

## Impact area: People

### We aim to put diversity and wellbeing at the heart of our work

At Next 15, we put our people first. Our philosophy is that everyone performs at their best when they feel trusted, included, and heard.

Since last year, we have added data and cyber protection and, as a result, we have five clear priorities:

1. Equity, Diversity and Inclusion
2. Attracting and retaining engaged talent
3. Employment practices and remuneration
4. Employee health, safety and wellbeing
5. Data privacy and cyber security

### Equity, Diversity and Inclusion ('EDI')

Creating an environment where everyone feels included and confident to be themselves in the workplace is one of our most important goals. It is also a critical component of our plan to attract and retain talent. This is a long-term journey that gained momentum in 2020 when we appointed our first female Chair to the Board. We now have a majority share of female Non-Executives on the Board, and are continuing our focus on visible and non-visible diversity at the Board level, and throughout the Group. Further information is included in the corporate governance statement on page 77.

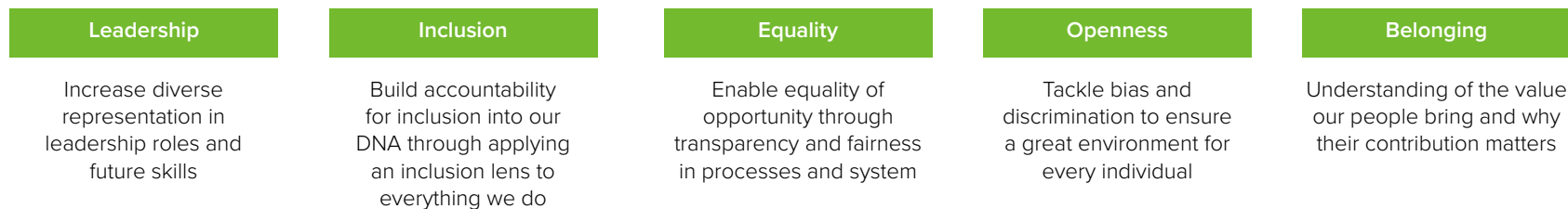
Our EDI framework consists of five pillars: Leadership, Inclusion, Equality, Openness, and Belonging. We have comprehensive EDI policies across the Group and training is available on the Next 15 Academy. In December 2022, the Board approved and adopted a new Board Diversity Policy.

### Diversity metrics

Our people dashboard provides a snapshot of key metrics. In FY23, we extended the data reported to include high level gender pay gap and ethnicity pay gap. This data allows us to create stronger strategic people plans, highlights areas of risk and assists in developing behaviours for best practice. The dashboard is evolving as more data becomes available to include elements such as age and turnover by length of service. This is part of our wider data project and will continue to evolve and improve as systems allow. This includes rolling out our EDI maturity model, which will provide key performance indicators ('KPIs') to identify the level of EDI maturity of each brand. Through the EDI Council, we will be able to tailor support and resources to help brands show progress against the model.

## Strategic framework

Focusing our attention on the sum of the parts – leadership, inclusion, equality, openness and belonging – provides a strategic framework for which both Next 15 and brands can be responsible and accountable.



**ESG report** continued**Impact area: People continued****Equity, Diversity and Inclusion ('EDI') continued**

The Equity, Diversity and Inclusion ('EDI') Council  
Due to the growth of the Next 15 Group, in FY24, we will reset the role of the EDI Council. Overseen by the EDI Steering Committee, the Council is a strategic advisory group for Next 15 that will provide guidance, make recommendations, and advocate for EDI across the Group. It will consist of at least one representative from each brand (approximately 30 people).

Council members will champion and support all EDI activities and serve as the link between the Council and their brand, communicating updates and encouraging involvement and support of EDI initiatives.

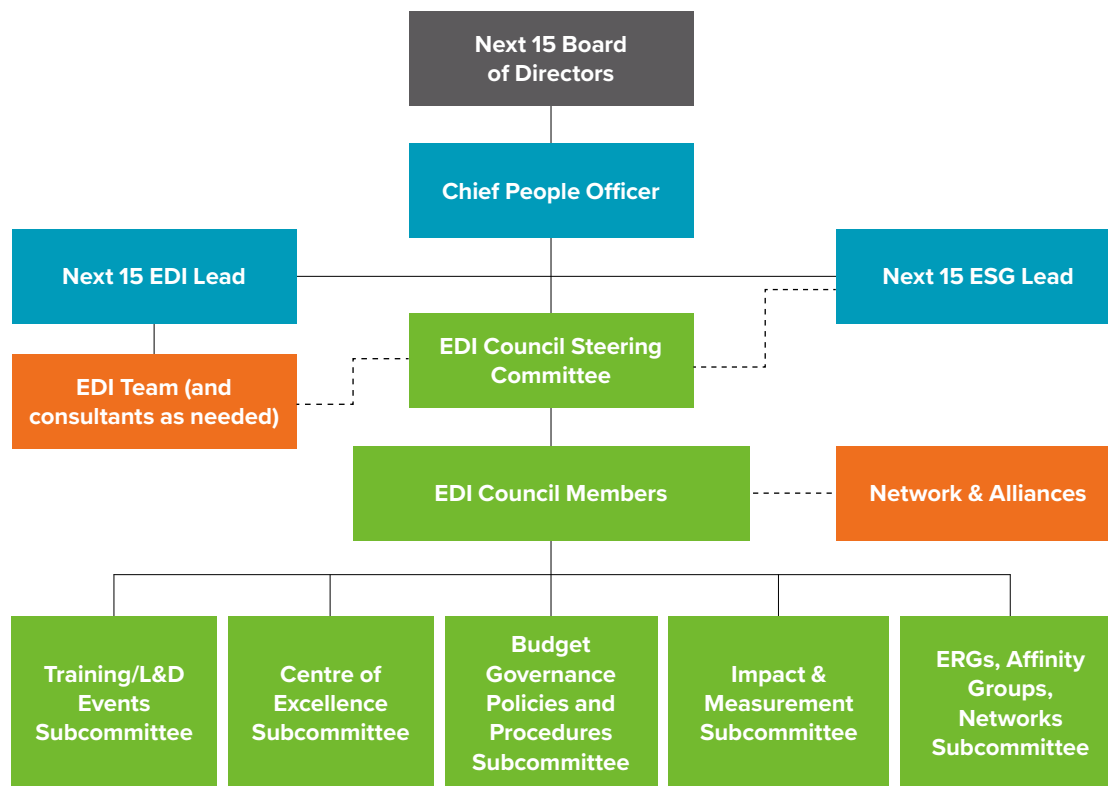
The Council will be led by a steering committee of up to seven employees, including a senior leader from Next 15. Subcommittees will focus on specific deliverables, such as training, impact measurement, and employee resource groups ('ERGs').

**Attracting and retaining engaged talent**

Our people are at the heart of everything we do. A key pillar of our business strategy is to use our growth expertise internally to create an environment in which highly talented teams can deliver their best work.

We have long believed that a diverse and inclusive workforce is not just a social good, but a commercial advantage when it comes to attracting and retaining the best people. Fair practices in hiring and talent development, as well as maintaining safe, inclusive and supportive company cultures, are key to the Group's success.





**Attracting and retaining engaged talent continued**

The scale of the environmental crisis and growing awareness of societal inequality is something our people care deeply about. Without demonstrable action, there is a risk that we will struggle to retain and recruit talent, as well as retain and win innovative, values-aligned clients.

**Staff retention:**

77.0%

**Inclusive hiring**

All Next 15 brands continue to focus on improving their inclusive hiring practices. Many are using software that neutralises job descriptions and adverts by removing any terminology that may be off-putting to prospective applicants. New applicant tracking systems are encouraged that promote blind screening to anonymise candidates. We are also using the diversity across the Group to promote role models and ambassadors for visible and non-visible characteristics. This approach forms part of our retention strategy, where we are working hard to ensure that all new joiners feel like they belong.

**Succession planning**

An active succession planning and talent management strategy is important to ensure that we are not vulnerable to business disruption from the loss of key personnel. Our acquisitions this year have deepened our leadership talent pool and we continue to build our resilience across the business.

## ESG report continued

**Impact area: People continued****Employment practices and remuneration**

We believe that people perform at their best when they have the freedom to manage their workloads in the way that works best for them. The pandemic changed the way we worked and made flexible working the new normal for many people. This sea change in the way we work has had significant benefits for everyone: our business and our employees.

The use of remote working has meant that we've been able to hire people from different communities and backgrounds now that location is less of an issue, and hours can be flexed around other commitments such as childcare. The hybrid working model, combined with the consolidation of our offices, has delivered a flexible, yet collaborative environment that is benefiting employees and the Group.

**Fair remuneration**

We believe in fairness, which is why fair remuneration is one of our priorities. Next 15 benchmarks remuneration across the Group and provides guidance on the topic to our brands. As our brands and markets are diverse, it is often challenging to standardise compensation packages. For that reason, brands retain the freedom to give discretionary bonuses and/or incremental benefits on a fair and equitable basis.

We pay above minimum wage in all jurisdictions and, where applicable, living wage for an individual. In jurisdictions without an established living wage, we pay above minimum wage.

**Training and development**

Next 15 understands that what employees want from a job is changing and that a failure to evolve may result in a loss of key talent or a lack of experienced talent in our leadership pipeline. We are therefore committed to developing our staff and helping individuals identify their path, within brands or within the wider Group if so desired.

This year, we rolled out the Next 15 Academy, a learning management system, across the Group. It allows every brand to customise their learning space. Brands will benefit from the shared content created across the Group, which is integral in building an accessible learning culture for the entire organisation.

In FY23, we used the Academy to roll out core policies on modern slavery, whistleblowing, anti-bribery and corruption, and IT, in addition to a series of family leave policies. The platform is also used to deliver our environmental and EDI training. While engagement with the Academy was as high as 70% in some brands, in FY24 we will focus on building learning environments for our people by using the platform and adding more curated and targeted content.

## Employee engagement

We are extremely proud of the talent within the Group. Knowing what our people think and feel is key to our growth. Our brands monitor engagement and act on feedback in a variety of different ways, including yearly engagement surveys, pulse surveys, 360-degree appraisals and central reporting of HR issues.

In FY23, we rolled out our first Group-wide employee net promoter score survey ('eNPS'). The eNPS is based on the question, 'how likely are you to recommend your brand as a great place to work?' The results are linked to our incentives programme for senior leaders. This year, our eNPS was 39 on a scale of -100 to 100. The employee survey, which will be repeated annually, replaces the EDI survey but uses questions from it, such as 'do you feel a sense of belonging?' to maintain continuity.

### Employee net promoter score ('eNPS'):

**39 on a scale of -100 to 100**



## Employee health, safety and wellbeing

Health, safety and wellbeing are vitally important for everyone. We work to provide access to the best expert resources and advice around mental health, stress and financial issues through our Employee Assistance Programme. We also provide access to fully funded or tax-efficient health schemes in each of our markets.

The pandemic years were difficult for many and some of our employees are still dealing with health challenges. In FY24, we will be providing financial support to help people impacted by illness, either directly or through the need to care for a loved one. We will continue to support our employees on a practical, day-to-day level. We will continue to provide new training for line managers through the Next 15 Academy on mental health and wellbeing awareness.

While the move to flexible working has been welcomed across the Group, this has presented its own challenges in how people, especially early career stage employees, communicate and collaborate. We will be addressing this as part of our training for line managers in FY24.

Our consolidation into hub offices has helped to bring brands and teams together. In FY23, our brands teamed up to organise events in our hub buildings in New York and London around Black History Month and holidays, such as the festive markets, where employees showcased and sold their handcrafted items.



## Data privacy and cyber security

Ensuring the confidentiality, integrity and security of our data through robust data privacy and cyber security measures is essential for protecting our assets, maintaining the trust of our stakeholders, and upholding our commitment to responsible data management practices. More information on our approach can be found on page 106.