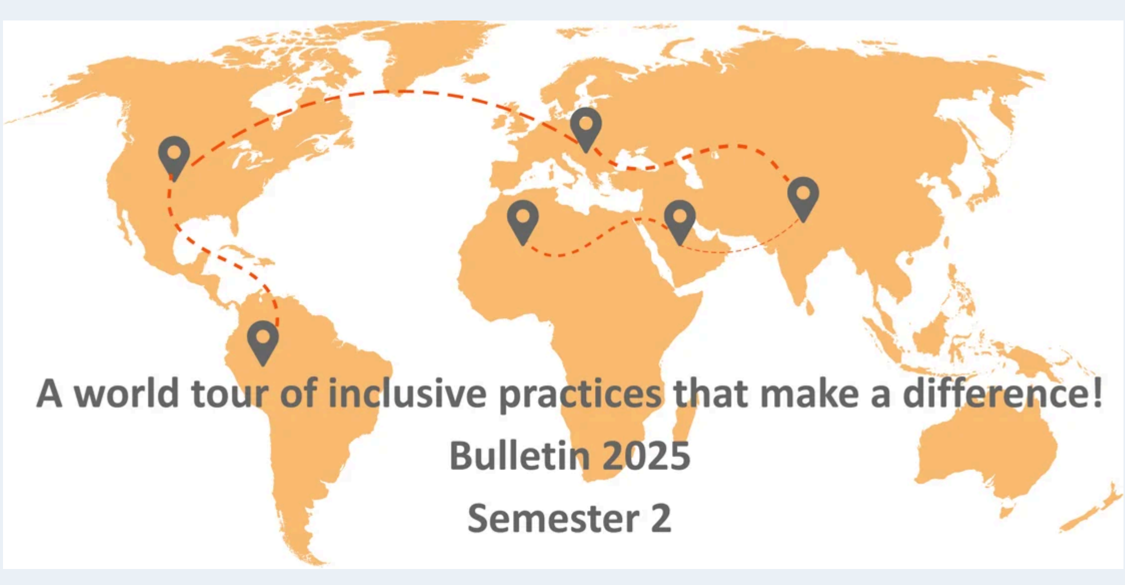


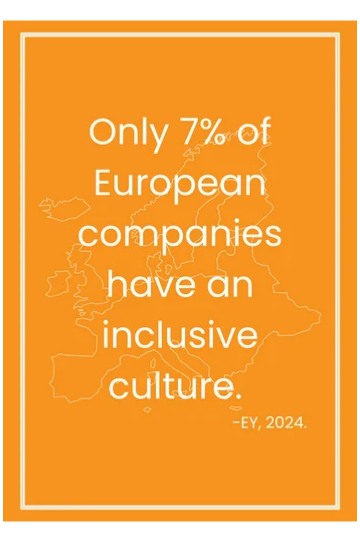
Dear Network,

As the year draws to a close, it's time to look around the world and see how Diversity, Equity & Inclusion (DEI) continues to evolve, sometimes boldly, sometimes cautiously. This first LeadershipCQ Global DEI Bulletin (covering Europe, the Americas, Africa, the Middle East, and Asia-Pacific) launches our biannual series on best inclusion practices and their impact on performance and innovation.

Europe: Ambitious Regulations and Mixed Results

Europe remains a regulatory frontrunner on DEI. Gender quotas on boards and the EU's new pay-transparency directive have driven real progress.

- Heineken doubled its share of women in commercial roles (9% → 19% in 2 years).
- IKEA achieved global gender parity and pay equity.
- The HKEX rule (inspiring for Europe) now ensures at least one woman on every listed company's board.



Still, progress is uneven. According to EY's European DEI Index, the continent's maturity score is only 5.7/10, and just 7% of firms are building a truly inclusive culture. Most efforts still center on gender, with limited focus on ethnicity, LGBTQIA+, or disability.
The climate has also cooled:

- UBS dropped diversity targets, citing "meritocracy."
- Accenture and Deloitte have adjusted global policies under U.S. legal pressure.

Yet many remain steadfast: HSBC, Deutsche Bank, H&M, and IKEA continue to treat inclusion as a core business strategy, not a PR exercise.
The trend: Europe is shifting toward measurable, pragmatic inclusion, linking DEI indicators to management goals and publishing transparency data.

The Americas: Between Innovation and Backlash

North America- As 2025 unfolds, North America remains divided between bold inclusion and public retreat. On the bright side, data-driven and human-centered initiatives are setting new standards:

- PepsiCo allows employees worldwide to voluntarily share pronouns and LGBTQ+ identities, helping tailor inclusive policies.
- Salesforce offers confidential coaching for underrepresented employees, boosting retention and belonging.

Yet, a political and legal backlash has reshaped the landscape.
Following the 2023 Supreme Court decision on affirmative action, a wave of corporations—IBM, Meta, Walmart, McDonald's, and others, have scaled back DEI goals to avoid lawsuits and political pressure. Mentions of "DEI" in Fortune 100 reports dropped –72% in 2025, replaced by neutral terms like "diversity of thought."

The result: a quieter, cautious inclusion, with companies seeking balance between values and pragmatism. Still, leaders in finance, healthcare, and consumer goods continue to invest, aware that inclusion remains key to performance and reputation.

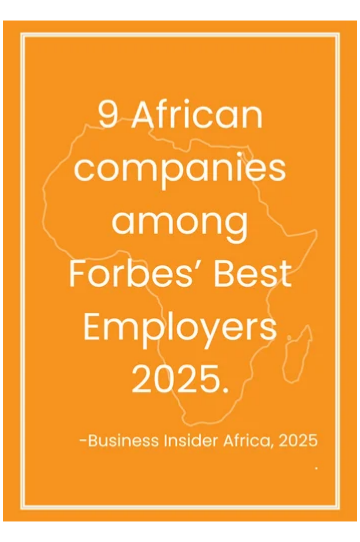
Latin America- Across Latin America, DEI is gaining ground, often driven by civil society and younger generations.

- Natura &Co (Brazil) leads with inclusive policies on gender, race, and LGBTQ+ rights.
- Cemex (Mexico) and Telefónica Movistar promote accessibility and disability inclusion.

Challenges persist, economic inequality, racism, and weak enforcement slow progress, but awareness is rising fast. Legal reforms (like Brazil's new pay transparency law) and regional women's networks are shaping a new inclusion ecosystem focused on justice and opportunity.

Africa: Between Reparative Actions and Structural Constraints

South Africa- Africa's DEI story is intertwined with the fight against historical inequities. South Africa leads with its long-standing Black Economic Empowerment policies, recently reinforced by the 2024 Employment Equity Act, which mandates representation quotas by sector.
Supporters hail this as a step toward justice; critics, including the opposition Democratic Alliance, call it unconstitutional. Despite heated debate, the government stands firm:
"This is about justice, not quotas."



The policy aims to finally break racial and gender ceilings still visible three decades after apartheid—proof that DEI remains both an economic and moral question.

Across the Continent- Beyond South Africa, inclusion is advancing quietly but steadily.

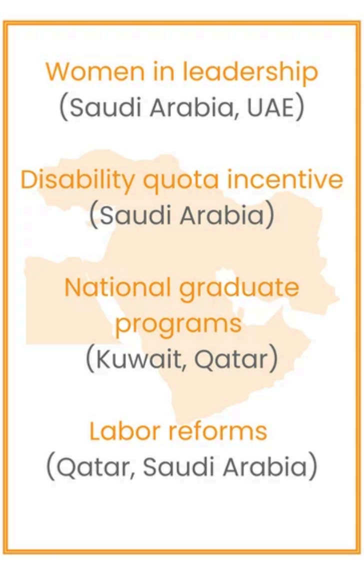
- Nigeria's local content quotas in oil and gas have opened leadership roles for nationals.
- Kenya still sees women's representation fall from 41% at entry level to 27% in management.
- Standard Bank, MTN, and Zain stand out for mentorship and equality programs, placing nine African companies among *Forbes' World's Best Employers 2025*.

Structural Constraints- Challenges remain deep-rooted. The informal economy limits the reach of DEI initiatives, and educational gaps restrict access for women, rural youth, and minorities. LGBTQIA+ inclusion remains largely taboo outside South Africa.
Still, networks of women leaders, youth programs, and advocacy NGOs are gaining visibility: proof of a slow but real cultural shift. Africa's success in the coming decade will depend on its ability to mobilize all human potential, turning diversity into a driver of growth and innovation.

Middle East: Modernization Meets Tradition

Women Rising, Nations Transforming-
The Middle East's DEI story is one of rapid modernization within cultural constraints. Driven by state reforms like Saudi Arabia's Vision 2030, the region is witnessing a quiet revolution:

- Saudi women now represent 35.5% of the labor force (up from 20% just a few years ago).
- Restrictions such as the driving ban and male guardianship rules have eased.
- Female CEOs now lead banks and energy firms once entirely male-dominated.



These gains stem from deliberate state action, training programs, legal reforms, and national hiring quotas, making gender equality not just a social goal but an economic necessity.

Nationalization and New Workforces- Policies like *Saudization* and *Emiratization* aim to replace foreign labor with local talent. In Saudi Arabia, companies must employ at least 30% nationals; hiring a person with a disability counts as four toward the quota, a creative blend of inclusion and patriotism. While these policies echo DEI values by correcting historical imbalances, they also raise tensions: competence vs. compliance, global standards vs. local realities. Still, the combination of women's empowerment and nationalization is reshaping the region's economic landscape.

Corporate Inclusion: Quiet but Growing- Private-sector leaders are cautiously embracing inclusion:

- Saudi Telecom (STC) runs *Women@Work* mentoring circles.
- Emirates Airlines operates a *Women in Leadership* network.
- Zain Group launched an internal university for Inclusion, Diversity & Equity and won a 2024 award for *Best Employer for Women*.

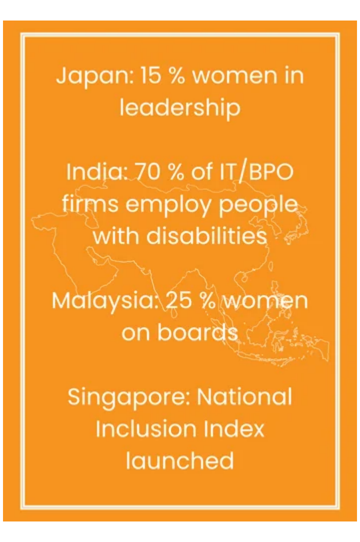
Governments are also leading by example: 50% of the UAE's Federal National Council members are women.

Taboos and the Road Ahead- Despite progress, DEI has limits. LGBTQ+ inclusion remains off the agenda, and migrant labor issues persist, with only partial reforms to the *kafala* system. Still, regional leaders now link inclusion to competitiveness, recognizing that economic growth depends on using the full spectrum of talent available.

Asia-Pacific: Diversity of Contexts, Shared Goals

The Asia-Pacific region is home to some of the most diverse DEI landscapes in the world, from the proactive inclusion frameworks of Australia and New Zealand to Japan and South Korea's continuing struggle for gender equality.

- Australia & New Zealand: Long-standing anti-discrimination laws and indigenous inclusion initiatives (Māori, Aboriginal).
- Japan & South Korea: Women hold ~15% of leadership roles despite aging populations and flexible-work reforms.



Challenge: cultural norms and work-life barriers slow real progress.

Trends & Priorities:

- India: Focus on socioeconomic mobility and disability inclusion. ~70% of IT/BPO firms now employ people with disabilities.
- Women's entrepreneurship: Government credit programs aim to boost female labor participation (~25%).
- Southeast Asia: Malaysia now exceeds 25% female board representation; Singapore introduces an Inclusion Index to measure employer progress.

From Awareness to Accountability: A major shift is underway toward measurable DEI impact:

- Firms set quantitative goals (e.g., pay-gap metrics, female-promotion rates).
- Flexible work and childcare programs grow across East Asia.
- Younger talent increasingly questions employers' DEI values during recruitment.

New Frontiers in DEI: Emerging conversations include:

- The "Bamboo Ceiling": barriers facing Asian professionals in multinationals.
- Burnout and mental well-being disparities, especially among women in tech.

These signal a broader definition of inclusion, integrating well-being and sustainability into DEI.

Toward a Shared Vision of Inclusive Growth: Across Asia-Pacific, leaders are realizing that diversity fuels competitiveness.

- Aging economies (Japan, South Korea, China) must integrate women and youth to sustain growth.
- Emerging markets leverage diversity for innovation and creativity.

Between 2024 and 2025, DEI has reached a turning point. Institutionalized in many organizations yet challenged by political and cultural headwinds, it now demands reinvention.

Despite these contrasts, one truth stands out: organizations that transform DEI into a driver of innovation and cohesion outperform those treating it as compliance.

Looking Ahead: Beyond the Numbers

As we move further into the final quarter of 2025, a new challenge emerges: How can DEI move from data to daily behavior?

The next stage of inclusion will focus on *impact:* how diversity fuels financial performance, creativity, and engagement. True inclusion happens when belonging becomes a habit, not a metric.

At **LeadershipCQ**, we remain committed to helping organizations turn these values into lived behaviors: every day, in every team. Wishing you continued inspiration and success in building workplaces where everyone feels seen, heard, and valued.

Warm regards,
Vanessa Barros & Amélie Devaux

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