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Supporting Women in the Luxury Supply Chain: A Focus on Italy



Contents

About This Report	2
Executive Summary	4
Engaging Suppliers on Gender Equality	12
Gender Equality in the Italian Luxury Supply Chain	15
Supporting Women in the Italian Luxury Supply Chain—a Path Forward	32
Appendix	41

About This Report

Luxury brands have committed to supporting women's empowerment across their value chains. Women not only represent a significant share of luxury brands' customers and employees, they are also a critical part of luxury companies' supply chains. Italy, in particular, is well known for being a primary sourcing country for the sector, yet the status of women in the supply chain and opportunities to support women's economic and social empowerment remain largely unknown and unaddressed.

Across many different countries, women face multiple barriers to achieving gender equality. These include:

- » **Economic barriers** such as overall low labor force participation, high proportion in the informal sector, prevalence in part-time roles, challenges advancing in their careers and into leadership and decision-making roles, unequal compensation levels, and a disproportionate amount of unpaid care work.
- » **Social barriers** such as high rates of gender-based violence and harassment, challenges accessing sexual and reproductive health services, migration and human trafficking risks, weak implementation of anti-discrimination laws, traditional roles of women in society and in the workplace, and hidden gender biases and social norms that are difficult to eradicate.

Italy is no exception. Working women in the country face numerous challenges in the labor market, ranging from the difficulty of securing stable employment, accessing skills development and professional growth opportunities, and reconciling work and family responsibilities to workplace discrimination, harassment, and the gender pay gap. However, little is known about gender equality efforts and the gender gaps impacting women working in the Italian luxury supply chain. The limited data, literature, and research on this topic needs to be addressed. With this context in mind, Kering and its family of Italian brands, Bottega Veneta, Gucci, Kering Eyewear, and Pomellato, have engaged BSR to better understand the challenges, ambitions, and opportunities of women workers in today's luxury supply chain in Italy and identify ways to support their success.

This paper aims to:

- » Shed light on the status and challenges faced by women workers in Italy, particularly those working in the luxury sector.
- » Identify areas of intervention and provide practical recommendations on actionable next steps, programs, and initiatives that luxury brands could pursue, in cooperation with their suppliers and relevant stakeholders, to address gaps and concerns raised by women workers and work toward the realization of gender equality in the workplace.

This paper summarizes the insights gained from a variety of activities conducted by BSR and Wise Growth between February and September 2019. More information about this research process is provided in the Appendix.

About the Authors

This paper was researched and written by BSR Manager Roberta Pinamonti, Associate Victoria Reca, and Director, Women Empowerment, Aditi Mohapatra. Additional inputs, insights, and guidance were provided by [Wise Growth](#), our research partner, particularly by Francesca Stefanini and Cristina Bombelli. This work was commissioned by Kering Group and conducted in partnership with [Camera Nazionale della Moda Italiana](#) and [Valore D](#). Any errors that remain are those of the authors. Please direct comments or questions to Roberta Pinamonti at rpnamonti@bsr.org.

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PROJECT PARTNERS



BSR is a global nonprofit organization that works with its network of more than 250 member companies and other partners to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.



Wise Growth is an Italian advisory organization that helps companies and individuals grow in order to build economic value, but also to create a reputation and well-being that are future-oriented and designed to last. Wise Growth has spent years working on the topics of women empowerment and diversity management.



A global luxury group, Kering manages the development of a number of renowned houses of fashion, leather goods, jewelry, and watches: Gucci, Saint Laurent, Bottega Veneta, Balenciaga, Alexander McQueen, Brioni, Boucheron, Pomellato, Dodo, Qeelin, Ulysse Nardin, Girard-Perregaux, and Kering Eyewear.



Camera Nazionale della Moda Italiana

The Camera Nazionale della Moda Italiana (The National Chamber for Italian Fashion) is a nonprofit association that regulates, coordinates, and promotes the development of Italian fashion. The association represents the highest cultural values of Italian fashion. It aims to protect, coordinate, and strengthen the industry's image, both in Italy and abroad.



Valore D is an association with over 200 member companies in Italy committed to promoting gender balance and an inclusive culture in organizations and across the country.

Executive Summary

At a Glance

Luxury companies are connected closely to women as customers, employees, and workers in the supply chain. In 2015, women accounted for 85 percent of luxury sales.¹ They represent about 4 percent of designers and the majority of people entering the industry across the value chain.² A report³ published in 2018 by BSR's Responsible Luxury Initiative⁴—which examined how luxury companies can build resilient businesses responding to the challenges posed by climate change, technology, and inequality—identified women empowerment as a key opportunity. Today, luxury companies are demonstrating their close relationship with women through efforts to improve various aspects of women's lives, from health and financial independence to safety from violence. Overall efforts on gender equality have focused on three main levels:

- » Internal diversity and inclusion management programs, such as committing to gender balance and addressing and ending the gender pay gap, and developing dedicated programs in specific areas such as parenting, sexual harassment, etc.
- » External advocacy efforts and dedicated projects of luxury brands foundations, such as instituting channels and supporting campaigns against gender-based violence, and general investment in efforts to help change perceptions about the role and recognition given to women in society.
- » Engaging suppliers through supply chain initiatives and social audit programs, including those covering discrimination issues and enforcing certification standards such as SA8000.⁵

Beyond these efforts, there are a host of gender disparities that luxury companies can have a meaningful impact on, leveraging the credibility of their brands and their connection to women to promote cultural change toward gender equality. They can act in their own operations, including increasing the number of women in management positions, ensuring pay equity, and supporting the economic and social empowerment of female workers. They can also develop strategies to advance women's equality and leadership in their global supply chains.

¹ www.nytimes.com/2015/12/02/fashion/in-luxury-the-female-factor.html.

² www.businessoffashion.com/community/voices/discussions/how-can-fashion-develop-more-women-leaders/a-womans-work-how-women-can-get-ahead-in-fashion.

³ www.bsr.org/reports/BSR_Disrupting_Luxury_Responsible_Luxury_Initiative.pdf.

⁴ The Responsible Luxury Initiative (ReLI) is a collaboration of 15 luxury companies dedicated to developing collaborative solutions for emerging sustainability issues in their respective value chains. Members of ReLI include Cartier, Chanel, Harvey Nichols Group plc, The Hongkong and Shanghai Hotels, IWC Schaffhausen, Kering, LVMH Moët Hennessy—Louis Vuitton S.A., Michael Kors Holdings Limited, mytheresa.com, OTB, PVH Corp., Ralph Lauren, Richemont International SA, Swarovski, and Tiffany & Co. For more information: www.bsr.org/en/collaboration/groups/responsible-luxury-initiative.

⁵ SA8000 is a social certification standard for factories and organizations across the globe. It was established by Social Accountability International in 1997 as a multistakeholder initiative. Over the years, the Standard has evolved into an overall framework that helps certified organizations demonstrate their dedication to the fair treatment of workers across industries and in any country.

Why a focus on Italy?

The “Made in Italy” label is well known around the world and is frequently associated with sophisticated, luxury, and high-quality products. According to studies conducted by Deloitte,⁶ a third of the global luxury goods market is Italian and in 2018, represented 4 percent of the Italian GDP.⁷ Much of the supply chain for luxury brands is based in Italy and is made of small and medium-sized enterprises (SMEs), many of which are artisanal and employ a large number of women. For instance, for Kering Group, one of the major global players in the luxury sector, Italy represents 87.8 percent of its global supply chain.⁸ Kering’s Italian suppliers are typically SME manufacturers of ready to wear, leather goods, shoes, jewelry, and eyewear, but they also provide raw materials, packaging, and other products and services. The Kering luxury supply chain in Italy can be considered illustrative of many other luxury brands’ supply chains in the country.

Italy in the World Economic Forum Global Gender Gap Report 2018

According to the [World Economic Forum Global Gender Gap Report 2018](#), despite minimal progress, Italy has seen an overall decline in gender equality, raking 70th among the 149 countries and remaining among the worst performers of developed ones.

Italian performance is particularly poor for equal economic opportunities at work, considering access to employment and wage equality (118th) while it has seen an improvement in political representation.

Despite the importance of Italy in luxury supply chains and the prevalence of women in the workforce, little is known about gender inequalities faced by women working behind this prized “Made in Italy” label. In the national context, according to some of the most well-known global gender indexes, such as the UNDP Gender Equality Index, Italy is overall well-placed regarding gender equality on a global scale. However, a closer look at the gaps between men and women workers in Italy reveals systemic issues that challenge the notion of true equality. For example, according to the World Economic Forum Global Gender

Gap Report 2018, gender inequality in Italy is particularly evident when it comes to women’s active participation in the labor market. Women workers in Italy face a number of specific challenges, including more limited access to job opportunities and career progression, vertical segregation, and harassment, among other obstacles. These challenges can be largely attributed to social and cultural norms and traditions that continue to stigmatize women in the workplace.

Why this report?

Given the context, the next clear and natural step for luxury brands is to foster knowledge on the topic of gender equality in Italy and create opportunities to promote it among their suppliers.

As a first step, and with an aim of understanding the challenges, ambitions, and opportunities for women working in the Italian luxury supply chain, this study reviewed workplace gender equality policies and practices of 189 suppliers and the perceptions and experiences of 880 workers (620 women and 260 men) across the supply chains of Kering’s family of Italian brands: Bottega Veneta, Gucci, Kering Eyewear, and Pomellato. Gender-disaggregated data was collected in order to understand gendered

⁶ www2.deloitte.com/global/en/pages/consumer-business/articles/gx-cb-global-powers-of-luxury-goods.html.

⁷ www.ilsole24ore.com/art/la-moda-italiana-vale-4percento-pil-ma-cresce-meno-griffe-francesi-AEtYT1zD.

⁸ <https://keringcorporate.dam.kering.com/m/6acacc777e94cbb4/original/2018-Reference-Document.pdf>.

issues that may not have been previously identified. This paper gathered insights and draws conclusions from a comprehensive set of engagement activities and sources, including surveying suppliers on workplace policies and practices, surveying workers, and conducting focus-group discussions.

Gender Equality in the Italian Luxury Supply Chain

Gender equality in the workplace is the result of various enabling factors, including social norms and stereotypes, access to critical assets such as education and technology, and the working environment itself, including leadership opportunities for women workers, the ability to balance work and personal life, and the opportunity to work in a violence- and harassment-free environment, among other factors. A combination of environmental and structural workplace factors has led to continuing challenges for women working across global supply chains.

This study identifies some examples of initiatives and programs promoted by Kering's suppliers on the topic of gender equality and, more broadly, initiatives in support of workers, such as welfare programs, social policies, and antidiscrimination policies. However, the research also found limited awareness among suppliers about gender relations and issues. Consequently, there are limited investments and initiatives dedicated to gender equality. This is not surprising because the companies involved in the study are SMEs,⁹ which frequently face challenges in terms of resources (e.g., lack of manpower, money, expertise, information, and time) to adopt leading practices.

With regard to the status and conditions of women working in the Italian luxury supply chain, the following are the main takeaways of the study, based on extensive engagement with suppliers of the four Kering brands as well as direct worker engagement.

Women do not have access to the same working conditions and economic opportunities as men

Women remain in traditional roles and lower positions within the factory.

Lower positions are leading to lower salaries and the perception among women that they can not earn a living wage.

This study confirms that, like in many other sectors, women in the Italian luxury supply chain are more vulnerable to poor working conditions than men. Despite being a majority in the workforce (63 percent) and generally better educated than men (18 percent of women have university degrees vs. 14 percent of men), the women surveyed for this study are predominantly in lower blue-collar and/or administrative positions, while the large majority (75 percent) of management and leadership positions are held by men. This vertical segregation of workers' roles, which is also characteristic of the Italian labor market across many sectors, can systemically lead women to have lower salaries than men and, consequently, to be less satisfied and struggle more to meet their and their families' needs. Beyond these disparities that may be

Percentage of women in the workforce **63%**

Percentage of women in management positions **25%**

⁹ The average number of employees of Kering suppliers is fewer than 50, while the average number of employees of companies involved in this project is fewer than 60.

There is also perceived discrimination in remuneration

explained by the vertical segregation of workers, 49 percent of the women surveyed also perceive the existence of a gender pay gap between women and men in similar positions (equal work for equal value).

Women rarely hold leadership positions and have limited opportunities for professional career advancement

This study reveals the existence of vertical segregation in the workplace and also confirms the presence of a number of challenges that may be hindering women's career advancement, such as perceived discriminatory practices across the employment cycle. For example, 59 percent of women surveyed believe that there is discrimination in the promotion process. In addition, there are limited opportunities and organizational support, such as investments in professional development training, to advance women in the workplace, which is typical in the context of SMEs. Less than one-third of the workers surveyed reported having professional development training and career advancement opportunities available in their workplace. The perception that there are limited opportunities for career advancement is stronger among women workers. This study also reveals that women tend to accept the lack of career growth prospects as a precondition tied to their interest in having more flexibility to manage their dual roles of being both working women and the principal caregivers in their family (e.g., flexible working hours, part-time options, etc.). In addition, women do not seem to have a positive attitude toward taking a potential promotion with more responsibilities (36 percent of women surveyed do not feel confident taking on roles with more responsibility, compared to 12 percent of men) and almost half of the women surveyed (43 percent) do not recognize the benefits and positive impacts that women in leadership positions could have on the work environment and for women advancement and gender equality.

There is perceived discrimination across the employment cycle.

There is limited investment in career advancement and professional training opportunities for women.

Women seem to 'abandon the battle' and tend to stigmatize female colleagues in positions of leadership.

The impacts of familial responsibilities are seen as obstacles to gender equality

Maternity is seen as an obstacle to getting and sustaining a job and to professional growth.

The "burden" of motherhood, childcare, and domestic responsibilities impact women's opportunities to access education, paid work, and growth opportunities. This study found that 39 percent of women fear the consequences of motherhood on their job upon their return to work after having a child (24 percent of men also fear the consequences on their job after they return to work after taking paternity leave). In addition, around 23 percent of the women surveyed know of female colleagues who have not returned to work at all after maternity leave. This study also found that women in the Italian labor market may continue to face inappropriate practices and biases in hiring processes because of their marital status, pregnancy status, or future intentions of having a family (23 percent of women surveyed said they had

Shared parental responsibilities are still rare.

Domestic and family care responsibilities still predominantly fall on women's shoulders.

experienced such practices). The limited parental leave options available in Italy and the lack of awareness of such options, especially among male workers (46 percent of men surveyed indicated that they were not aware of or not interested in such options), do not help to balance parental responsibilities or ease the perceived burden of motherhood. Despite the fact that the vast majority of workers surveyed (87 percent of both women and men) believe that childcare and domestic responsibilities should be equally divided, most women workers (69 percent) believe that they are in fact predominantly responsible for them and often struggle to juggle their dual roles. In contrast, 61 percent of the men surveyed believe that these responsibilities are equally divided.

87% Of all workers believe household and care duties should be equally shared but only

27% Of women say household and care duties are actually equally shared in practice

Women have a harder time voicing challenges and concerns

Violence and harassment are frequently a major challenge that women face in the workplace. This issue is still common across different

New ILO Convention No. 190

The International Labor Organization (ILO) Convention No. 190 on the Elimination of Violence and Harassment in the World of Work calls for business to take an active role in creating safer working environment through gender-sensitive policies, processes, and systems that identify and address gender-based violence and harassment.

countries, cultures, and contexts, and Italy is no exception. This study did not uncover highly concerning results, in terms of the number of cases of sexual harassment that women in the Italian luxury supply chain have either directly experienced or become aware of. However, there seems to be limited awareness among women about what constitutes sexual harassment and the different forms it can take as well as about embedded cultural

There is relatively low awareness of what constitutes harassment and inappropriate behavior.

norms, which may contribute to more acceptance and tolerance toward inappropriate behaviors. At the same time, the ability of workers to voice their concerns in the workplace, including about incidents of violence and sexual harassment, depends upon the availability of relevant company policies and processes, including appropriate grievance mechanisms and speak-up channels. Use of these tools is dependent upon workers awareness of the existence of such channels, their confidence to speak up, and their trust in the system. This study found that such systems are not common, that in most cases they are

Grievance mechanisms are not common and there is uneven awareness about them.

“informal,” and that awareness of their existence is uneven among workers. In addition, women have less trust in the systems that are in place (74 percent of women surveyed trust the systems, compared to 78 percent of men) and are less confident than men about expressing their opinions, ideas, or concerns (81 percent of women surveyed feel confident to express their opinions and concerns vs. 88 percent of men).

Women are less confident about speaking up and have less trust in the system.

Supporting Women in the Italian Luxury Supply Chain—a Path Forward

Based on the study’s findings and considering the local country context and reality of the main stakeholders, including luxury brands and their suppliers in Italy, BSR has developed a set of recommendations for future programming structured under BSR’s framework for action, “ACT, ENABLE, INFLUENCE.” This framework presents three levels of recommendations for luxury brands and their suppliers to work toward enabling and promoting gender equality in the workplace. When addressing this issue, it will be key for luxury brands and their suppliers to understand and leverage already existing and established players and initiatives in the space, some examples of which are included in this report.

ACT for gender equality in the workplace. The first pillar, “Act,” describes activities companies can take within their direct control by adjusting policies and practices within their operations and supply chain to promote gender equality.

Recommendations for Luxury Brands:

- » **Communicate and share the research report widely with key stakeholders**, particularly with local suppliers and relevant local employer organizations. This is essential to demonstrate luxury brands’ commitment to gender equality, acknowledge the work that is being done and needs to be done, and be equipped to drive the development and implementation of tailored programs.
- » **Continue collecting and monitoring gender-disaggregated data in the supply chain** through ongoing supplier engagement activities to assess the outcomes and impacts of policies, processes, and programs and evaluate their effectiveness in promoting gender equality.
- » **Apply a gender lens to supplier codes of conduct/ethics** integrating gender-sensitive principles and clauses and setting the standard practices expected from suppliers, including commitment to the Women’s Empowerment Principles (WEPs) and/or the UN Sustainable Development Goal 5 (SDG 5).
- » **Engage with luxury brands’ social auditing team to more explicitly include a gender focus in social auditing programs** that will help uncover potential gendered challenges and discrimination and thus ensure continuous due diligence.

Recommendations for Suppliers:

- » **Review the employment cycle and make necessary adjustments to eliminate potential bias and ensure it is supportive of women’s advancement.** Understanding this is essential to making

the necessary adjustments in identified policies, processes, and programs to help and encourage women to advance to higher career positions.

- » **Promote initiatives that facilitate returning to work from maternity leave and raise awareness about shared parental/family care responsibilities** to support women and men in their transition to their new role as parents and as a way to encourage more shared responsibilities and ease work and family care duties.
- » **Embed practices that prevent, address, and remediate gender-based violence and harassment** by raising awareness about what constitutes harassment and setting policies with a strong focus on prevention while at the same time ensuring that workers have access to mechanisms to raise concerns, thus enabling safer work environments for women workers.

ENABLE change by promoting gender equality with relevant stakeholders. The second pillar, “Enable,” identifies opportunities for luxury brands and their suppliers to accelerate progress for women by collaborating with stakeholders, including civil society organizations and business partners.

Recommendations for Luxury Brands:

- » **Promote and facilitate awareness-raising and trainings on gender equality among suppliers’ leadership and management teams to drive a gender equality mindset.** Ensuring a gender-sensitive and engaged leadership is necessary to have internal buy-in and support for future internal changes.
- » **Integrate incentives that recognize positive achievements into supplier engagement and purchasing practices.** Providing ongoing support and engagement with suppliers to discuss gendered challenges as well as best practices and progress will also contribute to stronger supplier relationships. Luxury brands can also acknowledge and recognize suppliers’ positive achievements through their purchasing practices, for instance, by offering incentives to suppliers who advance gender equality in the workplace.

Recommendations for Suppliers:

- » **Explore and make use of existing opportunities and funds, tapping into available incentives offered by the government or relevant institutions** such as welfare plans, training subsidies, and similar financing mechanisms available in the country to facilitate implementation of programs that can help drive change in gender equality.

Recommendations for Luxury Brands and their Suppliers:

- » **Join local networks that address relevant gendered issues.** Collaborative action and partnerships with local organizations, institutions, and other business are key to addressing systemic challenges, advancing impactful programs, and catalyzing cultural change. For this, it is important to understand and leverage the key strengths of the multiple stakeholders in the country and to join forces or develop joint programs that address the most pressing issues and implement them directly in the workplace.

INFLUENCE the ecosystem. The third pillar, “Influence,” presents how luxury brands can build an environment that promotes gender equality and removes systemic constraints—from gender norms to gaps in legal protections—to allow women to fully participate and prosper in work.

Recommendations for Luxury Brands:

- » **Support advocacy efforts related to the gender equality agenda of key partners and institutional actors** by promoting evidence-based research that reaches a wide audience of relevant decision-makers and key players, as well as the general public, to drive and be part of long-lasting and sustainable change.

- » **Support the breakdown of gender stereotypes by integrating gender equality messages in advertising and promotional campaigns**, focusing particularly on challenging gender stereotypes and social and cultural norms around women’s role in the workplace and their caregiver status as a way to influence public mindset and drive positive change.

Engaging Suppliers on Gender Equality

Italy is a primary sourcing country for many luxury companies. The “Made in Italy” label is well known around the world, particularly in the fashion sector. Ready to wear apparel, fashion accessory, textile and fabrics, shoes, and leather goods manufacturers characterize the industrial landscape of many regions in the country. These highly specialized yet predominantly artisanal, family-owned, small to medium sized enterprises (SMEs) are generally clustered in dynamic industrial districts.¹⁰ The luxury sector relies on the performance and distinctive nature of these companies, which are considered a fundamental asset for the sector and its reputation for high-quality products.

For instance, for Kering Group, one of the major global players in the luxury sector, Italy represents 87.8 percent of its global supply chain.¹¹ Kering’s Italian suppliers are typically SME manufacturers of ready to wear, leather goods, shoes, jewelry, and eyewear, but they are also providers of raw materials, packaging, and other products and services. These suppliers are located predominantly in the northern regions of Lombardia, Piemonte, Tuscany, and Veneto, though some are based in southern regions such as Campania and Puglia. The Kering luxury supply chain in Italy can be considered illustrative of the supply chains of many other luxury brands in the country.

Supplier Profile of This Project

For this project, 284 Italian suppliers across four Kering brands (Gucci, Bottega Veneta, Pomellato, and Kering Eyewear) were invited to participate, and 189 suppliers (67 percent) took part in the project in its various phases. This group represents approximately 51 percent of Kering’s manufacturing supply chain in Italy.¹²

76% supply to Gucci

31% supply to Bottega Veneta

7% supply to Pomellato

3% supply to Kering Eyewear

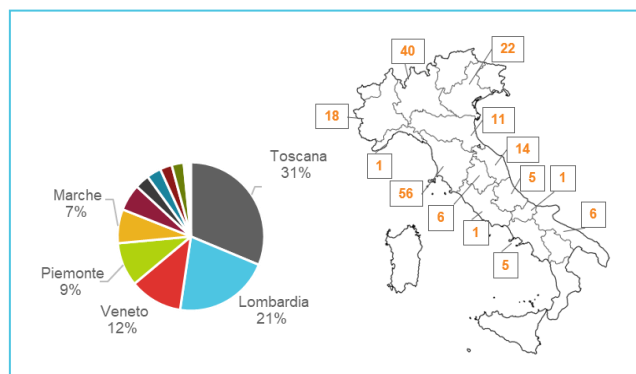


Figure 1: Breakdown by brand of suppliers that participated in the project (supplying to one or more brand)

Figure 2: Breakdown by region of Kering suppliers that participated in the project

189 suppliers participated in the project. Some report supplying to more than one brand, with the majority supplying either to Gucci or Bottega Veneta.

64% of suppliers that participated in the project are located in the regions of **Lombardia, Tuscany, and Veneto**. Other relevant regions include Piemonte, Marche, and Emilia-Romagna.

¹⁰ SMEs are considered the backbone of the Italian economy and represent 92 percent of active enterprises and 82 percent of the workforce (2019) (source: www.infodata.ilsole24ore.com/2019/07/10/40229/)

¹¹ <https://keringcorporate.dam.kering.com/m/6acacc777e94cbb4/original/2018-Reference-Document.pdf>

¹² As of February 2018, considering manufacturing suppliers of the following purchasing categories: ready to wear, leather goods, shoes, jewelry, and eyewear, and excluding purchasing categories such as raw materials suppliers, packaging, and others.

While the average size of these suppliers varies from brand to brand, the vast majority are SMEs,¹³ with the exception of six larger facilities. Kering Eyewear appears to have the highest number of employees per supplier (an average of 136 employees per factory), while the other three brands have fewer than 60 employees on average per supplier (52 employees for Bottega Veneta, 59 for Gucci, and 56 for Pomellato).

Worker Profile of This Project

- 11,030** Workers employed by suppliers invited to participate
- 5,779** Workers employed by suppliers who participated in the project
- 880** Workers who responded to the survey

- 70%** are women
- <5%** are foreign workers, mostly from other EU countries, and most of them are women
- 87%** are located in Lombardia, Tuscany, and Veneto

Figure 3: Overview of worker demographic in Kering supply chain

When analyzing the demographic of workers who participated in the project, we found a higher participation of women and a higher participation of certain regions compared to the overall supplier demographics:

- » **Women represent 63 percent of the workforce of suppliers that were invited to participate.** Among the workers who responded to the survey, 70 percent were women (7 percentage points higher than the percentage of women in the total workforce).
- » **From a geographical point of view, 64 percent of suppliers that engaged in the research are located in Lombardia, Tuscany, and Veneto.** The representation of workers who participated in the survey from these three regions is even higher (87 percent). The location of 3 percent of respondents is unknown.

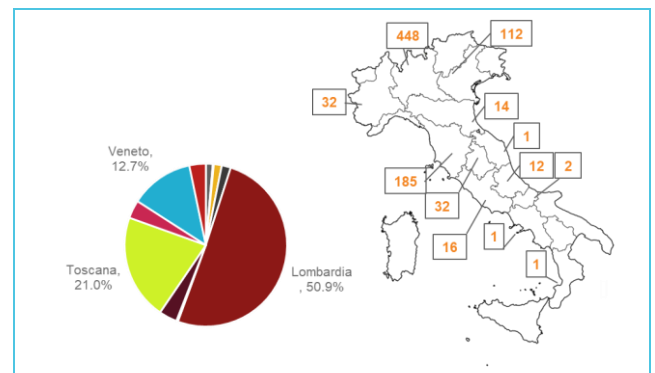


Figure 4: Breakdown by region of workers who participated in the project

¹³ The Italian Institute for Statistics (ISTAT) considers Small and Medium Size Enterprises to be companies with 10 to 249 employees.

Other relevant facts and figures about workers who participated in this survey are the following:

- » The women workforce population is slightly younger than that of men—approximately 76 percent of women are between 18 and 50 years old, compared with around 65 percent of men.
- » A slightly smaller percentage of women than men are married (46 percent vs. 57 percent). The same is true for workers who have kids (52 percent of women vs. 55 percent of men).
- » Worker education levels are similar among women and men. Most finished secondary school, but women have a higher achievement than men in upper education levels such as university degrees (18 percent of women workers have degrees vs. 14 percent of men).

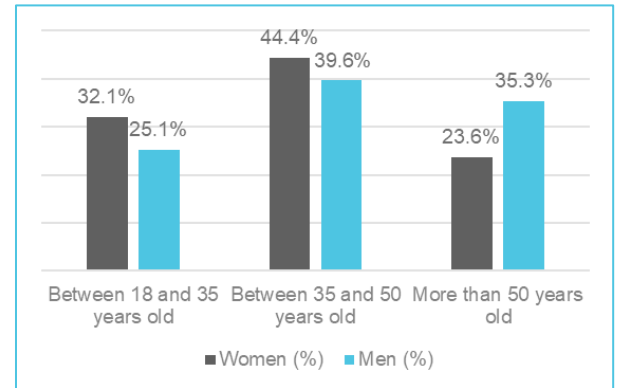


Figure 5: Percentage of women and men per age group

Gender Equality in the Italian Luxury Supply Chain

Framing Gender Equality in the Workplace and the Role of Business

Globally, social and cultural norms and traditions, gender bias, stereotypes, and other practices continue to stigmatize and foster systemic discrimination of women in the workplace. From accessing job opportunities and throughout the employment cycle, women face a range of discriminatory practices that inhibit their economic and professional advancement opportunities. Evidence of this includes the frequent concentration of women in lower-paying jobs and industries, the lower representation of women in leadership, and wage disparities (gender pay gap), among others. The underrepresentation of women in leadership positions means that fewer women are involved in decision-making processes, which can further hinder the advancement of more gender-inclusive business practices.

FOCUS

Gender Equality in the Workplace in Italy: Some Key Indicators

Based on global gender equality indexes such as the [SDG Gender Index by Equal Measure's 2030](#) and the [UNDP Gender Inequality Index \(GII\)](#), among others, Italy is overall relatively well-placed regarding gender equality at a global level. However, when it comes to employment and work for women, the picture is gloomier.

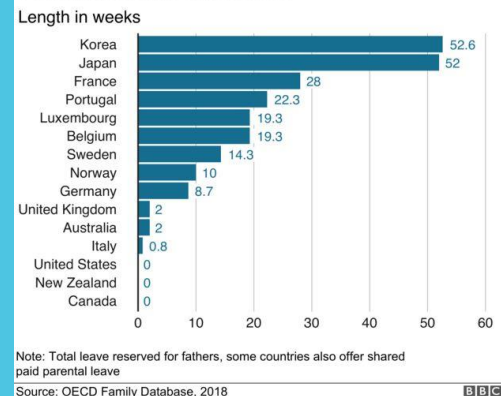
In the [World Economic Forum \(WEF\) Global Gender Gap Report 2018](#), out of 149 countries, Italy ranks 70th overall (17th among the 20 Western European countries), and 118th in economic participation and opportunity, making it one of the poorest performers among developed countries. According to [Eurostat](#), Italy's gender pay gap is a little over 5 percent (lower than any other EU country except Romania). However, according to the Organization for Economic Cooperation and Development ([OECD](#)), Italy has the fewest women in the workforce of any developed economy, which contributes to the low gender pay gap because women who do engage in paid work are likely to be better educated and have a higher earnings capacity than women who stay at home.

Despite the fact that the employment rate among women in Italy has grown in recent years, the country still has one of the largest gender gaps in terms of employment rate of any OECD country, reaching 18 percent in 2017. While labor force participation for men reaches nearly 60 percent, it barely exceeds 40 percent for women. Female participation in the workforce may be hidden in the so-called informal, or shadow economy, which represents an estimated 19.8 percent of Italy's GDP, according to the [Institute for Applied Economic Research at the University of Tübingen in Germany \(IAW\)](#). Not only is female participation in the workforce more limited and more informal, but women are also underrepresented at the managerial level, particularly in higher-level positions (women represent only 23 percent of middle and senior management).

According to the [OECD](#) data from 2015, women in Italy also face a disproportionate responsibility for unpaid care, spending on average of over 2.5 times more time than men on

household chores such as cleaning, cooking, and childcare—or up to approximately five hours per day. The WEF estimates that around 62 percent of Italian women's work each day is unpaid, compared to 30 percent for Italian men. This also leads women in Italy to work longer than men—an average of 512 minutes per day, compared to 453 minutes for men—yet they are more likely to be unemployed or work part time. Part of this burden is linked to the expected role of women as mothers. While many countries are adopting policies that allow fathers to take paid time off from work to care for their newborns (including both paid paternity leave, which is compulsory, paid in full, and currently four days, and paid parental and home care leave reserved for fathers, which is optional and paid as a percentage of salary), [OECD](#) studies (2018) reveal that Italy is lagging on policies addressing paid parental and home care leave. According to the National Institute for Social Security (“Istituto Nazionale per la Previdenza Sociale,” or [INPS](#)), in 2018 in the private sector, 123,088 fathers took compulsory paternity leave and 4,512 took “optional” leave. While there has been an increase in the use of paternity leave options, statistics show that the majority of fathers do not take advantage of this benefit. Monitoring and more information about the right to take paternity leave is needed to increase the number of fathers making use of it.

Total paid leave for fathers



Being risk-free of harassment is also an essential element for achieving gender equality. According to the Italian Institute for Statistics ([ISTAT](#)), almost half of Italy's adult women have experienced some form of sexual harassment and an estimated 1.4 million women reported experiencing physical harassment or sexual blackmail at work.

However, gendered issues are not always identified by women themselves in the first place. Women may lack awareness of their disadvantaged condition or may simply accept it as a normal state. This fact was an important consideration throughout the research process and a priority in focus groups, where special attention was paid to uncovering and diving into some of the less evident issues. Indeed, women who participated in the focus groups did not initially recognize some of the challenges they were facing. For example, inappropriate behavior by male colleagues was generally downplayed or not considered a problem to be dealt with at the company culture level. Another example concerns the vertical segregation of workers. While most women workers said they had never reflected on the potential discrimination involved in the different job roles and positions held by women and men workers, once this issue was raised participants recognized that there were very few women occupying managerial or leadership positions at their companies.

Businesses have a central role to play in creating and ensuring a gender-inclusive work environment and culture. For instance, business can promote gender equality in the workplace by:

- » **Reviewing and ensuring that relevant policies and codes of conduct are gender-responsive** by setting expectations around gender equality in the company workplace and across the supply chain. Women are often more vulnerable than men and have specific needs that could and should be addressed through codes of conduct. Communicate the values of the company, both internally and externally.

- » **Raising awareness regarding gender equality in the workplace.** Conducting gender-sensitive trainings and communicating and building internal capacity on gender equality is key to creating a more inclusive work environment. Awareness and trainings are important to drive management buy-in on the importance of promoting gender equality in the workplace but also to drive behavioral changes in the workforce.
- » **Conducting gender-sensitive due diligence** to uncover potential gendered issues that are not easily identified in the company's regular human resources processes or supply chain social auditing programs. Integrating a gender lens into existing due diligence processes is a practical way to enable understanding of the specific challenges that women workers are facing and, consequently, is key to being able to prevent and address those challenges.
- » **Collecting gender-disaggregated data** to measure and monitor the outcome and impact on men and women workers of relevant policies, processes, and programs. Collecting relevant data disaggregated by gender allows companies to detect issues that may affect one gender or another, and ultimately to develop appropriate evidence-based responses and set clear and realistic gender equality/women advancement objectives.

Today, luxury companies are already demonstrating their close relationship with women through efforts to improve various aspects of women's lives, from health to financial independence to safety from violence. Overall, the efforts of luxury brands on gender equality have focused on three main levels:

- » Internal diversity and inclusion management programs such as committing to gender balance and addressing and ending the gender pay gap, and developing dedicated programs in specific areas such as parenting, sexual harassment, etc.
- » External advocacy efforts and dedicated projects of luxury brands foundations, such as instituting channels and supporting campaigns against gender-based violence, and overall investment in efforts to help change the mindset about the role and recognition given to women in society.
- » Engaging suppliers through supply chain initiatives and social audit programs, including those covering discrimination issues and enforcing certification standards such as SA8000.

Beyond these efforts, luxury brands have the opportunity to leverage the credibility of their brand and their connection to women to promote cultural change toward gender equality and to develop strategies to advance women's equality in luxury supply chains on issues such as increasing the number of women in leadership positions, ensuring pay equity, and supporting women's economic and social empowerment.

Workplace Practices Related to Gender Equality at Luxury Brands Suppliers

As part of this study, suppliers were surveyed about existing initiatives and programs on gender equality, covering topics such as the existence of specific policies on gender equality, hiring and career development practices, initiatives to address harassment, and work-life balance, among others. Given that most suppliers are SMEs, it is important to understand the constraints on Kering suppliers in terms of resources and capacity—including limitations on manpower, money, expertise, information, and time—and how those constraints may affect their efforts to adopt such practices. The following conclusions can

be drawn based on the current gender equality practices of the Kering suppliers that participated in this study:

- » **Specific gender-focused initiatives and programs are not common.** More than half of the suppliers surveyed (56 percent) reported not having any dedicated gender equality policies or programs. However, around 50 percent of suppliers reported having additional welfare initiatives in place for their employees, most notably supplementary health insurance, or having in place SA8000 certification (19 percent), social policies (22 percent), and gender equality/antidiscrimination policies (11 percent).
- » **Monitoring of relevant gender-disaggregated data is uneven.** While, on average, 50 percent of suppliers reported monitoring and provided some gender-disaggregated data, indicators that are more directly related to business performance such as absenteeism and turnover rate are not always tracked. Collecting and monitoring gender-disaggregated data is useful to identify critical areas and/or existing gaps in the management of gender equality practices and issues in the workplace. Data is also useful for documenting the need for creating a more gender-inclusive workplace for better business results.
- » **There is limited leadership support of gender equality initiatives and weak, or no, structural accountability.** Only 23 percent of suppliers reported having the endorsement and support of their leadership and/or top management on gender equality initiatives and program, when they exist at all. Furthermore, only 12 percent of suppliers reported having a specific person/function in the company accountable for such programs and only one supplier reported having a dedicated agreement with a union on gender equality. This is not surprising for SMEs because very few of them can afford structured human resources organizations.
- » **There are clear opportunities to raise awareness and enhance visibility of gender equality efforts.** Only 24 percent of suppliers have dedicated communication, awareness raising, and training initiatives for employees on the programs and initiatives in place and, more broadly, on the topic of gender equality. At the same time, only about 4 percent of suppliers communicate externally about such policies/programs.

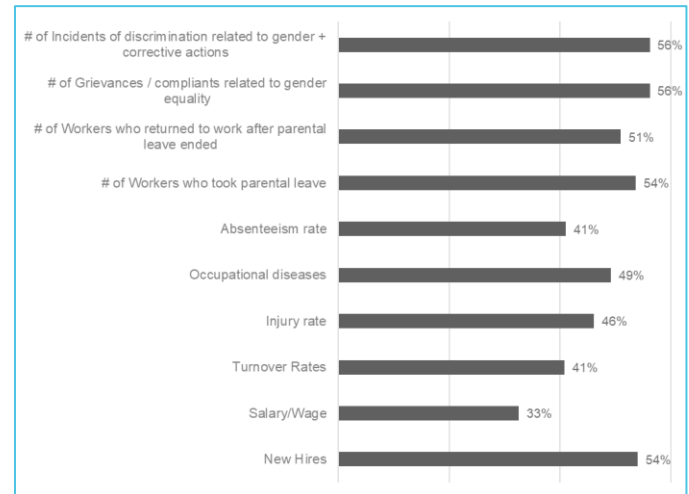


Figure 6: Percentage of suppliers that provided gender-disaggregated data for specific indicators

Research Findings: Overview of Gender Equality at Luxury Brands Suppliers

As a cross-cutting theme, gendered issues in the workplace can be explored from different angles, across various issues and practices that are interrelated and cannot be understood without the cross-contribution of one another. The multiple findings of the current practices, policies, and impacts on women workers in the luxury supply chain in Italy can be analyzed by breaking them down into the following topics:

- » Women's working conditions and economic opportunities
- » Women's access to leadership and professional career advancement
- » Women's role as mothers and in the family
- » Women's agency and behaviors in the workplace

WOMEN'S WORKING CONDITIONS AND ECONOMIC OPPORTUNITIES

Challenge at a Glance

Women's ability to be fully productive participants in the economy means they can benefit from equitable economic activities, have access to economic and financial resources, and in general contribute to the growth of society. Globally, women are more vulnerable to poor working conditions than men: Job opportunities are generally in lower-paying jobs, they are paid less than men for work of equal value (gender pay gap), and they receive fewer bonuses and less recognition, among others disparities.

In addition, poor work arrangements, especially around wages, frequently lead women to work overtime and/or hold multiple jobs to increase their income, but despite that many women still find it difficult to earn enough to cover their and their families' basic needs.

Among the workers who responded to this project's survey, the majority of workers, both women and men, hold permanent full-time positions. While not usual, temporary or other types of contract jobs, such as leasing or internship, are more common among women (17 percent) than men (10 percent). In addition, women are far more likely to work part time than men (14 percent vs. 1 percent).

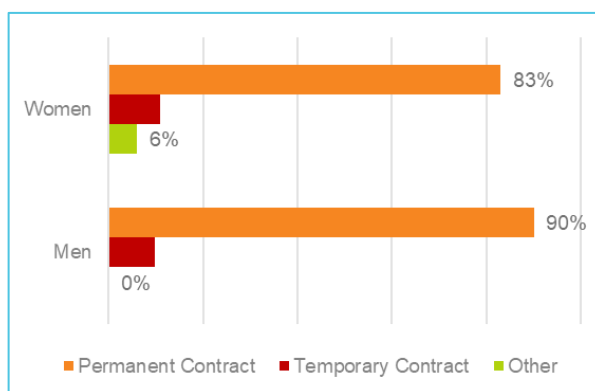


Figure 7: Type of contract (%) per gender

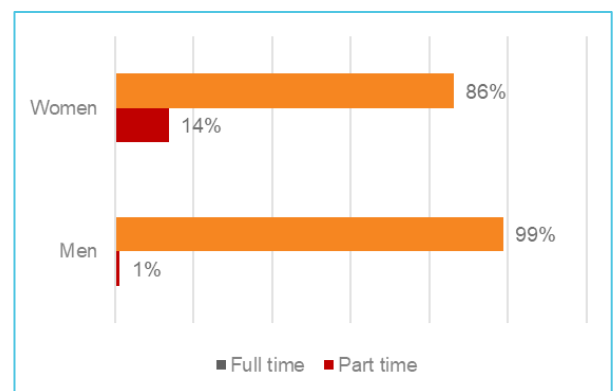


Figure 8: Type of work arrangement (%) per gender

Overall, the perception of working conditions is rather positive among workers, with 60 percent of workers asserting that they are satisfied with the contract conditions. However, when analyzed in more detail, women workers appear to be consistently more discontent than men workers:

» **Women remain in traditional roles and lower positions within the factory:**

Vertical segregation, also known as the “glass ceiling,” refers to the existence of visible or invisible obstacles that lead to a greater concentration of women in a limited number of sectors and/or professions and fewer women occupying high-level leadership and decision-making positions within organizations.

- Despite the fact that the women workers surveyed for this study have attained higher education levels than men, women were more prevalent in blue-collar positions and/or administrative positions than in management and leadership positions. Women make up 63 percent of the workforce and represent 60 percent of blue-collar positions and 68 percent of white-collar positions, but they represent only 25 percent of management positions. While these levels are consistent with the average rate of women in management positions in Italy (23 percent, according to OECD), they fall far short of a gender-equal management structure.

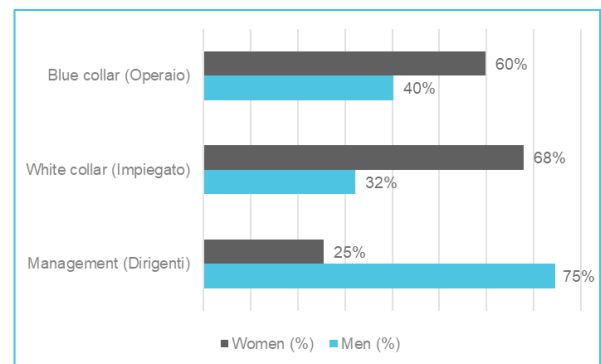


Figure 9: Prevalence (%) of women and men in different job positions at Kering suppliers

» **Lower positions are leading to lower salaries and the perception among women that they can not earn a living wage:**

Living wage refers to the remuneration for a standard workweek to a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs, including provision for unexpected events.¹⁴

- Among the workers who participated in this project, women reported having lower salaries than their male colleagues. Women’s salaries were reported as mostly concentrated in the middle range, while men reported their salaries at the higher ends of the range. Moreover, over half of women workers (57 percent) do not feel that their salaries reach a living wage, compared with 46 percent of men who feel this way. It is

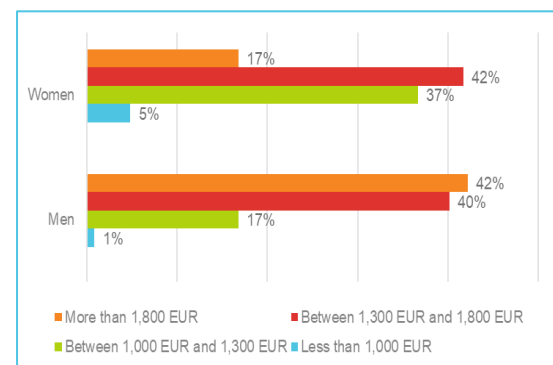


Figure 10: Monthly salary range (%) per gender

¹⁴ www.globallivingwage.org/about/what-is-a-living-wage/.

important to note that these gaps in wages may be attributable in part to the types of roles women hold within the factories.

» **There is also perceived discrimination in remuneration:**

Equal remuneration for work of equal value is a concept that is enshrined in the ILO Equal Remuneration Convention No. 100,¹⁵ where the phrase “equal remuneration for men and women workers for work of equal value” refers to rates of remuneration¹⁶ established without discrimination based on sex. The gender pay gap is one of the manifestations of discrimination in remuneration between women and men, where women are less paid than men despite being in equal positions. In Italy, the “code of equal opportunities between men and women” prohibits all direct and indirect discrimination in any aspect or condition of remuneration in relation to the same job or a job considered as having the same status, including prohibiting any discrimination based on gender with regard to the assignment of a job level, tasks, or career progression.¹⁷

- Among the women workers who participated in this study, half reported they perceived women were being paid less than men in equal positions. The data collected from suppliers through the gender-disaggregated indicators also reveals a 11 percent lower average salary for women compared to men, part of which could reflect the lower roles that women hold within the factories, as mentioned above.

49% ♀

21% ♂

A higher percentage of women think there is some discrimination in wages among colleagues of different genders performing similar jobs and having similar seniority

Figure 11: Perception among workers of discrimination in remuneration

- However, the presence of a gender pay gap as a potential issue is not widely recognized and is generally viewed as a taboo topic. Suppliers are almost exclusively focused on compliance with the collective labor contract and very seldom monitor relevant gender-specific data that would

“ We don’t talk about this, not even between ourselves... if we do, problems could arise. ”

potentially help identify if such gaps exist. Under Italian law, only companies with more than 100 employees are required to report on gender pay differences and, reflective of the prevalence of SMEs, our research found that gender-

¹⁵ www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C100.

¹⁶ Remuneration includes the ordinary, basic or minimum wage or salary and any additional emoluments.

¹⁷ Refer to Article 28 of Legislative Decree 198/2006 (“Prohibition on wage discrimination”), entitled the “Code of equal opportunities between men and women” (hereinafter the “Code”). It should also be noted that in Italian legislation, there is no general principle of “equal pay for equal work” that is not specifically linked to discriminatory grounds, meaning that employees can receive different salaries even if they perform the same duties, as long as the basis for the pay difference is not discriminatory. (<https://www.lexology.com/library/detail.aspx?g=a4d677dd-553b-4b23-b151-1fa98fa76d16>).

disaggregated salary level was the indicator least reported by suppliers, with only 33 percent of respondents providing data on this.¹⁸



FOCUS

Gender-Focused Initiatives at Kering Suppliers in Italy

- 15 percent of suppliers ensure women are represented on the job-interview hiring panel when recruiting for new positions;
- 35 percent of suppliers ensure a balanced representation of women and men when considering candidates for hiring in job positions;
- 55 percent of suppliers regularly monitor pay structure for women and men employees;
- 2 percent of suppliers undertake an internal gender pay gap audit.

WOMEN'S ACCESS TO LEADERSHIP AND PROFESSIONAL CAREER ADVANCEMENT

Challenge at a Glance

Gender equality in the workplace depends on women's access to equal opportunities for employment, but it also depends on broader cultural norms and access to the possibility of effectively improving them. Social or gender norms are a critical factor influencing a woman's ability to advance in her career because traditional norms that tie her to family and household care responsibilities can hinder her perception of what types of careers and leadership roles to pursue.

At the same time, lack of gender-sensitive and supportive structures in the form of employment policies and processes across the employee cycle, from hiring, training, and promotion to retention and termination, impact women's opportunities and can often be the source of obstacles. For example, biased performance review systems that fail to capture a full range of leadership traits in favor of more masculine notions of leadership can prevent women from advancing in their roles.

¹⁸ Under Article 46 of the Code ("Reporting on the personnel situation") there is also an obligation to report gender pay differences that apply to companies employing more than 100 people and that are required to draw up a report at least every two years, containing information on male and female employees with specific reference to their working conditions and their overall remuneration. The report must be shared with union representatives and with the competent public authorities which will then process the data collected and transmit it to the Ministry of Labor. Employers are not directly required to draw up an action strategy for reducing gender pay gaps revealed by this report (if any). However, under Article 37 of the Code, if discrimination is found, the company can be required to produce an action strategy aimed at reducing the gender pay gap within a maximum of 120 days. (<https://www.lexology.com/library/detail.aspx?q=a4d677dd-553b-4b23-b151-1fa98fa76d16>).

Women and men workers who participated in this project indicated that, overall, they consider their salary is reflective of their educational level and experience and that they have had opportunities to advance in their professional career. However, as previously noted, women make up only 25 percent of managerial-level positions despite being a majority of the overall workforce. The presence of certain workplace practices, attitudes, and beliefs may be limiting women's career advancement and access to managerial and leadership roles.

» **There is perceived discrimination across the employment cycle:**

Gender-based discrimination in career advancement opportunities is often invisible and dependent on unconscious gender biases. According to the ILO, unconscious gender bias, defined as unintentional and automatic mental associations based on gender, stemming from traditions, norms, values, culture, and/or experience, continues to impact women's ability to advance in their career.¹⁹

- As already noted, one of the key findings of our research is that women are mostly employed in operational roles, while supervisory roles are largely reserved for men. Fifty-six percent of women workers who participated in this survey reported that their direct supervisor/manager is male, while only 12 percent of men indicated that their direct supervisor is female.

In addition, a majority of women perceive discrimination in the promotion processes, while male workers believe growth opportunities are equal for men and women. In focus groups, however, women did not immediately recognize discrimination as an issue. Only when prompted to reflect on the potential limits to their roles did women workers acknowledge that the work environment may discriminate or undervalue their competencies.

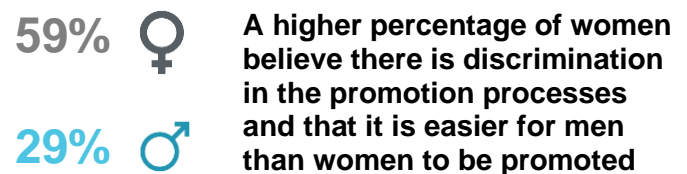


Figure 12: Perception among workers of discrimination in the promotion process

» **There is limited investment for career advancement and professional training opportunities:**

In the context of SMEs, career advancement opportunities may be rare due to limited availability of roles to fill, limited resources available, and lack of investment and a strategy focused on personnel development. In many workplaces, men and women rarely have equal access to development programs, even though this is critical for progression up the corporate hierarchy.

¹⁹ www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---act_emp/documents/publication/wcms_601276.pdf.

- Overall, around 60 percent of workers who participated in this study believe they have received adequate training to execute their current jobs. However, less than a third reported having professional development training and career advancement opportunities available in their workplace—a

“ You enter in the company as a blue-collar worker, and you will end as blue-collar worker most of the times. ”

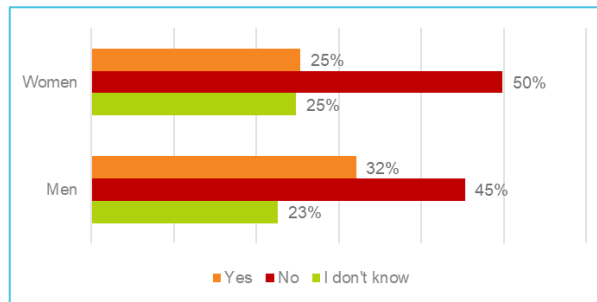


Figure 13: Access to training for further career development (%) per gender

perception that is stronger among women workers. Among the suppliers surveyed, a majority of the training available is dedicated to the acquisition of technical skills rather than the skills needed to advance into managerial roles. Less than 5 percent of suppliers reported having training programs to specifically support women's professional development or leadership. This can be largely attributed to the fact that most suppliers are SMEs.

» **Women tend to stigmatize their female colleagues in positions of leadership:**

An unconscious bias that women face, especially among other women, is the perception that reaching leadership positions is a “fight against each other,” which manifests itself in a negative attitude toward women who attain these types of positions.

- Among women workers who participated in this project, almost half (43 percent) did not recognize the potential benefits and positive impacts on the work environment, in terms of career advancement for women and gender equality, of having women in leadership positions. However, research shows that when senior leadership positions are held exclusively by men, the “think-manager-think-male” perspective is perpetuated, while having more women in leadership could help break the organizational biases and ultimately inspire women workers to advance in their careers and build momentum toward a more equitable working environment for women.²⁰

“ I believe it is wrong to promote some women, as most women use their superiority in a selfish way. ”

» **Are women also abandoning the ‘battle’?**

Negative thought patterns and self-limiting beliefs are also common among women. This includes reluctance to pursue certain tasks because they lack confidence in their ability to succeed or simply put themselves “out of the race” because they do not have the time, energy, or commitment to pursue growth opportunities.

²⁰ www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---act_emp/documents/publication/wcms_601276.pdf.

- This study found that women’s attitude toward being able to improve in their careers was frequently ambivalent or defensive. More than a third of women workers (36 percent) do not seem to have a positive attitude toward taking a potential promotion with more responsibilities, compared with only 12 percent of men who feel that way. Eight percent of women feel they are not able to or do not have the adequate skills to achieve a promotion, and 26 percent are ambivalent (do not have an opinion about it).
- “ Becoming a boss.. no.. but some more recognition would be great to have. ”
- In addition, women tend to believe that a promotion or career advancement is an achievement in itself and should not necessarily entitle them to additional benefits, such as an increase in remuneration. Instead, women tend to accept this as a matter of fact and “give up” claims related to career development opportunities and improved gender equality in exchange for having more flexibility to manage work-life balance.
- “ I was upgraded as shop walker, but there was no increment in my salary. ”

WOMEN'S ROLE AS MOTHERS AND IN THE FAMILY

Challenge at a Glance

Care work consists of two overlapping activities: direct, personal, and relational care activities, such as work deriving from motherhood like feeding a baby or nursing an ill partner, and indirect care activities, such as cooking and cleaning. Unpaid care work is care work provided without a monetary reward. It is considered as work and it is a crucial dimension of the world of work. Globally, women are still seen as the default caregivers and continue to carry the heavier share of unpaid care work, which impacts women’s opportunities to access education, paid work, and growth opportunities, among other things.

To unlock women’s full economic potential and achieve gender equality, adequate social protection and access to family-friendly workplaces, among other conditions, are essential. In addition to maternity leave, benefits such as paternity leave, mentorship programs and policies, flexible working hours, childcare accommodations, and lactating facilities are critical determinants of whether women return to work after having a child and, more generally, of their lifestyle and professional career decisions.

Care work in Italy is predominantly left to women, and the capacity of women to balance work and family life is often questioned because of cultural traditions and expectations. This study confirms that family care and domestic responsibilities are often perceived as a burden on women workers in their efforts to sustain their jobs, advance their careers, and maintain work-life balance.

» **Maternity is seen as an obstacle for sustaining a job and for professional growth:**

Childcare is primarily seen as a woman's concern and, as a result, a woman's double role (as mother and worker) is often perceived as being in conflict. Returning to work after maternity leave is a particularly critical moment for many mothers, who often struggle to adapt to the drastic change in

“ If you work you must not have kids, and if you have kids you must not work. ”

their lives and find the proper balance between work and motherhood. In addition, many women workers who give birth must deal with health implications, such as managing their child's lactation or suffering postnatal anxiety or depression, and many women workers decide not to return to work

at all. Studies conducted in Italy show that having a child dramatically decreases the earnings of Italian women because many of them leave the labor market, and those who do go back to work tend to earn less than what they would have earned had they not taken maternity leave.²¹

- This study confirms that maternity is viewed as a real obstacle that negatively impacts women's role at work and their professional growth opportunities. Women workers fear the consequences of maternity on their job once they return to work with regard to their role at the company, work-life balance, and their ability to manage concurrently motherhood and their job. Around 23 percent of women workers reported knowing of female colleagues who have not returned to work at all after maternity leave.

39% ♀

Many women workers think that maternity would negatively impact their jobs. Surprisingly, paternity is also perceived as an obstacle by some men.

24% ♂

Figure 14: Percentage of workers who think there will be negative consequences or significant changes upon returning to work.

» **Inappropriate questions are still getting asked during recruitment processes:**

During the recruitment process and upon hiring, questions about marital status, pregnancy status, or future intentions of having a family are perceived by many interviewees as invasive of their personal space. Under certain circumstances, according to the Italian Code of Equal Opportunities (“Codice delle Pari Opportunità”²²), these type of questions can also be considered illegal because they can lead to gender-based discrimination and, as a consequence, limit women's job opportunities.

- Unfortunately, women who participated to our study still experience these inappropriate practices (23 percent of women respondents asserted having experienced it in their life). However, it is unclear to what extent this line of questioning during the recruitment process is leading to gender-based

“ When I did the interview, I was asked if I had the intention to have kids...it frankly bothered me. It felt like an intrusion and a limitation. ”

²¹ <https://blogs.lse.ac.uk/europpblog/2018/06/30/italian-women-face-dramatic-earnings-losses-after-the-birth-of-a-child/>.

²² <https://www.altalex.com/documents/news/2012/09/18/codice-delle-pari-opportunita-tra-uomo-e-donna-libro-iii>.

discrimination or is simply driven by unintended social norms or habits that are not perceived as inappropriate or discriminatory by the interviewees themselves.

» **Shared parental responsibilities are still rare:**

Research shows that households where parental responsibilities are shared more equally between parents, regardless of gender, can increase the mother's well-being, particularly by helping to decrease incidents of postnatal anxiety.²³ It can also improve the father's ability to care for children in the long term²⁴ and contribute to better health outcomes for the child.²⁵ One way companies can support working parents and ensure greater equality in care responsibilities is by offering parental leave options to both genders. Unfortunately, while many women do take advantage of maternity leave benefits, few men are aware of or take advantage of such benefits.

- Among male workers who participated in this study, more than half appeared unmotivated and/or unwilling to take paternity leave. This may be a consequence of financial considerations, cultural expectations, or lack of knowledge of the existence of these type of opportunities.

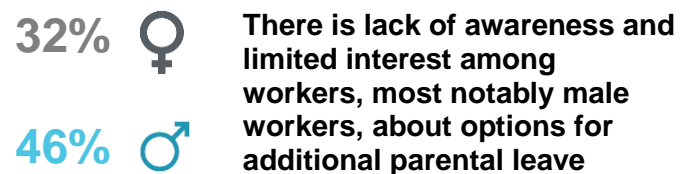


Figure 15: Percentage of workers who are not aware of or not interested in options for parental leave beyond those mandated by law.

» **Domestic and family care responsibilities still fall predominantly on women's shoulders:**

According to the ILO, women bear the brunt of unpaid care work, globally performing 76 percent of total hours of unpaid care work—more than three times as much as men. Across regions and income groups, when both work for pay or profit and unpaid care work are accounted together, the working day is on average longer for women than for men (7 hours and 28 minutes vs. 6 hours and 44 minutes).²⁶

- Despite the overall consensus among workers who participated in this study that household duties and family care should be equally divided between women and men (87 percent among both genders), a closer examination of the actual practices regarding the distribution of domestic responsibilities found that perceptions are very different among female and male workers. Our survey found that 69 percent of

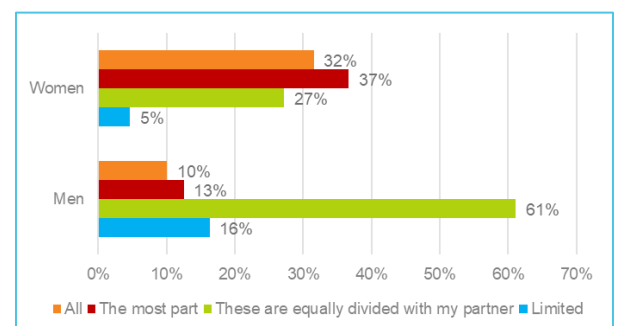


Figure 16: Domestic and family care duties (%) per gender

²³ www.ncbi.nlm.nih.gov/pubmed/22342108.

²⁴ www.thenewdad.org/yahoo_site_admin/assets/docs/BCCWF_The_New_Dad_2014_FINAL.157170735.pdf.

²⁵ www.oecd-ilibrary.org/social-issues-migration-health/fathers-leave-fathers-involvement-and-child-development_5k4dlw9w6czg-en.

²⁶ www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_633135.pdf.

women perceive that they are fully or mostly responsible for household care, while 61 percent of men perceive that these responsibilities are equally divided. Only 27 percent of women perceived that the responsibilities are equally divided. This is a factor that can put more pressure on women's work-life balance. In fact, 52 percent of women respondents indicated that they felt this pressure (compared to 37 percent of men).

- Overall, it was recognized by most workers who participated in this study that their employers are eager to accommodate family care needs, even beyond what is contractually required. There is a

“ If I receive a call from my kid's school, I simply send a WhatsApp message to my boss and there is no issue. ”

positive perception regarding the availability of adequate infrastructure for childcare, and most workers have flexibility to take additional time off for family reasons. Still, more attention should be paid to women's specific health needs, particularly during

the first months after returning to work from maternity. For example, only 3 percent of women respondents said that adequate lactation spaces and facilities for nursing mothers are available at their companies.



FOCUS

Gender-Focused initiatives at Kering Suppliers in Italy

- 52 percent offer phased return to work after maternity or paternity leave;
- 51 percent offer flextime and/or additional flex time beyond the contractual one;
- 23 percent have succession/mentorship plans for women leaving on maternity leave;
- 5 percent encourage men to take paternity leave;
- 1 percent have lactation spaces and facilities.

WOMEN'S AGENCY AND BEHAVIORS IN THE WORKPLACE

Challenge at a Glance

Women empowerment depends on women's active participation in raising their voices, being heard, and contributing and bringing value to the workplace. Underlying social norms and traditions frequently impact women's confidence to speak up and their capacity to make their own decisions and act on them. In addition, women and girls continue to be victims of workplace harassment, including sexual harassment, violence, bullying, and other unfair treatment. Being free of harassment is essential for women empowerment and gender equality. At the same time, to build a respectful workplace that is free from harassment, women must be empowered to detect and report these issues.

As recently stated by ILO Convention No. 190 on the Elimination of Violence and Harassment in the World of Work, workplace policies should address harassment and violence as part of their responsibilities. Companies should set up workplace policies, processes, and systems to create a safe working environment for both women and men workers and have in place and communicate to employees relevant grievance mechanisms and complaints procedures to enable workers to raise their voices, address those issues, and remedy them.²⁷

Workers who responded to this project's survey have an overall positive perception regarding the workplace environment and their relationship with supervisors/managers and human resources. They generally feel they are heard by managers and leadership, they are satisfied and empowered to express their opinions, ideas, and concerns, and issues such as violence and sexual harassment in the workplace do not seem to be prevalent. However, when it comes to dealing with and voicing potential complaints and concerns through formal or informal grievance mechanisms, when those exist, women appear to be less vocal and participative than men.

» **There is relatively low awareness of what constitutes harassment and inappropriate behavior:**

The level of awareness of what constitutes harassment and inappropriate behavior in the workplace and the embedded cultural norms that influence the perception of the severity of that behavior influences the ability of women to detect (and potentially report) these issues. For instance, sexual harassment can take many forms, from obvious ones like sexual favors, unwelcome advances, physical harassment, and verbal abuse, to more subtle forms that can sometimes be perceived as innocent. Many of these behaviors are frequently based on power relationships and social and cultural norms as well as on the lack of standards, policies, and practices in the workplace that would help raise awareness and avoid or address these issues when they arise.

- At first, among workers who participated in this study, bullying, threats, verbal abuse, and sexual harassment do not seem widespread, severe, or of major concern. Not surprisingly, the cases that were uncovered disproportionately impact women, whether they have been personally involved or have simply heard of such cases.
- Further discussion with women workers revealed that they may not

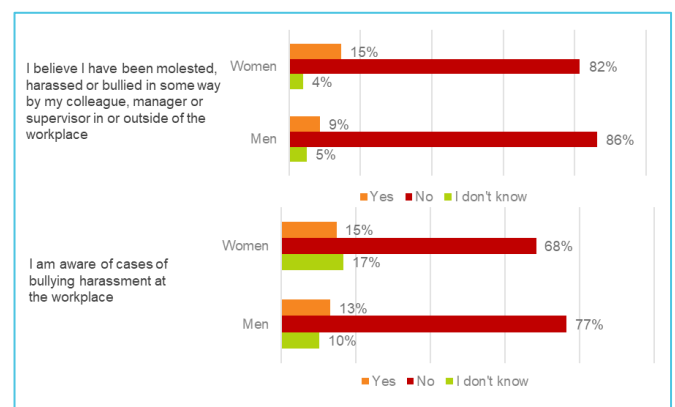


Figure 17: Incidents of bullying, harassment, and inappropriate behavior in the workplace.

“ Men often do these comments, but you know, it is everywhere. ”

necessarily identify or recognize inappropriate behavior. While there is some level of awareness that certain types of behavior constitute harassment and/or are meant to

²⁷ www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C190.

devalue or undermine women's role at work, women workers tend to see this misconduct as something they simply have to put up with. As a result, jokes and inappropriate comments may be somewhat tolerated or condoned. However, younger generations are generally less tolerant of such behavior and rely on their colleagues to socially isolate those responsible for it from the rest of the workforce.

» **There is uneven awareness of grievance mechanisms and more limited trust and confidence to speak up among women**

Grievance mechanisms in the workplace, when they do exist, are essential to identify, prevent, mitigate, and remediate any negative impacts or challenges workers may be experiencing. However, the presence of those tools does not guarantee that workers feel comfortable using them. Overall, usage of any type of grievance channel depends upon the worker's confidence to speak up and her trust in the way issues raised will be managed (e.g., they may be afraid of retaliation), especially in cases where people in higher positions in the company are involved in the case (e.g., direct supervisor, senior management).

- Given the SME context, formal or informal grievance mechanisms are not common among suppliers that participated in this research, and in most cases issues are dealt with and managed through the direct relationship with the employer's human resources or through informal anonymous grievance systems, such as a complaints box.
- Among the workers who responded to this survey, overall awareness of the existence of such mechanisms is uneven. Around 63 percent of women are aware of a grievance mechanism system, predominantly through informal channels. By comparison, 74 percent of men are aware of a grievance system, predominantly through formal channels. This probably reflects the limited knowledge of workers about what those different channels are and what they are meant for. In addition, women are less likely than men to trust the systems in place (74 percent of women vs. 78 percent of men) and appear less confident than men about speaking up to express their opinions, ideas, or concerns (81 percent of women vs. 88 percent of men).

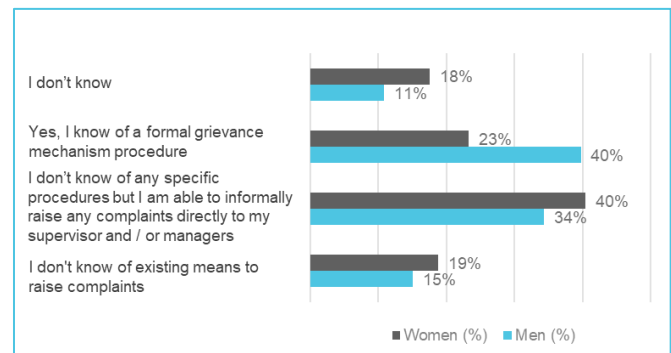


Figure 18: Worker knowledge on grievance mechanisms

**FOCUS**

Gender-Focused initiatives at Kering Suppliers in Italy

- Less than 50 percent of suppliers have gender-based violence and harassment commitments and policies;
- Around 10 percent provide training on such policies/commitments to employees and on preventing sexual harassment and gender-based violence to supervisory and managerial positions;
- 20 percent have grievance and resolution mechanisms that deal with gender-based violence;
- 8 percent monitor and track workplace violence/harassment grievances.

Supporting Women in the Italian Luxury Supply Chain—a Path Forward

BSR's framework for action, 'ACT, ENABLE, INFLUENCE,' presents the different approaches and strategies that luxury brands and their suppliers can take to address the different gendered issues that have been identified in this study. When taking action on the following recommendations, it is essential to consider the local country context and steer future programming in a way that is adapted and relevant to SMEs.

Act, Enable, Influence



ACT by making changes that are within the company's direct control. This includes company policies, practices, communications, and investments that affect women along the value chain.



ENABLE by supporting, incentivizing, and investing in other actors such as NGOs, business partners, and key stakeholders to accelerate women's empowerment.



INFLUENCE by advocating and sharing knowledge and expertise with government and other stakeholders to drive policy change and transform the industry.

ACT

Gender equality in the workplace.

This first pillar, "Act," describes activities companies can take within their direct control by adjusting policies and practices within their operations and supply chain to promote gender equality.

Recommendations for Luxury Brands

- » **Communicate and share the research report widely with key stakeholders, particularly with suppliers in Italy and relevant local employer organizations.** Communicating this study's findings is an essential step to demonstrate commitment to gender equality, for stakeholders to understand the actual conditions of women in the workplace, and to inform the design of future programs. In addition, communicating the findings and the collected gender-disaggregated data to suppliers fosters a shared understanding and awareness among suppliers of the challenges that women are facing to enable future actions and collaborations. Kering, in particular, should prioritize communicating the findings to the suppliers engaged in this project, ensuring a general understanding of the findings and

drawing attention to the key areas to address. By sharing these findings, luxury brands should be better equipped to promote the development of evidence-based programs to drive gender equality in the workplace.

- » **Continue collecting and monitoring gender-disaggregated data in the supply chain through ongoing supplier engagement activities** in order to assess the outcomes and impacts of policies, processes, and programs and evaluate the effectiveness of the same in promoting gender equality. The supplier and worker surveys conducted during this project can be considered a starting point. Luxury brands can also review existing frameworks to integrate relevant gender-disaggregated indicators that can also be collected from suppliers. There is currently little information on the actual impact of supply chain policies, processes, and programs on women workers. Therefore, luxury brands should consider undergoing such assessment processes in the future. Monitoring the data will be key to measure the effectiveness of the actions that are being implemented and ensure that these deliver progress for women workers. In addition, once monitoring and tracking of gender-disaggregated data is in place, luxury brands should also consider publishing relevant data in the public domain because brands and retailers are moving toward greater transparency.

USEFUL RESOURCES

BSR has published a Making Women Workers Count [report and toolkit](#) that provides recommendations and guidance on how to conduct deliberate gender-focused due diligence and how to collect gender-disaggregated data to uncover gendered challenges that may be present in the workplace. The report and toolkit present a mix of workforce and worker impact indicators as well as data collection methodologies that help capture systemic gender discrimination.

-
- » **Apply a gender lens to supplier codes of conduct/ethics.** Supplier codes of conduct set the standard for the practices that companies expect to see from their business partners. However, the gendered challenges and specific needs of women workers frequently remain overlooked in standard codes of conduct. Women are often more vulnerable to poor working conditions and face certain gendered issues that remain unaddressed in codes. Reviewing and integrating gender-sensitive principles and clauses in codes of conduct is an important step to set clear expectations and minimum requirements of suppliers, communicate company values, and promote gender equality and women advancement in the workplace. Luxury brands could consider including in relevant policies and codes its commitment to the Women's Empowerment Principles and/or UN Sustainable Development Goal 5 (SDG 5) focused on achieving gender equality.

USEFUL RESOURCES

BSR has published the Gender Equality on Code of Conduct [report](#) that provides guidance about why and how companies can integrate gender equality into codes of conduct that can be applied to supplier codes of conduct.

- » **Engage with luxury brands' social auditing teams to more explicitly include a gender focus into social auditing programs** to ensure continuous due diligence on the status of women workers, including by exploring potential discriminatory practices, differences in wages, and instances of harassment, among other factors. While the current standardized social auditing methodologies can help identify challenges for workers in the factories and design remediation plans, they do not necessarily uncover gendered issues because these are frequently entrenched in social norms. Gender-sensitive social audit methodologies are a way of collecting more systemic information relevant to women's needs and challenges, which are often different than those of men. Integrating these considerations into the "business as usual" requirements of social audit processes conducted by luxury brands can also help raise awareness among suppliers about gender sensitive approaches and practices.

USEFUL RESOURCES

BSR has published a Gender Equality in Social Auditing Guidance [report](#) that provides recommendations and guidance on why and how gender considerations should be integrated into social auditing methodologies and processes.

Recommendations for Suppliers

- » **Review the employment cycle and make necessary adjustments to eliminate potential bias and ensure it is supportive of women's advancement.** Suppliers should individually analyze in detail which processes may be hampering women's advancement in the workplace. Processes that should be assessed include hiring practices, promotion processes, and training programs. The analysis of processes should be paired with gender-disaggregated data to determine when and where women are most being impacted by work. In addition, suppliers should evaluate their role in encouraging women to advance to higher positions. For example, suppliers could facilitate worker discussions led by women managers or supervisors about leadership and work-life balance, among other topics, or avail themselves of external advisors or organizations to facilitate such dialogue. Furthermore, managers or supervisors should be trained on the importance of fostering an environment that supports equal opportunities, because certain negative attitudes can limit women in believing that they "can do it."

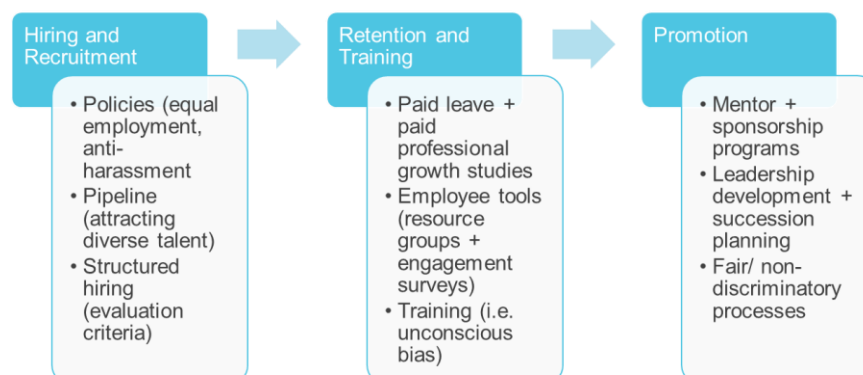


Figure 19: Examples of action that could be taken across the employment cycle to foster gender equality (source: BSR)

Inclusion Impact Index



The [Inclusion Impact Index](#) is an online diagnostic tool developed by Valore D in partnership with Milan Polytechnic that summarizes in a clear and simple way the situation regarding diversity and inclusion (D&I) in a company. In particular, this tool provides an industry benchmark with respect to governance and the ability to attract, develop, and retain talent from a D&I perspective. It also allows each company to compare its position with the aggregate data of companies in the same sector and/or size and enables them to build scenarios with customized parameters.

The four areas that the Index investigates are:

- Governance: evaluating the ability of the company to support women internally, creating a pipeline of talent up to top roles;
- Attractiveness: evaluating the ability of the company to attract young female talent and to convey its values and programs with respect to the issues of diversity and inclusion;
- Development: evaluating the ability of the company to enhance the female talent already employed at the company, defining personalized growth paths to support merit;
- Talent retention: evaluating the ability of the company to enhance female talent in an integrated and continuous manner throughout women's professional life.

- » **Promote initiatives that facilitate returning to work from maternity leave and raise awareness about shared parental/family care responsibilities.** Maternity is one of the key issues that should be addressed to ensure gender equality in the workplace. To do so, suppliers should consider going beyond legally required maternity benefits to better accommodate women who choose to return to work. For this, suppliers should provide and promote through relevant policies and programs the uptake of paternity and parental leave options to encourage more shared responsibilities in families. Policies could include ensuring that men make use of mandatory paid paternity leave and increasing awareness among both women and men workers of available parental leave options. In addition, suppliers should offer support for both women and men in their transition into leave and post-leave, including counseling support for soon-to-be mothers (and fathers). Upon their return to work, suppliers should continue providing adequate flexibility. Most importantly, suppliers should ensure that women can return after maternity to at least a similar position and wage level, making sure that maternity does not negatively impact their career and professional growth.

Maternity as a Master (MAAM)



[MAAM](#), Maternity as a Master, is a program and digital tool designed for pregnant women and working mothers and fathers of children up to 3 years old. The solution aims to transform parenting skills into powerful capabilities for the business. To date, MAAM has been used by more than 4,500 participants and over 40 Italian and international organizations.

MAAM is a solution offered by Life Based Value, an ethical social enterprise founded in 2015 whose objective is to empower businesses to do good in the world and to transform life experiences into business skills, thereby shaping a world of work where everyone can fulfil their potential.

The MAAM program features 24 online modules in a micro-learning format, including videos, inspiring content, open questions, self-assessment questionnaires, real-life missions, and a community for sharing ideas, insights, and progress. MAAM also facilitate participants' interactions with their company's managers and ultimately aims to build collaboration, workers' skills, increase their motivation, and boost company productivity.

- » **Embed practices that prevent, address, and remediate gender-based violence and harassment.** Following the recent release of a new international standard on the elimination of violence and harassment in the workplace (ILO Convention No. 190), suppliers should take the initiative to address and end violence and harassment at work. To begin with, factory management should be equipped and able to understand what constitutes violence and harassment. From there, suppliers should create, adopt, and implement a policy on violence and harassment in consultation with workers. The policy should be accompanied by clear communication and trainings for workers that explains the policy and helps workers understand the different forms that violence and harassment can take (both at work and at home) as well as ways to build positive relationships and support networks. While a strong focus should be put on prevention of violence and harassment in the workplace, management should also ensure that effective grievance mechanisms are in place to allow workers, particularly, especially female workers, to report concerns and grievances. Mechanisms should be easily accessible to all workers and adapted to ensure that they fit the workers' needs and workplace dynamics. To be effective, such mechanisms should be confidential and unbiased, include non-retaliation clauses, and establish transparent and constant communication in order to build trust in the mechanism. For instance, management could create worker committees or dedicated teams that would receive, investigate, and resolve grievances, which would ultimately create safer spaces for workers, particularly women workers, to raise their concerns. When possible, suppliers should guarantee that women are represented on these committees or teams.

Unions Initiatives

In 2016, the three main union confederations (CGIL, CISL, and UIL) together with the employer association confederation (CONFINDUSTRIA) signed a national framework agreement integrating the prohibition of gender-based violence and harassment.

Trade unions have also been developing [dedicated initiatives](#) aimed at the prevention of gender-based violence, specifically by incorporating these into the psychosocial and work-related health and safety risks within company policies and management systems as part of compliance with environmental and safety regulations. Other initiatives, like “trade union desks” (“sportello sindacales”), aim to help workers raise grievances with the support of psychologists, lawyers, mediators, and the police. For example, CIGL in its local offices in the Veneto region is promoting a dedicated “harassment desk” (“sportello molestie”) and developing [guidance and awareness-raising materials](#) for union representatives and delegates about harassment in the workplace.

ENABLE

Gender equality and relevant stakeholders.

This second pillar, “Enable,” identifies opportunities for luxury brands and their suppliers to accelerate progress for women by collaborating with stakeholders, including civil society organizations and business partners.

Recommendations for Luxury Brands:

- » **Encourage suppliers to commit to gender equality.** Luxury brands should work with the leadership and management teams of its suppliers to encourage them to prioritize gender equality. For any workplace empowerment program to be successful it is critical to ensure that the leadership is supportive of such efforts. Given that gender equality issues and practices may not necessarily be well known within all workplace settings, increasing internal awareness will also help understand the challenges and foster the implementation of tactical changes to policies and practices. Luxury brands can stimulate change among suppliers by hosting collaborative supplier events and/or workshops to train and raise awareness on the visible and invisible challenges women may be facing as well as to enable discussion among suppliers. Trainings with leadership and management teams could cover issues such as unconscious bias, the importance of equal opportunity, and the gender pay gap, among other topics. Many companies in different countries have put in place dedicated trainings for suppliers on gender equality and women empowerment and have also integrated these topics into modules of existing supplier workshops programs.

Valore D, A Manifesto for Women Employment (“Un Manifesto per l’Occupazione Femminile”)



The [Manifesto for Women Employment](#) is a nine-point programmatic commitment document promoted by Valore D and its constituents that covers the main areas of women's career and professional development. From hiring to career progression and support, the company signatories of the manifesto:

- Commit to have a short list of candidates equally distributed by gender for new hiring in new positions;
- Undertake, in accordance with their specific sector and size, to support a plan to increase the presence of women in positions of strategic importance;
- Commit to support parenting, both in terms of leave and flexible working methods and corporate welfare, for both mothers and fathers.

Since its launch in 2017, more than 120 companies have signed the manifesto. Valore D has also created partnerships to disseminate its values with key industry organizations, including [Conflavoro PMI](#), the Italian trade association for innovative entrepreneurs from SMEs, and local Confindustria organizations, such as [Confindustria Venezia-Rovigo](#).

- » **Integrate incentives that recognize positive achievements into supplier engagement and purchasing practices.** Implementing gender-sensitive principles and clauses, integrating gender into social audits, facilitating gender-sensitized trainings, among other measures, are important to start promoting more gender-equal supply chains. It is also important for luxury brands to provide ongoing support and to engage with suppliers to discuss gendered challenges as well as best practices and progress. This will contribute to building and consolidating a strong supplier relationship and will also encourage suppliers to continue these practices. For instance, luxury brands could recognize and incentivize positive achievements by suppliers toward more gender-equal workplaces through their purchasing practices. This could take the form of recognizing in supplier evaluation mechanisms

those suppliers that reach higher levels of women participating in leadership or that receive Gender Equality certifications or awards.

Women Value Company Award

[Women Value Company](#), which stems from a collaboration between Intesa San Paolo Bank and the Marisa Bellisario Foundation, is an award reserved for SME businesses that have embarked on a process of female empowerment, giving visibility to exemplary and innovative practices that eliminate the gender gap and put women on a path toward growth and professional development.

All companies that have good financial performance and have distinguished themselves in supporting the female workforce and managing gender diversity can participate. Evaluation is based on the following criteria:

- Services to help family-work balance;
- Initiatives in support of work-life balance (benefits, vouchers, on-site nurseries, etc.);
- Flexible work organization policies;
- Nondiscriminatory remuneration policies based on merit;
- Development plans and enhancement of women's skills and careers.

Recommendations for Suppliers:

- » **Explore and make use of existing opportunities and funds, tapping into available incentives offered by the government or relevant institutions**, such as welfare plans, training subsidies, and similar financing mechanisms. These funds could be used to help address obstacles in building female leadership by providing, for example, coaching, pre- and post-maternity counseling programs related to return to work, and professional development and leadership trainings dedicated to SMEs, particularly targeting blue-collar roles. Some of these initiatives could involve collaborations with social parties, such as trade unions. In such cases, social dialogue and positive collaboration with trade unions and their representatives are essential to activate those funds.

Training Funds (“Fondi per la Formazione”)

Under Italian law 388/2000, 0.30 percent of the annual social security contributions to INPS paid by the employer must be set aside in a [professional fund](#) (“fondo interprofessionale”), which the company can access to finance training programs for employees.

In order to access these funds, companies must have an agreement with unions, go through a dedicated procedure, and report on the training activities performed.

Recommendations for Luxury Brands and Suppliers:

- » **Join local networks that address relevant gendered issues, including some of the issues that have been identified such as sexual harassment and the gender pay gap.** Collaborative action and partnerships with local organizations, institutions, and other business are key to address systemic challenges, advance impactful programs, and catalyze cultural change. It is important to understand the different existing or potential programs and the key strengths of the multiple

stakeholders in the country. It is also important to leverage these networks to build partnerships and ultimately join or develop joint programs that address the most pressing issues and implement solutions directly in the workplace. For instance, issues such as sexual harassment and the gender pay gap are gaining prominence and appear to be mobilizing multiple actors.



Partnership Between Kering Foundation and D.i.Re (“Donne in Rete Contro la Violenza”)

Founded in 2008, [D.i.Re](#) is the first Italian association that brings together the 65 independent women’s centers and shelters against violence in Italy.

D.i.Re coordinates and promotes activities to facilitate a cultural change on violence against women in Italian society. The association tries to address men’s violence against women, gender differences, traditional ideas of family and society, which are still present today, as well as inequality and differences in power between men and women in Italian society. D.i.Re analyzes these cultural elements in an effort to change the perception of violence in society.

In November 2013, [Kering Foundation](#) established a partnership with D.i.Re with the aim of increasing knowledge of domestic violence among Kering Group employees. The foundation and D.i.Re developed and implemented training for Italian workers to raise awareness of domestic violence and encourage them to support victims they might encounter in both their professional and private lives.

INFLUENCE

Gender equality and the ecosystem.

This third pillar, “Influence,” presents how luxury brands can build an environment that promotes gender equality and removes systemic constraints—from gender norms to gaps in legal protections—to allow women to fully participate and prosper in work. This may include opportunities for luxury brands to drive and advocate for social, economic, and cultural change to benefit of women workers in Italy, together with other relevant players in the Italian ecosystem. Through these types of partnerships, luxury brands can set an example of what is possible and encourage other companies in the Italian market to follow their lead.

Recommendations for Luxury Brands:

- » **Support advocacy efforts related to the gender equality agenda of key partners and institutional actors.** Driving long-lasting and sustainable change requires multiple and aligned efforts that tackle the issues from different angles. These types of advocacy efforts can be done by promoting evidence-based research that reaches a wide audience of relevant decision-makers and key players as well as the general public. Central topics to consider advocating for include the issue of the gender pay gap, public policy efforts to increase paid parental leave or paternity leave countrywide, as well as changes in child and family care policies. For instance, the Italian government is currently considering increasing paid paternity leave allowances and reviewing family policies.²⁸ There are, therefore, opportunities and momentum for companies to advocate publicly for this

²⁸ www.rainews.it/dl/rainews/articoli/Manovra-collegato-elena-bonetti-bonus-nascita-assegno-unico-per-figlio-congedo-paternita-asilido-italia-viva-davide-farone-lva-748fe5ce-afc8-426a-b553-a5ba422940a8.html?refresh_ce.

change, including collectively, for instance through the voice of relevant employer organizations or existing networks that already mobilize businesses on social issues and gender equality.

#NoPayGap



A video campaign promoted by Valore D and supported by various companies, [#NoPayGap](#) has helped to open a debate on the gender pay gap in Italy. The campaign includes a series of short testimonies by women of different ages who tell their stories about the pay gap, ranging from the pocket money of children to the pensions of retirees. Not only is the situation "not normal," as the ad says, but it is hurting the economy and the country.

The campaign gained the support of Pubblicità Progresso, the Italian association devoted to raising public awareness about civil, cultural, and educational issues through social communication, and it has been shared on various social media channels and broadcast on all the main Italian TV channels.

- » **Support the breakdown of gender stereotypes through integrating gender equality messages in advertising and promotional campaigns**, focusing particularly on challenging social and cultural norms around women's role in the workplace and their caregiver status. Gender roles are influenced by the family, the environment, and society in general, and media plays an important role from a very young age. Mainstream advertising, in particular, has often been seen as diminishing women, even fueling abuse by depicting oversexualized images, and overall is seen as perpetuating a stereotyped image of women in society (for example, by casting women in subservient domestic roles). While there have been improvements and increased awareness in the advertising industry, much more needs to be done to influence public mindset and drive positive change. Promoting social impact campaigns to break down gender stereotypes and integrating gender-aware design in advertising can be powerful tools and agents of social change.

#Unstereotype Alliance



Leveraging the power of partnerships to accelerate progress, the [#Unstereotype Alliance](#) is an industry-led initiative convened by UN Women that unites leaders across business, technology, and creative industries to tackle the prevalence of stereotypes that are often perpetuated through advertising and content.

The alliance aims to affect positive cultural change by encouraging industry to use the power of advertising to help shape perceptions that reflect realistic, non-biased portrayals of women and men. The alliance has been embraced by a wide range of businesses and organizations that have championed the effort to address gender bias in advertising, including Google, Diageo, P&G, and many others.

Appendix

Methodology

This paper reflects key findings derived from a variety of sources. These include direct engagement with suppliers—both factory management and workers, literature review, and desktop research to capture key statistical data related to gender equality in Italy. Another source was the identification of existing initiatives and stakeholders active in the field of gender equality in work and, more broadly, in supply chain sustainability, diversity, and inclusion and employee welfare programs in Italy.

Most of the research and content presented in this report was developed through a phased engagement strategy with suppliers across the Italian luxury supply chain that BSR and Wise Growth conducted in partnership with Kering and its family of Italian brands, Bottega Veneta, Gucci, Kering Eyewear, and Pomellato.

Phase 1: Selecting Suppliers

In February 2019, each of the brands were engaged to identify a set of suppliers to include within the scope of the research. A total of 284 suppliers were selected to participate in the project based on the following criteria:

- » Tier 1 suppliers or preferred suppliers with strong business relationships and/or long-term relationships with whom Kering brands will likely maintain relationships in the future;
- » Suppliers in purchasing categories representative of the supply chain (e.g., ready to wear, shoes, leather goods, etc.);
- » Suppliers willing to maximize the number of employees available for outreach;
- » Diversity of geographical presence in Italy to ensure geographical/regional mix.

Each of the 284 suppliers received an invitation letter in February 2019 explaining the objectives of the research and presenting the overall engagement approach.

Phase 2: Assessing Suppliers' Approach to Gender Equality

In March 2019, BSR invited suppliers to respond to an online survey about gender equality practices and management systems for the purpose of assessing the level of integration of gender equality issues into company policies and practices. The survey consisted of 25 multiple-choice questions, covering relevant workplace practices such as commitment to gender equality, equal pay, recruitment and hiring practices, career development, and support for families and women's health. Of the 284 suppliers outreached, 189 (67 percent) responded to the survey.

Phase 3: Surveying Workers on Their Experiences and Perceptions

Starting in April 2019, with the cooperation of suppliers' management teams, employees (both women and men) were invited to participate in an anonymous and voluntary digital survey consisting of more than 50 questions. The survey inquired about working conditions, career advancement and development opportunities, work-life balance, care responsibilities, respectful behavior, and ways for employees to raise their voices in the workplace. Half of the 189 suppliers engaged agreed to participate in this phase of the survey, and 880 workers responded (70 percent women, 30 percent men).

Phase 4: Uncovering and Discussing Gendered Issues Through Closer Engagement with Suppliers and Women Workers

From May 2019, the project team conducted on-site engagement at 10 selected factories. To start, Wise Growth met with the management of these suppliers and then conducted in-person focus group discussions with a total of 89 female workers. Focus groups were designed to support the quantitative data collected in Phase 3 with more qualitative input. The in-person engagement allowed workers to expand upon their responses in the survey and to express personal opinions and experiences in a confidential space.

