CO-ORDINATED D&I STRATEGIES



### Data collection is still proving troublesome for most retailers

There has been marked improvement in the capacity of retailers in providing data this year – data was provided for 80% of the survey categories on average, which was a notable rise on 60% last year. However, most retailers still cited difficulties around data collection, particularly in areas like social mobility, disability and neurodiversity which are less clearly defined. Voluntary disclosure has meant truly representative data has been difficult to obtain and therefore has led to less complete results.

Conversely, disclosure around LGBTQ+ has been increased with many retailers able to confidently share data in this area.

### The geopolitical climate has affected how some companies broadcast D&I initiatives

Last year, we reported that some smaller companies reduced their investment in D&I in favour of initiatives designed to boost sales against a highly challenging

trading environment. This included some D&I leaders being asked to take on broader roles and a reduction in D&I colleague-focused engagement activity to reduce costs.

In the past year, that backdrop has changed significantly, particularly following Presidential elections in the US, as this has created an extremely challenging landscape for D&I, with rhetoric openly anti the agenda in recent months. In response, some retailers made serious scale backs – which resulted in a drop in footfall for a handful of major retailers, particularly in the US – while many, although still running their D&I programmes behind the scenes, have pulled back on messaging and promotion of these steps externally.

The tariff saga which played out throughout the first half of the year has also forced some businesses to deprioritise their D&I initiatives as they focus investment in other areas.

### D&I continues to sit with the business rather than shareholders and investors

Similar to previous years, our 2025 research has continued to highlight that there is generally support from Boards and the ExCo on D&I; however, there is little pressure from investors unless it is in relation to shareholder return or company value.

### D&I still remains a priority for the majority of retailers even though fatigue in the sector has slowed progress

Through our research, we found that of the retailers we spoke to, over half rated D&I in the top five when it came to business priorities. However, many cited budget as a factor that could hinder progress, as well as challenges within the sector that has led to D&I slipping down the agenda.

# Women leaders: this continues to be a strong area of growth

## Representation of women has improved but there are still areas which are struggling

In 2021 when we first launched this report, the sector was nearly at a point of achieving 33% of women on Boards. We can now say that nearly 50% of companies have women on their Boards with more than half reporting women at Direct Reports level, a nearly 15% increase from four years ago. This highlights that there has been a significant shift of the dial.

Across the workforce, there is a clear divide between female-focused brands and hardware/electronic retailers when it comes to the gender split. Female focused brands have significantly more women across the workforce.

However, our research showed that last year, the percentage of female CEOs remained stubbornly low at around 7% while women held only 13% of FTSE 250 CFO positions, significantly below the proportion in the broader workforce. Positively that has increased this year, with 21% of CFOs across the biggest 100 retailers in the UK being women and Chair and CEO numbers also rising to 8% and 15% respectively.

## Gender has become less of a focus for retailers further ahead in their D&I journey

Some companies are now able to say that they have parity at Board level when it comes to gender, and this has meant that the focus has shifted towards other, less represented areas that require more attention.

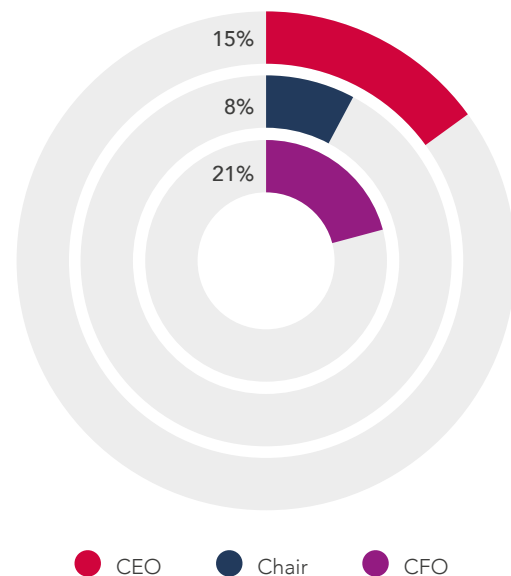
However, gender remains the main priority for those retailers which are only just beginning their D&I agendas, as there are still a number of retailers with all-male Boards.

## Menopause has become a key focus for many companies

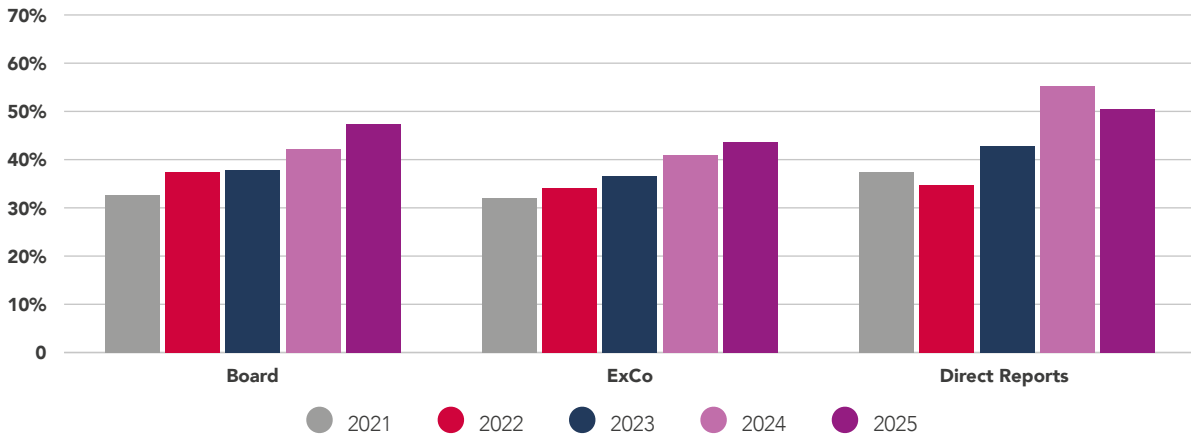
As gender equality improves, many companies are now looking at highlighting women-specific issues, such as menopause and support around maternity leave.

A number of retailers have begun menopause awareness initiatives and are spotlighting education around the topic to support female staff members. Compared to previous years, many more retailers highlighted menopause as an area of focus in an official capacity.

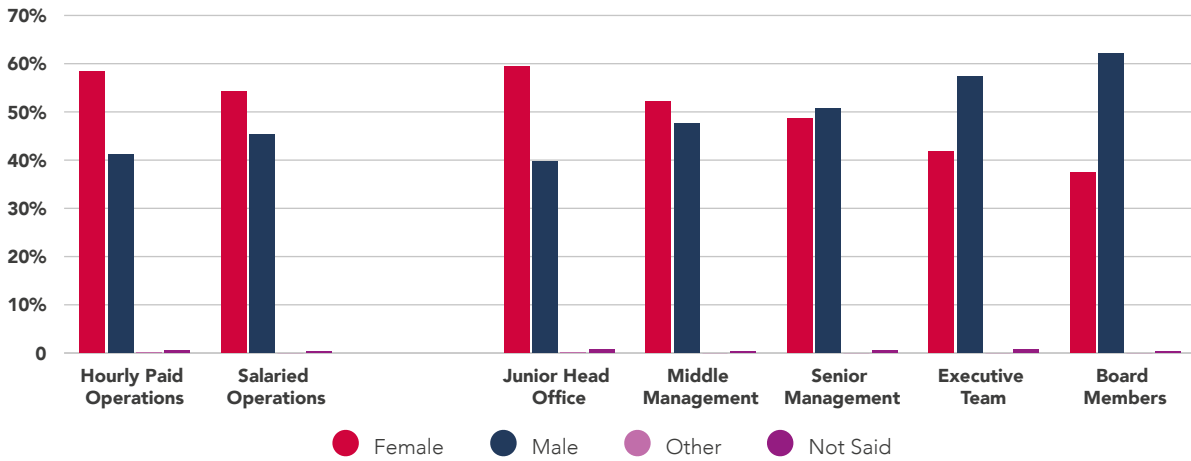
**% OF FEMALE LEADERS ACROSS THE TOP 100 UK RETAILERS**



### WOMEN AT TOP THREE LEADERSHIP LEVELS

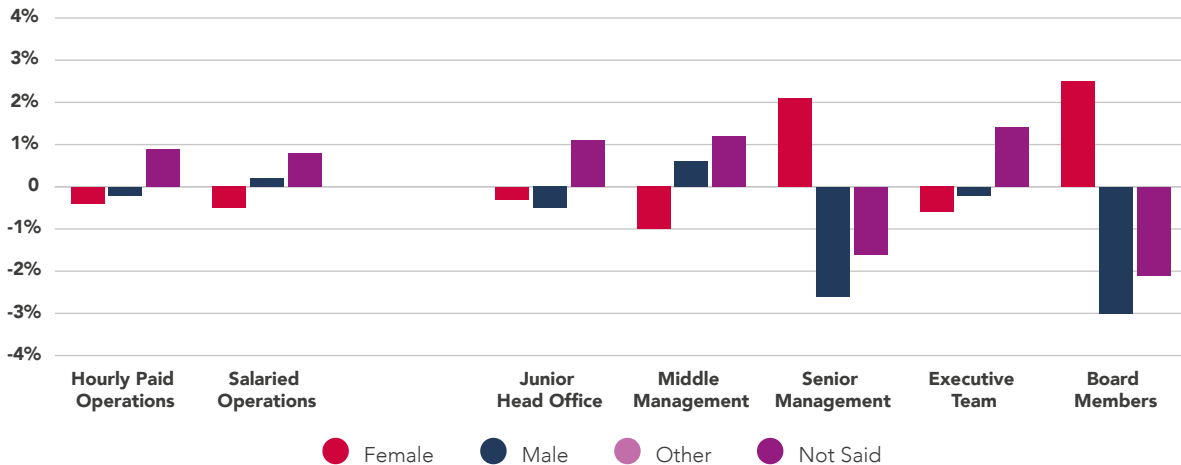


### GENDER IN THE RETAIL WORKFORCE



Source: BRC Survey

### PERCENTAGE CHANGE IN GENDER REPRESENTATION 2024-25 COMPARED TO 2023-24



Source: BRC Survey

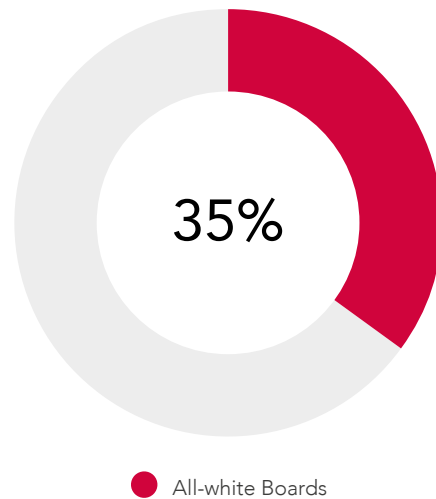
# Ethnically diverse leaders: a challenge at senior leadership level

## Progress on diversity across senior leadership has slowed

After a rise at Board level last year, our research now shows that the majority of companies have slowed their ethnic diversity hires across Board, ExCo and ExCo-1 in the last 12 months. However, there is some frailty in these figures, as there were some companies that already had representation across the leadership levels or had lost Board members in the last 12 months that then meant they no longer had any ethnic minority representation.

ExCo and ExCo-1 saw the biggest fall in hires over the last year, with many of the retailers we spoke with reporting no representation across those levels. However overall representation at Board level did rise slightly from 8.8% to 9.4%, despite our research highlighting that the proportion of all-white Boards has stayed consistent at 35%.

% OF ALL-WHITE BOARDS



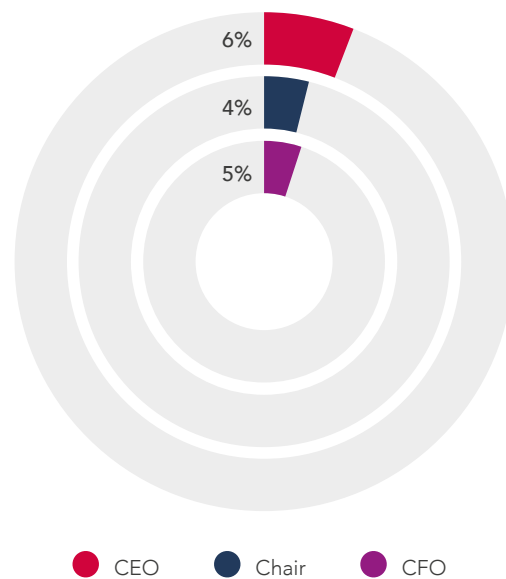
## Many retailers are implementing localised recruitment strategies

A common point that was raised by many companies was that they are being more targeted about where they post their job opportunities, with a specific focus on reaching ethnic minorities.

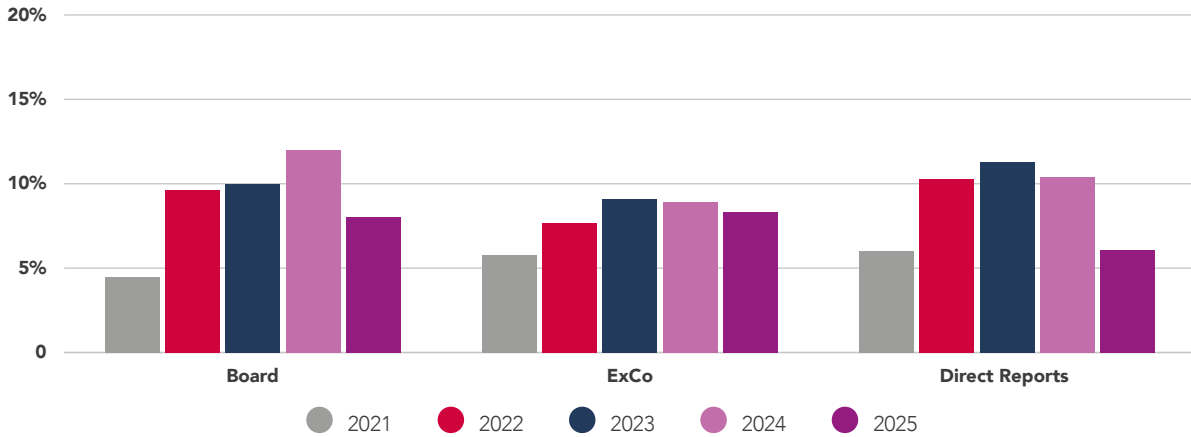
## Ethnic diversity has increased in the workforce

Last year, ethnic representation in the workforce grew, and it has risen again this year. Overall, representation moved from 16.5% to 19.1%, while the proportion identifying as Asian rose from 9.6% to 11.6%, as Black from 3.2% to 4.1% and as Mixed from 2.2% to 2.3%. There was also greater Asian and Black representation at both operations and head office levels.

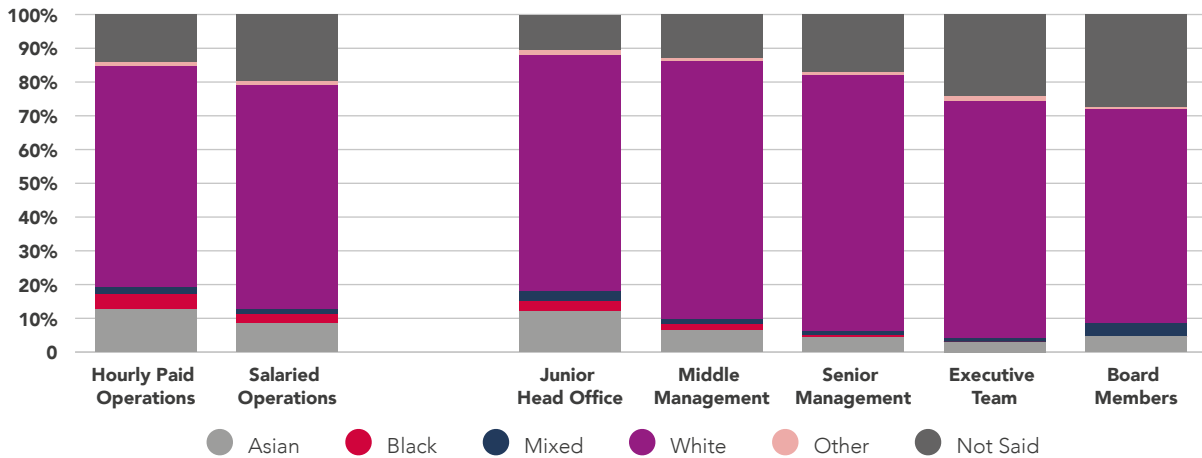
% OF ETHNICALLY DIVERSE LEADERS ACROSS THE TOP 100 UK RETAILERS



## LEADERS FROM AN ETHNIC MINORITY BACKGROUND AT TOP-THREE LEADERSHIP LEVELS

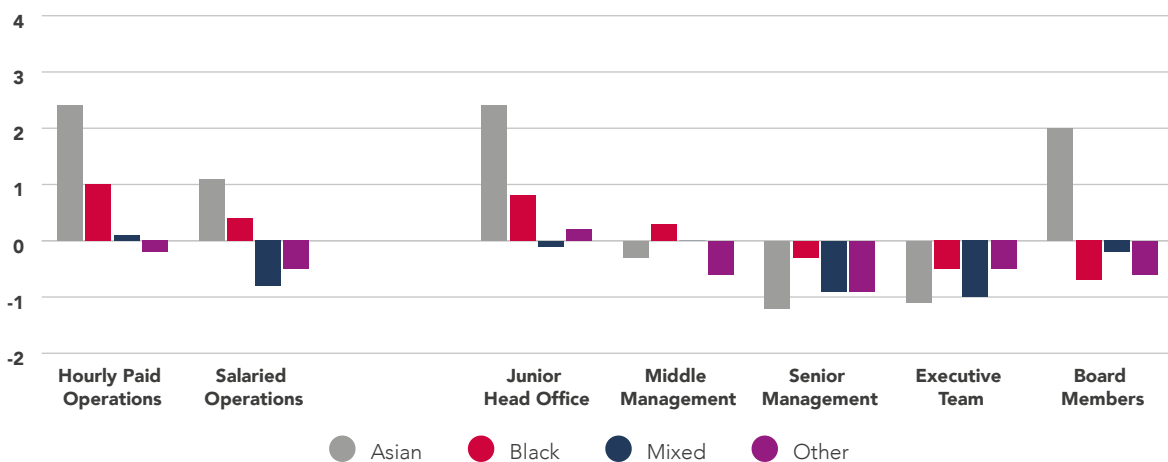


## ETHNIC MINORITY REPRESENTATION IN THE RETAIL WORKFORCE



Source: BRC Survey

## PERCENTAGE CHANGE IN ETHNIC MINORITY REPRESENTATION 2024-25 COMPARED TO 2023-24



Source: BRC Survey

# Disability: slowly becoming more visible

15%

Retailers with at least one disabled senior leader  
2024: 11%

59%

Retailers which include disability in their D&I strategy  
2024: 81%

## Most organisations are still in the early stages of building internal disability strategies

Some companies are investing heavily in disability inclusion, with employee groups and education, but many are at the beginning of their journey. Some focuses include manager training, community partnership and ambassador programmes to improve understanding and engagement among employees and encourage recognition at a senior level.

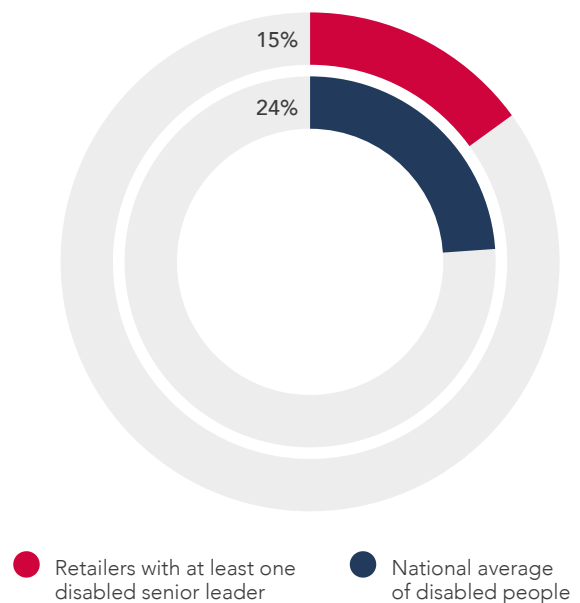
## This is generally an underdeveloped area with few openly disabled leaders, but the data is improving

This year, 15% of respondents said they could identify a disabled senior leader in their business. This is an increase on last year where it was only 11%, however there seemed to be a general lack of understanding around what constituted as openly disabled.

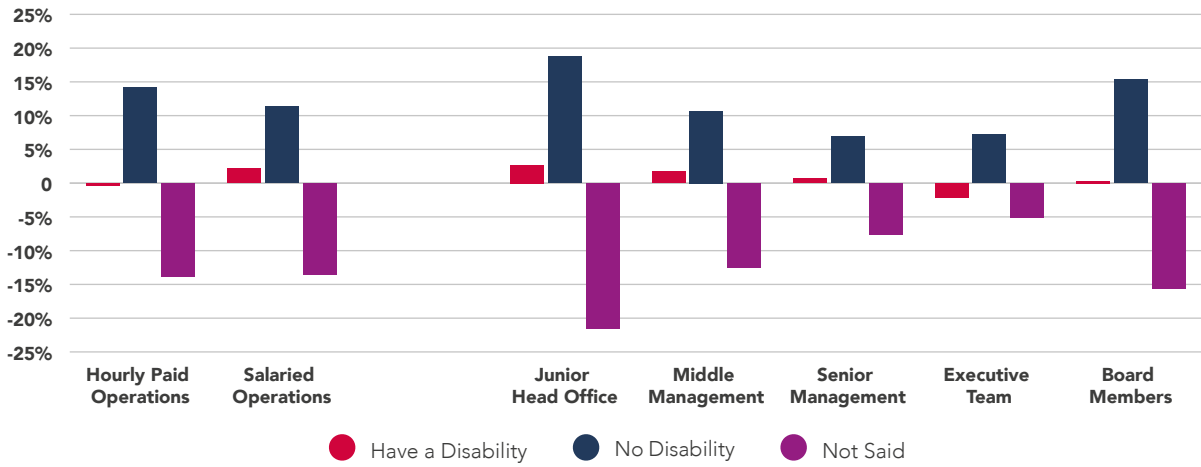
In the workforce as a whole, 11% of employees noted that they had some form of disability, which is slightly down compared to last year where the number was 13.8%, while 88.9% indicated having no disability. Disabled employees are equally split between store and head office roles, and are most likely to occupy a middle-management role.

Although there was a substantial increase in response rate on diversity this year when compared with last, there was still a considerable proportion of 'prefer not to say'.

## RETAILERS VS. THE NATIONAL AVERAGE

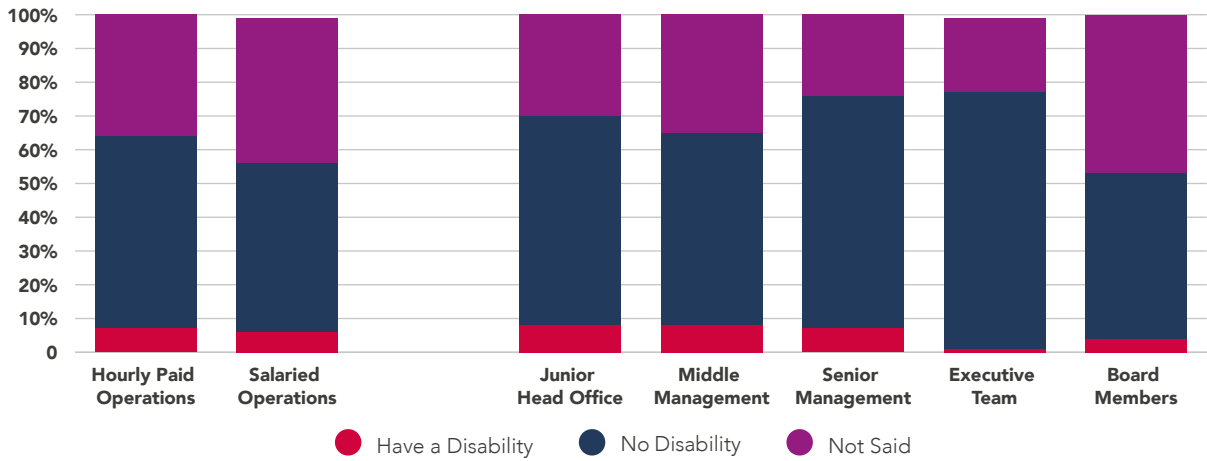


### PERCENTAGE CHANGE IN DISABILITY STATUS 2024-25 COMPARED TO 2023-24



Source: BRC Survey

### DISABILITY REPRESENTATION IN THE RETAIL WORKFORCE



Source: BRC Survey

# Neurodiversity: an area that is rising in prominence

## **Neurodiversity has become an emerging focus for many retailers as they adjust and adapt their businesses to become inclusive for neurodiverse colleagues.**

Disclosure remains a barrier, but momentum is building across several organisations, with many implementing training modules, toolkits, manager education and allowing employees who have lived experience to share and tell their story.

Although we don't have data which quantifies the number of neurodiverse people in the retail workforce, during our research, a number of organisations we spoke to shared anecdotal evidence of more colleagues identifying as neurodiverse. In the UK, around 15-20% of the population identifies as neurodiverse.

““”

### **Industry insights**

“Neurodiversity is more and more prevalent in our organisations, and for good reason. It's about supporting those individuals, so they feel that they have a voice because in so many respects, they're brilliant.” – People Director, wine retailer



# LGBTQ+: representation remains high

<b>58%</b>	<b>88%</b>
Retailers with at least one LGBTQ+ senior leader 2024: 67%	Retailers which include LGBTQ+ in their D&I strategy 2024: 88%

“”

**Industry insights**

“We’re trying to create a separate identity affirming leave policy, which would be separate from sick leave and enable colleagues who identify as transgender to not ask for a sick day off.” – CEO, fashion retailer

“We have a really positive track record in LGBTQ+. Other than continuing to encourage, we feel this type of inclusion is a given for us.” – CPO, food and drink retailer

## LGBTQ+ inclusion is visible and supported, though often informal

The number of retailers who have LGBTQ+ D&I strategies has remained consistent when compared with last year, with both sitting at 88%. This means almost all respondents consider LGBTQ+ when implementing D&I. This feeds into strong support throughout the sector, with participation at Pride events, allyship, and an inclusive culture. Although these are not always formalised, these actions are embedded into companies’ cultures.

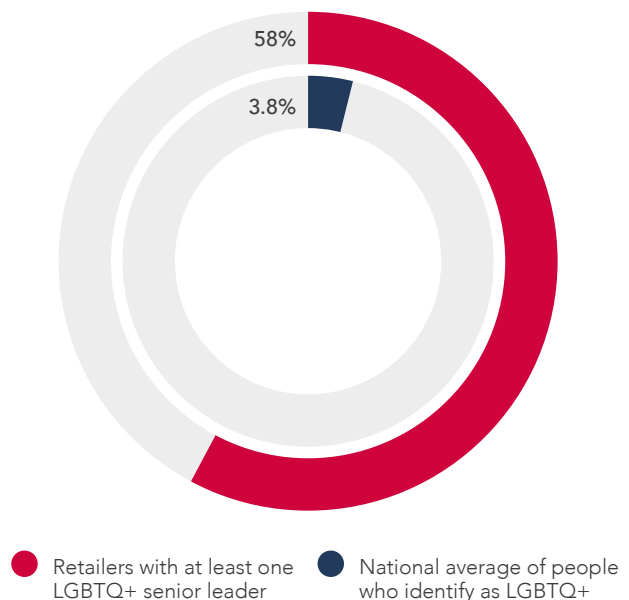
## There is a high level of representation of the LGBTQ+ community

Our research has shown that 58% of respondents said they had LGBTQ+ representation across senior levels. 91% recorded their sexual orientation as heterosexual while 9% identified as bisexual, gay or lesbian which is higher than the reported population level of 4.5%.

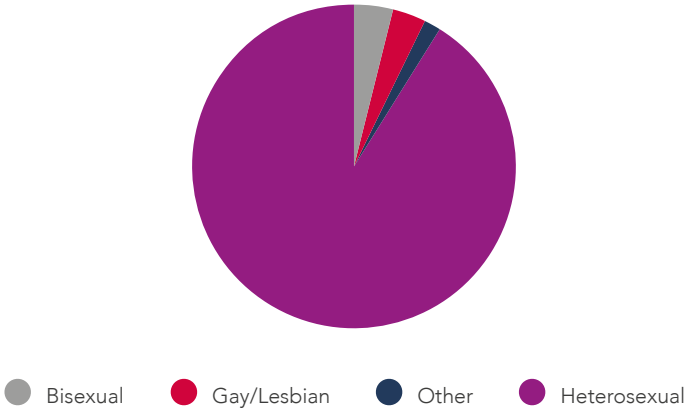
This representation is slightly higher in operational roles, with 9.1% identifying as LGBTQ+ in contrast to 8.2% at head office level.

The diversity of measure has improved overall, rising from 8.3% to 9% highlighting more openness among respondents.

**RETAILERS VS. NATIONAL AVERAGE**

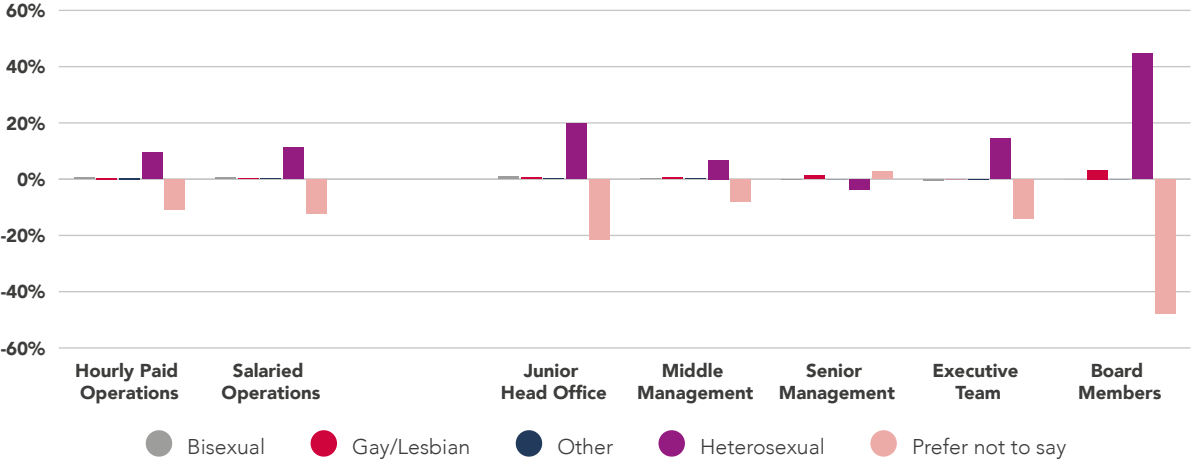


### REPRESENTATION BY SEXUAL ORIENTATION IN THE RETAIL WORKFORCE



Source: BRC Survey

### PERCENTAGE CHANGE IN REPRESENTATION BY SEXUAL ORIENTATION 2024-25 COMPARED TO 2023-24



Source: BRC Survey

# Social mobility: improving at leadership level

75%

Retailers with at least one senior leader who demonstrates social mobility  
2024: 70%

47%

Retailers which include social mobility in their D&I strategy  
2024: 67%

## Retailers are more actively recognising social mobility

Through our conversations, it has become clear that those who had more sophisticated D&I agendas were turning their attention towards social mobility.

Despite the number of retailers including social mobility in their D&I strategy lowering compared to last year, those that are engaging with it are doing so in earnest, with many of those companies highlighting it alongside neurodiversity and menopause as an emerging area. Compared to 2021, when we first began our research, the number of retailers highlighting social mobility has increased significantly, rising from just 20% to nearly half.

## Many companies still struggle to clarify what social mobility looks like

In our research, we found that many retailers still seemed unsure about what social mobility entailed, as the definition remains somewhat un cemented. According to the UK's Social Mobility Commission, social mobility is the 'link between a person's occupation or income, and the occupation or income of their parents'. This doesn't simply mean moving a select few from the 'bottom' to the 'top' but also incorporates 'short-range' mobility to encourage this diversity across levels.

## There is more social mobility at a senior leadership level

This year, the number of Board, ExCo and ExCo-1 members who demonstrated social mobility has risen from 70% last year to 75% this year.

In 2021, 40% of participants reported not knowing whether their employer collected data on key diversity areas including social mobility, however today, we are able to collect data that shows three quarters of companies have Directors at the top levels who are openly role modelling social mobility.

“““

### Industry insights

"We've got a couple of people at senior level who worked their way up from apprenticeships. A lot of people come in and genuinely work their way up and we're now starting to quantify that as part of our data capture."  
– HRD, homeware retailer

### **How to measure social mobility**

The UK's Social Mobility Commission provides three suggestions of questions to ask applicants and employees in order to measure social mobility. These are:

**Question 1:**

What was the occupation of your main household earner when you were ages about 14?

**Question 2:**

Which type of school did you attend for the most time between the aged of 11 to 16?

**Question 3:**

If you finished school after 1980, were you eligible for free school meals at any point during your school years?

# Age: still spans a wide range across levels of seniority

## **Retail remains diverse in the age of its workforce**

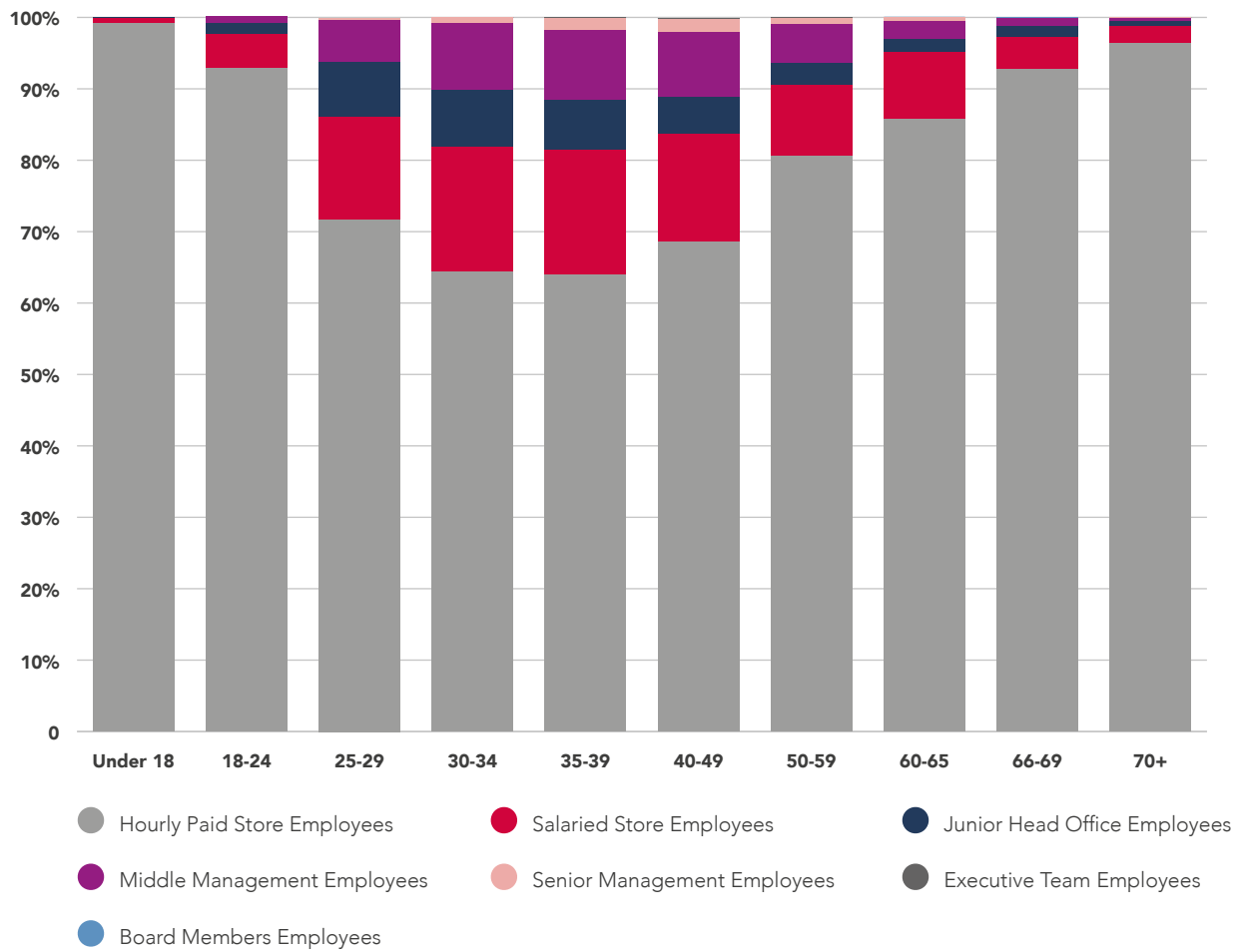
While a significant proportion of in-store roles tend to be younger, all age groups have considerable operational role representation, and there is no evidence that a colleague's age inhibits progression.

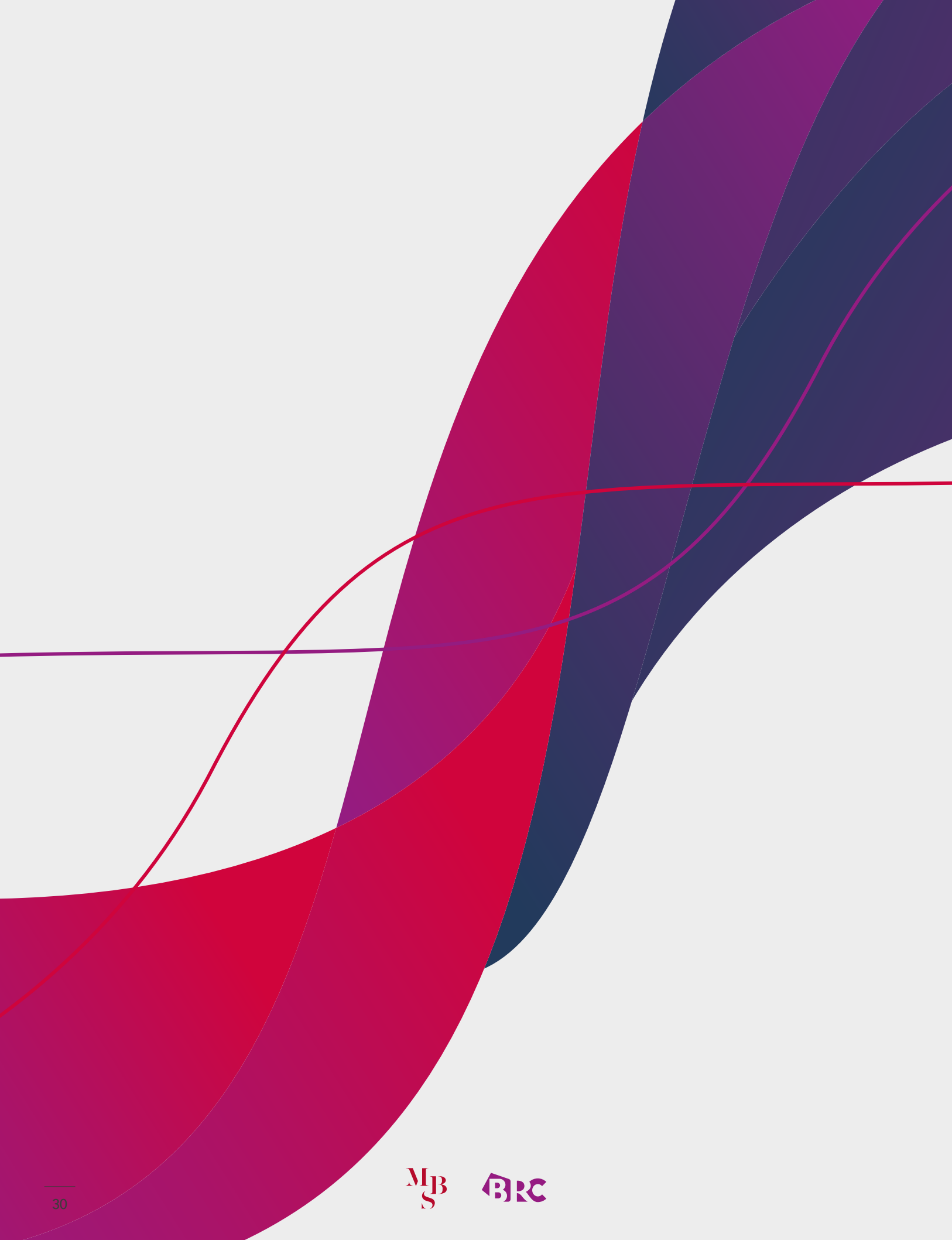
The age distribution skew remains very similar to last year – younger colleagues are more likely to be in an operational or junior role, and older colleagues (up to retirement age) are more likely to occupy a senior role.

The majority of Board members sit in the 50-59 year old bracket, while hourly paid operations is predominantly those between the ages of 18 and 24, and then over 70, once the retirement age has passed. The flexible nature of retail makes it particularly attractive to people in those age groups.

Many senior leaders we spoke to also noted that reverse mentoring has been a huge benefit in their companies. This allows younger or more junior colleagues to have a touchpoint with senior leadership, and allows CEOs, for example, to understand what colleagues need when it comes to feeling included or satisfied.

## AGE IN THE RETAIL WOKFORCE





MB BRC

# The Employee Inclusion Index

For the third year, we have partnered with the Retail Trust to try to understand feelings of inclusion and belonging across the retail workforce.

# The employee perspective: An assessment of inclusion

There is no straightforward methodology to assess views on how included people feel. But there are data sources that give us a perspective, including the **Retail Trust's Happiness Assessment** - a free to use tool for any colleagues in retail – which assesses how colleagues are engaging with the Retail Trust services and a health and happiness score based on data from colleagues and on how they are feeling.

Drawing on this data, we created an assessment of inclusion based on the views of 5,449 individuals across different characteristics in retail. The questions provide indicators of feelings of inclusion: fair treatment; trust/communications; involvement in decision-making; sense of belonging; and feelings of psychological safety. This allows us to examine different characteristics in the retail workforce and to identify areas where improvement is needed.

## Key findings

All metrics saw a decline on last year. The Inclusion Index has deteriorated to 6.6 in 2025, from 7.1 in 2024, but still above the score of 6.2 in 2023.

The characteristics of those with lowest feelings of inclusion remain similar, i.e. they are lowest in those responding "prefer not to say" under gender, followed by those with a disability.

## In detail

- Across each indicator, we see feelings of having a good relationship with a manager and having enough information to do the job well score relatively highly, whereas pay, recognition and an overall feeling of "happiness" in work score the lowest.
- In assessing different diversity characteristics:
  - The "prefer not to say" within the disabled cohort and those who describe their sexual orientation as "other" have the lowest feelings of inclusion across all characteristics.
  - The gender breakdown suggests females feel as included as males, and both said they had good relationships with their manager and were being treated with respect (overarching and psychological safety themes). However, a significantly lower score was observed in the "other/prefer not to say" cohort, which rated fair treatment the lowest.
  - Across ethnicity characteristics it is the Mixed/ Multiple ethnic cohorts scoring highest, followed by Asian/Arab cohorts. Those identifying as "Other" or "prefer not to say" scored lowest of all ethnicity groups, followed by the White cohort. Black/African/Caribbean respondents scored in the middle.
  - There is less variation across different age ranges, but 25-34-year-olds have the most negative assessment of inclusion (fair pay, feeling happy at work and recognition are all issues) whereas the 45-54-year-old cohort provides the best assessment, saying they feel proud to work for their organisation and having good relationships with their managers.

A detailed breakdown of the Index is below. We hope this provides a basis for the industry to assess where progress has been made and where further improvement is needed.

### **Other data sources**

For further context of employee sentiment in the industry, we also looked at other data sources, including:

- The **WorkL Workplace Happiness Test**, a live ranking of how happy and engaged employees are at organisations, which includes crowdsourced employee experience data from over 300,000 individuals in different industries. Whilst employee engagement in retail has risen slightly from 67% to 69%, the industry has fallen to the second most 'unhappy' sector to work in.
- The **Retail Trust's 2024 Health of Retail Report** surveys retail workers to gauge sentiment. It found that 78% of retail employees experienced a deterioration in their mental health in the past 12 months (compared to 80% in the previous year), and 49% of managers noticed an increase in absence due to mental health (compared to 50% in the previous year). Half of respondents remain content in their roles. However, one in ten now feel their work environment is unsafe: this number increases significantly (to 31%) amongst store workers who have been impacted by customer abuse.

# In detail

Across a series of 12 questions, each respondent gives an assessment between 0 and 10, where 0 is disagree and 10 is agree. Questions have been chosen to indicate an assessment of inclusion: fair treatment; trust/communications; involvement in decision-making; sense of belonging; feelings of psychological safety; and two overarching questions.

We created an Index of the average of the answers to these questions to enable us to track progress. This "Employee Inclusion Index" currently stands at 6.6, down on 7.1 in the year preceding, although above the 2023 figure of 6.2.

QUESTION	2025	2024	2023	INCLUSION THEME
I have a good relationship with my manager	7.6	7.9	7.0	Overarching
I am trusted to make decisions	7.0	7.5	6.7	Decision-Making
I have enough information (and training) to do my job well	7.2	7.5	6.7	Trust/Communication
I am treated with respect	7.0	7.5	6.5	Psychological Safety
I am fairly paid	6.2	6.5	6.3	Fair Treatment
I feel proud to work for my organisation	6.7	7.2	6.3	Overarching
I am happy (and feel safe) with my working environment	6.6	7.3	6.2	Psychological Safety
My employer cares for my well-being	6.5	7.0	6.0	Belonging
Information is regularly and openly shared with me	6.3	6.8	5.9	Trust/Communication
My views are heard at work	6.4	6.8	5.8	Decision-Making
I am recognised when I do something well	6.2	6.7	5.7	Fair-Treatment
I feel happy at work	6.1	6.7	5.6	Belonging
<b>Overall</b>	<b>6.6</b>	<b>7.1</b>	<b>6.2</b>	

Source: BRC analysis of the Retail Trust survey data.

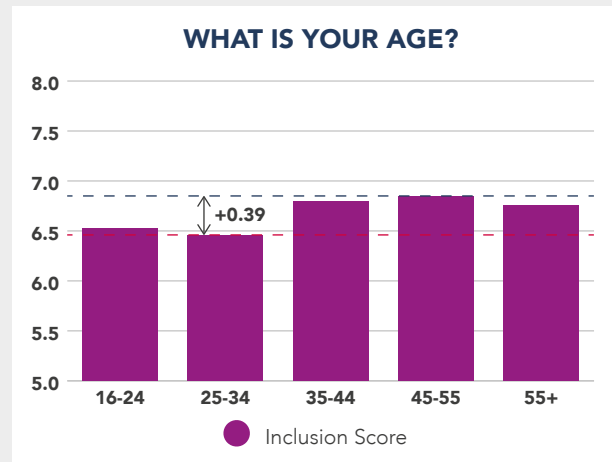


# Age

25–34-year-olds had the most negative assessment of inclusion whereas 45-54-year-olds the best. Last year the highest inclusion score was from 16-24-year-olds, where there has been a notable decline in the last 12 months (from 7.4 to 6.5)

The 45-54 cohort recorded the highest scores in overarching as well as psychological safety. Respondents were particularly positive about having a good relationship with their manager and being treated with respect. Scores in this cohort were generally above the 7-mark, with the exception of 'I am happy (and feel safe) with my working environment', with a score of 6.9.

The 25-34 cohort scored highest in the overarching and decision-making questions, noting having good relations with management and feeling that they are treated with respect. However, lower inclusion scores were registered under the themes of fair treatment and belonging, with 'feeling happy at work' being scored low and 'I am fairly paid' scoring the lowest.

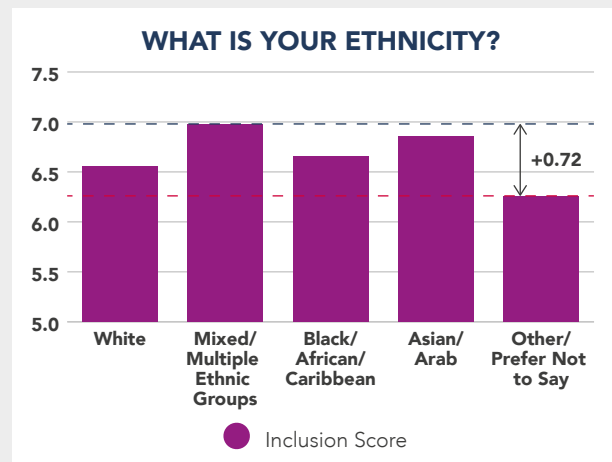


# Ethnicity

Inclusion scores were highest in responding to the overarching (particularly around good relationships with managers) and trust/communications questions, but lowest in belonging and fair treatment. This is consistent with last year's findings.

The Mixed/Multiple Ethnic Group scored most highly, while the Asian/Arab cohort was a close second, scoring 6.9. Some minority groups scored higher than others, and signs of further progress being needed were apparent in Black/African/Caribbean and 'other/prefer not to say' cohorts which scored lower.

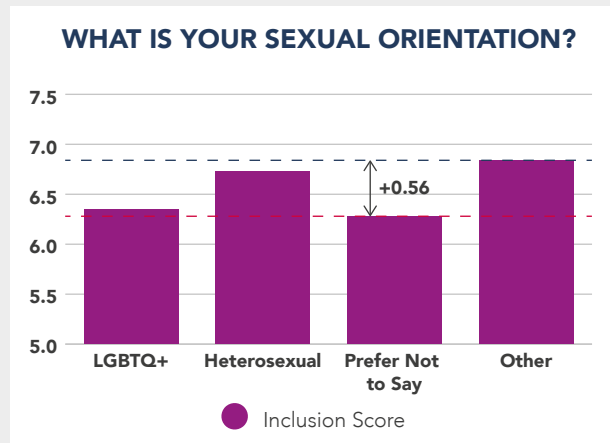
Asian/Arab as well as Black/African/Caribbean cohorts encouragingly rated overarching questions quite highly, suggesting these groups felt proud to work for their organisation and had a good relationship with their managers.



# Sexual orientation

Across the themes, inclusion scores were again highest in the overarching questions and psychological safety but lowest in fair treatment. Scores were lower in the LGBTQ+ cohort than the heterosexual cohort, though there was a notable difference between the heterosexual and LGBTQ+ cohorts, where the former gave relatively lower scores to both trust/communications and psychological safety frameworks.

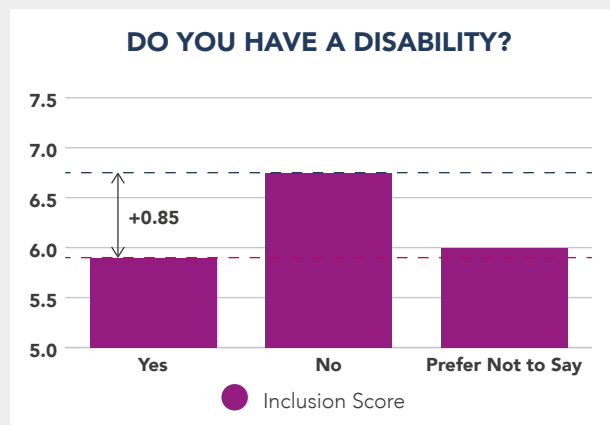
The LGBTQ+ cohort, when viewed in isolation, recorded higher scores in the trust/communications and overarching questions, particularly around feeling they had 'enough information (and training) to do my job well' and having 'a good relationship with my manager'. This group scored lowest on questions under the feeling of belonging and fair treatment. Motivating these sentiments was a lower score for 'I am fairly paid' as well as fewer individuals feeling happy at work.



# Disability

Within respondents reporting a disability, the lowest inclusion scores were noted in relation to belonging and fair treatment (the same as last year). Those with disabilities had fewer individuals feeling recognised and many gave lower scores for feeling happy at work.

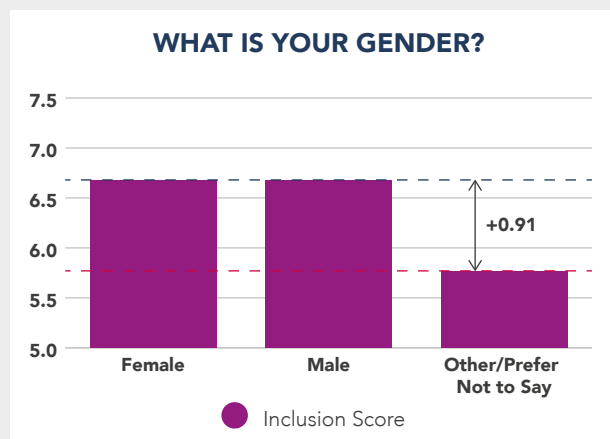
Across the cohort reporting no disability, the highest scores were in the overarching questions and psychological safety.



# Gender

Inclusion scores split by gender gave the most positive responses in psychological safety (with respondents feeling respected) and overarching themes, but lowest in fair treatment and belonging (recognition was scored at a low level).

The female cohort scored the same as males (6.7). Suggestive of gender parity, there were nonetheless signs of further improvements needed to improve inclusion, with the 'other/prefer not to say' scoring the lowest of all groups. Both the male and female scores are lower than last year (which were 6.9 and 7.3 respectively).



The female cohort rated having a good relationship with their manager highest, however, they responded less positively on feeling happy at work. The male cohort also rated having a good relationship with their manager highly, though rated feeling happy at work lowest.



MB BRC

# Case studies from retailers

Examples of best practice can be found right across the industry, in companies of all sizes and scopes. In the case studies over the next few pages, businesses at different stages of their D&I journey share insight on how they are driving up diversity and promoting inclusion in their organisation. These case studies provide practical examples of effective ways to increase representation and foster an inclusive environment in retail.



## Helen Selby

General Counsel and  
Interim Chief People Officer

### **In 2025, what is ASDA's approach to diversity and inclusion?**

At ASDA, we are committed to building an inclusive and diverse workplace where colleagues are happy and confident to be themselves and know they will always be warmly welcomed.

We recognise that there is still more to do, and we have a range of initiatives to foster an inclusive and diverse workplace. Creating a lasting culture of equity, diversity and inclusion is about building collective knowledge and confidence, measuring diversity, inspiring leadership and ensuring our processes and policies are fair and impartial.

### **ASDA is doing some incredible work to support young people with learning disabilities or learning difficulties. Can you tell us about this?**

We have a successful Supported Internship Programme which currently offers year-long work experience to over 70 students with learning disabilities or learning difficulties. We have closely collaborated with charity, DFN Project SEARCH in order to give young people with additional educational needs a taste of a real-life working environment.

Only 4.8% of people in England and 4.1% in Scotland with a learning disability go on to secure paid employment once their education finishes, compared to 80% of their peers. We work closely with local colleges to provide students with a full-time course of study based at the store, as well as access to work-based experiential learning every day and a specific employability curriculum.

### **What success have you seen from this initiative?**

After the 2023/4 programme concluded, ASDA subsequently offered permanent positions to all of the five students within its Queensferry store. The number of stores has now expanded to include ten more across England and Wales and we will have over 25 sites participating in the programme by September 2025, including depot locations

### **How else are you championing diversity and inclusion within your organisation?**

We recently launched a new apprenticeship programme at ASDA Opticians, which gives optical assistant colleagues the chance to become a Dispensing Optician. This is the first time an apprenticeship offering a degree level qualification has ever been run in the optical profession.

We also champion women in leadership, running our International Allyship programme which was created to inspire and equip the next generation of senior leaders. It is specifically aimed at female colleagues and colleagues from ethnically diverse backgrounds with a focus on skills development, career advancement, and building an inclusive culture through reverse mentoring with senior leaders.

**MEAT &**

1000s of products

**ROLLBACK**

across stores and o  
That's Asda Pric

26

**ROLLBACK**



**Jo Wainwright**

Head of People Development

**Jo Bennet**

Creative Director

**One of your D&I initiatives is to create inclusive ranges. Would you be able to tell us more about how that started?**

In the greetings card industry, it's all about relationships between people. So much of what we create is a way for people to express what they're feeling – it's anchored in what people are going through. We started with driving LGBTQ+ and same sex relationships in our Christmas and Valentine's ranges, which were a real hit with our consumers and drove encouragement to do more. Over the last seven years, it's just grown and grown to include everything from cards for, pets, plus broader themes across D&I. The process is now more formalised, and we are starting to build colleague network groups for different topics.

**How do you tailor the cards you offer to different regions?**

We're very conscious of the language that we use on our cards depending on where they are being sold. For example, we've been doing 'Mam' in the Northeast for several years, and we're mapping over the summer where and when the Pride events are happening so the stores know when they will get their peak of people coming in for those types of products. In communities with a particularly large Irish population, for example, we focus more on confirmation and communion cards, plus greater emphasis on religious imagery and messaging.

We launched our Eid greeting cards around four years ago, followed by a party range and although both are still relatively small, sales have doubled making it a new area of opportunity. We think it could be as big as Easter in the future. All of these examples are showing us that UK society is becoming more diverse and still engaged in card sending and celebrating.

**What do you think is the biggest blocker for diversity and inclusion, and how is Card Factory combatting this?**

Education and awareness of colleagues is a big blocker. As a standard, we are continually ensuring there is a stream of content and comms to increase awareness across all areas of the business because we are committed to ensuring that this type of thinking is always front of mind.

**What's next for Card Factory when it comes to diversity and inclusion?**

We have key areas that we're looking to work on. One is changing diversity in families, so everything from adoption, divorce and stepfamilies, to multi-generational households. We're looking to reflect all of this in the language. Another is looking at different celebrations around the world like Eid, Diwali and Rosh Hashana, and asking ourselves, how can we support people who are celebrating these occasions? For us, our products are all about connection and we want to keep innovating and creating to continue to foster a feeling of being seen and valued both to our consumers, and in the business.





THE VERY GROUP

## Kim Pritchard

Head of Coaching Diversity & Inclusion

### **What is The Very Group's commitment to diversity and inclusion?**

At The Very Group, diversity and inclusion is at the heart of everything we do. We're proud to have expanded our colleague-led networks to nine this year, reflecting our ongoing commitment to fostering a workplace where everyone feels supported and valued. These networks now include groups focused on families, carers, sustainability, mental health, and disability, alongside our existing communities.

Our approach is guided by listening to our colleagues. Through regular surveys we've gained valuable insights into the areas that matter most to our people. This feedback shapes our focus and ensures we're taking meaningful steps to create an inclusive environment where everyone can thrive.

### **You have been doing some really good work on neurodiversity within the business – would you be able to tell us more about this?**

Neurodiversity is a key focus for us at The Very Group, as we recognise that around 75% of neurodivergent individuals wouldn't disclose to their workplace. To address this, we've partnered with NeuroBridge, a leading neurodiversity consultancy, to educate and empower our colleagues.

One of our first initiatives was a company-wide webinar that explored what reasonable adjustments could look like in the workplace. The session saw fantastic engagement, with 318 colleagues joining live and an additional 60 catching up afterwards. This level of participation highlights the genuine interest and commitment to this important topic across the business.

We also launched a series of three honest and inspiring podcasts, featuring colleagues from across our networks sharing their lived experiences. These conversations sparked meaningful dialogue and connection, leading to a 45% increase in membership within our neurodiversity network.

By fostering awareness and understanding, we're creating a more inclusive environment where neurodivergent colleagues feel supported and empowered to thrive.

### **Menopause has also been a focus for you. What steps are you taking to ensure it's an area that is being acknowledged?**

Menopause has become an important focus for us at The Very Group, as we recognise the need to support colleagues going through this life stage. Recently, we began our journey towards achieving menopause-friendly accreditation, driven by data that highlights this as a priority for many within our business.

To support this initiative, we've created a comprehensive menopause guide and hosted dedicated menopause support sessions, which have now been rolled out across all sites. These resources aim to provide practical advice and foster open conversations around menopause in the workplace.

Our primary focus, however, is to meet the five pillars required for accreditation, and we're proud to be working with Henpicked, a leading menopause consultancy, to achieve this. Our goal is to become accredited within the next nine months, demonstrating our commitment to creating a supportive and inclusive environment for all colleagues.



# THE VERY GROUP

## What targets are you hoping to hit for the year?

Our overarching commitment is to create a workplace where everyone feels valued, supported, and empowered to thrive. To achieve this, we're focused on levelling the playing field and breaking down barriers to opportunity for all.

For gender, we've set an ambitious goal of achieving a 50/50 male-female split by the end of 2025. Currently, we're at 44% female and 56% male, and we're taking meaningful steps to close this gap by addressing systemic challenges and creating equitable opportunities for progression.

For ethnicity, our aim is to ensure our workforce reflects the diverse communities in which we operate. By analysing census data and comparing it to the demographics of our Liverpool and East Midlands sites, we're identifying areas where representation can be improved and taking targeted action to address these disparities.

Looking ahead, we're committed to embedding diversity and inclusion into every aspect of our business. This means fostering an environment where everyone, regardless of their background, has equal access to opportunities and feels empowered to succeed.



# About Us

## About the British Retail Consortium

The BRC is the lead trade association for UK retail. Our purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future. Retail is the 'everywhere economy', a vital part of the socio-economic fabric of the UK. The industry makes up 5% of the UK GDP and is the largest private sector employer, providing 3 million direct jobs and 2.7 million more in the supply chain. Retail has a presence in every village, town and city across the country. Over 200 major retailers are members of the BRC, with thousands of smaller, independents represented by BRC's trade association members. Together, these businesses operate across all retail channels and categories and deliver over £350 billion of retail sales

per year. We build the reputation of the retail industry, work with our members to drive change, develop exceptional retail leaders, and use our expertise to influence government policy so retail businesses thrive and consumers benefit. Our work helps retailers trade legally, safely, ethically, profitably and sustainably.

For more information, visit: [www.brc.org.uk](http://www.brc.org.uk)

## About the BRC D&I Charter

The D&I Charter is one of the BRC's leading initiatives. Set up in 2021 by the HR community, it focuses on six commitments: oversight, recruitment, progression, reporting, inclusivity and responsibility. Logos of signatories to the BRC D&I Charter are below.



## About The MBS Group

For more than 30 years, The MBS Group has been a leading sector-specialist executive search firm advising all consumer-facing industries, with a particular focus on the retail sector. In 2023, MBS gained B Corp accreditation. 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.thembsgroup.co.uk](http://www.thembsgroup.co.uk)

## Acknowledgements

We would like to thank and acknowledge the Chairs, CEOs and HRDs who participated in this research for so generously giving up their time. We are especially grateful to Helen Dickinson, Tom Ironside, Luiza Gomes and Ben George at the BRC for their commitment to this project and to moving the dial in the retail industry. Lastly, we would like to thank our team at The MBS Group – Moira Benigson (Chair and Founder), Elliott Goldstein (Managing Partner), Aelf Hewitson (Director, Retail Practice), Simon Pryde-More, Olivia Perl, Deepti Bulsara, and Krystyna Robbins.

## Stay informed with The MBS News and Weekend Edition, an industry newsletter for leaders in the consumer-facing sector

Keep your finger on the pulse with a daily news bulletin delivered each morning, covering key stories and the latest people moves from all consumer-facing industries. And on Saturdays, delve into a thought-provoking article in our Weekend Edition, featuring interviews with leaders shaping their industry, and in-depth analysis of markets, trends and exciting new concepts.

Scan the QR code to sign up now:



Certified



Corporation

The MBS Group is committed to accountability, transparency, and continuous improvement.

## The MBS Group

3 Primrose Mews  
Off Sharpleshall Street  
London, NW1 8YW

+44 (0) 20 7722 1221  
info@thembsgroup.co.uk

[www.thembsgroup.co.uk](http://www.thembsgroup.co.uk)

© Copyright 2025, The MBS Group. All rights reserved.



**Certified**



The MBS Group is committed to accountability, transparency, and continuous improvement.

Corporation