

Building an Inclusive Recovery

Launched by the French G7 Presidency in August 2019, Business for Inclusive Growth (B4IG) is a global CEO-led coalition of 40 major companies fighting against inequalities of income and opportunity. Powered by the OECD as its Strategic Partner, B4IG coordinates with governments to advance inclusive growth at both global and local levels. More information on www.b4ig.org.

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This position paper clarifies the ambitions of the B4IG coalition through a roadmap built in collaboration with the member companies to advance Inclusive Growth. It covers key areas of action on which members are willing to work to implement the B4IG Pledge that is anchored in three objectives that are fundamental to inclusive business: advancing human rights in direct operations and supply chains; building inclusive workplaces; and promoting inclusion in company value chains and business ecosystems.

Tackling inequality is more necessary than ever

In 2019, the French Presidency of the G7 put the fight against inequality at the centre of its policy agenda, with cross-cutting discussions which covered employment, gender, development, education and finance, along with a dedicated session on “Fighting Inequalities” at the G7 Leaders’ Summit in Biarritz. The session stressed that inequalities significantly challenge global stability and prosperity, the cohesion of our societies, and our citizens’ trust in democratic institutions. In turn, these all contribute to undermining robust and inclusive economic development. Against this background, on the eve of the Biarritz Summit, President Macron hosted the launch of the Business for Inclusive Growth (B4IG) coalition, bringing together governments, business and investors around a common agenda for inclusive growth.

Now more than ever, tackling inequalities is a necessity as the most vulnerable have been hit hardest by the COVID-19 crisis and as social movements such as Black Lives Matter have demonstrated the persistence of systemic discrimination.

In today’s context, it is essential that the fight against inequalities remains at the top of governments’ and businesses’ agendas.

Roadmap for an inclusive recovery

Today’s crisis has exposed how serious existing vulnerabilities are and has put workplaces under increased pressure. Those groups of workers that have always been vulnerable to systemic inequities and discriminatory behaviours and practices have been disproportionately affected by the pandemic and its economic aftermath. Today’s economic crisis compels us to reject the temptation to return to “business as usual”. Instead, businesses and governments must seize the opportunity given by the recovery to tackle systemic inequalities and build resilience in the face of unknown yet impending future shocks.

Governments and businesses must coordinate their efforts to define a common approach to an inclusive recovery which will ensure opportunities for all in the future of work and building longer-term resilience.



In line with its Pledge, the B4IG business coalition is committed to playing an active role. **As such, we have already begun several initiatives and are working collectively on guidelines and actions inviting governments to define a joint roadmap for an inclusive recovery that cuts across four areas of intervention: (1) The Future of Work, (2) Responsible Restructuring, (3) Diversity and Inclusion, and (4) Living Wage and Social Protection.**

(1) The future of work

The global economy is going through rapid and massive changes, and some have been exacerbated by the current crisis. We must ensure the workforce is prepared for the future of work and that no one is left behind.

Preparing for accelerating automation

Many workers are now at a higher risk of seeing their jobs automated, as the pandemic forces automation which fundamentally transforms the economy. **It is essential that we prepare for accelerated automation and restructuring by supporting training and transitions for workers whose jobs at risk of automation.**

Preparing for future growth sectors

Global unemployment has risen sharply due to the pandemic and lockdown measures, while many growing sectors still struggle to find employees. As millions of workers need to be re-employed, training, re-skilling and workforce transition efforts should be oriented towards jobs with the most sustainable prospects for the future. **We must step-up work-based learning, especially for young people. This includes the development of experiential learning initiatives and training systems that guide workers towards the jobs of tomorrow.**

Bridging the digital divide

The pandemic has shown that, even in countries with strong digital economies, large sections of society do not have adequate access to digital infrastructure, tools, or skills. As economic activity reignites, a significant portion of our daily business activities will likely remain online, with digital channels remaining critical and even essential. **We aim to group efforts to have more impact, share and spread the best initiatives to improve affordable and universal access to secure digital infrastructure, tools, content and skills, and promote training in digital and technology related skills.**

(2) Responsible restructuring

The COVID crisis may lead to accelerated restructuring resulting in job loss which can be significantly disruptive for local communities, especially in areas which lack economic diversity. As a coalition, we have an opportunity to initiate concrete collective action from member companies on specific topics linked to responsible restructuring. It is important that companies assess their impact on the workforce, the supply chain and subcontractors, and local communities, as well as take a proactive view on how jobs and skills will evolve to prepare employees for the future of work. **Our goal is to provide guidance and tools to organisations to help manage change and ensure it takes place in a responsible and inclusive manner.**

(3) Diversity and Inclusion

The COVID-19 crisis distracts business leaders from progress on Diversity & Inclusion (D&I) and risks back-sliding on D&I progress, as financial sustainability is prioritised at the expense of broader objectives. We insist that the crisis demands a greater focus than ever on D&I, especially as disadvantaged groups have been disproportionately affected by COVID-19. Our ability to build truly diverse and inclusive societies and workplaces is more than ever essential to a responsible and sustainable recovery.



Strengthening commitment to a culture of equity and inclusion

As attention turns to driving business sustainability and growth, it is essential that organizations adhere to the commitments they have made towards building inclusive workplaces, where all people can be themselves and work at their full potential. This means looking at diversity in its broader scope, from gender, ethnicity, culture, disability to sexual orientation, aiming at reflecting the society in which we are operating, **translating it into a set of actions, sponsored by top leadership and ingrained into key organizational processes and company culture, nurturing flexibility and work life balance for all.**

Fighting racism inside and outside the organisation

Workers facing discrimination are all particularly affected by the crisis. While discrimination varies depending on the local context, common reasons for discrimination include ethnicity, nationality, religion, and sexual orientation. The major challenge lies in identifying and reaching out to those who face discrimination, building trust and ensuring them access to relevant support services, as well as training and work opportunities to **address unconscious bias and opportunities for under-represented and under-privileged groups and collaborate with external organizations to proactively confront racism.**

Supporting mental health

Workers with underlying health conditions were already inadequately integrated into the workforce and their prospects have worsened during the pandemic. Social distancing and confinement are likely to have impacted citizens' physical and mental health. **We must take action to destigmatize and actively support mental wellbeing.**

(4) Living wage and social protection

As we enter the next phase of the pandemic and its subsequent employment crisis, action on ensuring good jobs with decent wages and adequate social protection is urgently required to mitigate the aggravation of poverty, inequality, and social instability.

Living wage measures

Workers and their families should be able to **afford a basic but decent lifestyle that is considered acceptable by society at its current level of economic development**, which allows them to live above the poverty level and participate in social and cultural life. It is important to distinguish this *living wage* from the *minimum wage*, which is the lowest remuneration that employers can legally pay their workers. **Action must be taken to advance the concept of living wage within our own operations as well as along our supply chains.** A sequential approach would allow each company to be gradually on-boarded. This first entails scoping towards a harmonised methodology to calculate the living wage level by reviewing and analysing the best practices from existing methodologies; and secondly implementing the necessary measures within our own operations, and then involving our suppliers as well. It is important to note that living wage is a complex topic, and therefore details and technicalities will be addressed by the responsible working group as the work progresses.

Upgrading social protection

The pandemic has revealed the precarious nature of many forms of work, such as gig work, casual work, informal work, and self-employment. All demonstrate weak or non-existent social protections in times of crisis, a challenge we need to address together with governments who are responsible for social protection systems. For these workers, the option to work from home often does not exist, which means workers could find themselves out of work for a long period of time. **Adequate protection should be ensured for workers across all types of contracts.**

All these actions will help pave the way for a truly inclusive recovery. However, to bring systemic change, businesses must be able to measure the impact of our actions on the well-being of workers and citizens.



Impact Measurement, the key to systemic change

While corporate financial reporting based on internationally recognized accounting standards has become a common practice, the same cannot be said for the non-financial dimensions of performance. Developing a measurement framework and methodology that can be used to assess impact is a key commitment of the B4IG Pledge, and being able to accurately measure a company's positive social impact is a clear step towards defining and measuring inclusive growth.

As a coalition of major companies operating around the world, we stress the need for global environmental, social and governance (ESG) standards including harmonized metrics and disclosure rules. Governments have a critical role to play in this regard. We will play our part in this effort, especially regarding the social dimension of these indicators, as they are in an earlier stage of development than environmental indicators and are relevant to the B4IG Pledge areas.

However, ESG reporting is only part of the puzzle.

In the face of critical issues like climate change and rising inequalities, responsible businesses must go beyond ESG reporting, which aim essentially at managing and mitigating non-financial risk for the enterprise. **Businesses must complement ESG reporting with metrics and standards that assess the outcomes and impact of companies' activities on well-being and report both negative and positive externalities.** Assessing the business impact on inclusive growth is the key to truly inclusive business models.

Impact measurement will pave the way for impact accounting. It will supplement the statement of financial health and performance by reflecting a company's positive and negative impacts on employees, customers, the environment and society at large. Impact measurement, and its harmonisation through common and accepted metrics, can help create the level playing field that different stakeholders require and need to evaluate and quantify the corporate impact. Such a framework should inspire companies to integrate impact objectives into their strategies, accelerate the shift of investment capital towards investments that promote inclusive growth, and enable governments to fine-tune policies based on the negative and positive impact of corporate activities, products, and services. While B4IG's contributions remain focused on the Pledge areas and inclusive growth, it recognizes the importance of initiatives such as the G7-OECD-UNDP Framework for SDG-aligned Finance that aims to define a common framework to assess financial performance through the lens of Sustainable Development Goals.

Impact measurement has the potential to align the interests of corporations, investors, and governments. As a coalition committed to fighting inequalities, B4IG actively participates in advancing impact measurement and valuation, in particular for calculating corporate social impact, and supports the most advanced frameworks of impact measurement.

Governments and businesses must cooperate on the development of a common impact measurement approach and metrics to complement the financial indicators of business performance. A joint roadmap should cover key issues such as transparency and disclosure rules, and define the best way to advance towards common metrics, align on a unified methodology and thereafter define a clear roadmap towards impact accounting.

Strengthening Fundamentals

As the economic crisis hits, we must ensure that we keep advancing the fundamentals. We must not lose the progress made over the last decades both in our companies and along our supply chain. We must maintain our efforts, partnering with governments, social partners and other stakeholders.



(1) Human Rights

The unprecedented COVID-19 crisis the world is facing has exacerbated existing inequalities and discrimination. **Human rights violations are more prevalent and the most vulnerable individuals in society are suffering the worst impacts of the crisis**, reinforcing the essential role of Responsible Business Conduct (RBC) for building trust and setting the foundation for more inclusive business models.

As the respect for human rights is core to our way of doing business, we are already working to advance human rights **in our direct operations and in our supply chains**, both individually and collectively, through B4IG and other initiatives. We therefore reaffirm our resolve to eliminate child labour and forced labour, and to respect freedom of association. To that end, we intend to further develop and mobilize tools relating to due diligence, to the support towards our suppliers to advance their respect for human rights and to grievance mechanisms.

Due diligence

In line with the OECD Guidelines for MNEs, the OECD Due Diligence Guidance for Responsible Business Conduct and UNGPs, and with the B4IG pledge, members share the objective to put in place robust human rights due diligence systems in order to take preventive measures and mitigate identified risks and impacts including responses to grievances.

As we work to implement our due diligence processes, **we welcome the announcement that the European Commission will launch a legislative initiative on mandatory human rights due diligence.**

We will use our best efforts to support and communicate transparently about due diligence procedures and practices on human rights, and, where they exist, promote collaboration with lawful collective representatives, such as companies' worker representatives or trade unions, in relations to the development and implementation of due diligence processes. We will also work to leverage a common assessment platform and ensure transparency for users with advanced technologies and labels. Aligned with each member's Supplier Code of Conduct and contractual relationships, we will work towards ending commercial relationships if a supplier is unwilling or unable to meet human rights expectations.

Certain B4IG members have already committed to establishing and deploying human rights due diligence systems in their own operations with the aim of reaching 100% coverage by 2025 to address forced labour risks. We will work to leverage this commitment as part of B4IG collective action.

Supporting suppliers to advance their respect for human rights

Members will support suppliers to advance their respect for rights in their own operations. This includes Members' approach to engaging their direct suppliers on human rights, assessing their performance and including relevant expectations in contractual agreements.

Amongst others, this entails further developing contractual language on human rights expectations in procurement provisions and supplier contract, assessing suppliers based on risk with regards to non-compliance with human rights and taking appropriate action following assessment. Volunteering members will also develop a pilot for collective action, potentially supported by the B4IG incubator.

Grievance mechanism

Members strive to **provide effective mechanisms for workers from their operations, and for other affected stakeholders in their supply chains, to raise concerns about human rights impacts relating to company business.** Employees may also raise such concerns through lawful collective representatives (unions). Persons making such reports in good faith must be protected from retaliation, threats, or harassment, and their identity held in confidence to the extent possible and as permitted by



law. Members will also work to encourage suppliers to develop grievance mechanisms in their own operations.

We recognize the importance of engaging with the **OECD National Contact Points** for RBC and will explore new and innovative ways of private-public cooperation beyond the B4IG coalition. We will renew leadership commitment to a **'speak up' culture**. We will work to engage in tripartite dialogue with both employee representatives and government organizations, recognizing the importance of leveraging trade unions as whistle-blowers to advance on human rights. We will identify existing grievance mechanisms with worker representatives and/or trade unions, and where they already exist, look for opportunities to promote these mechanisms.

(2) Inclusive Sourcing

Inclusive Sourcing ensures that workers from vulnerable populations have an equal opportunity to compete in the labour market through the sourcing policies and practices of larger companies. Existing inclusive sourcing initiatives either focus solely on natural raw material sourcing or on the social and solidarity economy in non-raw material categories, such as contract manufacturing, services, facility management, etc. **The B4IG coalitions combines both approaches to create a holistic model, addressing both raw material and non-raw material sourcing categories, essentially covering the entire supply chain of a company.**

Leveraging the B4IG Inclusive Sourcing Self-Assessment and Toolkit, volunteering member companies will assess their current standing in inclusive sourcing policies, benchmarked against peers, and then engage in pilots to test the impact of inclusive sourcing in specific supply chains, measuring the outputs and outcomes of the program.

B4IG inclusive sourcing programs will **incorporate measurements as well as accountability and audibility** in company operations to ensure that targets are met. Different categories of vulnerable populations will be clearly and properly defined, relying on official data to understand the needs of a community and respecting legislation around data management.

Financing inclusive growth

The B4IG coalition includes as one of its pillars the **Inclusive Growth Financing Forum (IGFF)**, a locus for interaction between B4IG and the financial sector, to better understand how inclusive growth can be financed. The IGFF is a venue where impact investors focusing on inclusive growth investments can interact with B4IG corporates and provide feedback on financing and non-financing parameters. Under the auspices of OECD, the IGFF is headed by an Advisory Board of inclusive growth financing professionals.

(1) Key findings

The IGFF's consultations with important actors present in the impact investment space has led to three key findings

Finding 1: The Inclusive Growth ecosystem is under-developed

Many initiatives are underway in both the public and private sectors aimed at promoting inclusive growth. So far, and despite the existence of a growing impact investment sector in advanced economies, relatively limited amounts of financing have been specifically channelled to fund inclusive growth investments. Potential investors have difficulty sourcing inclusive growth investments because of the lack of a common definition of what constitutes inclusive growth, and generally accepted indicators and measurement methodologies. In essence, the financial ecosystem around inclusive growth is not yet mature.



Finding 2: Specific IG actions do not currently scale up to system-wide change

For growth to be inclusive, specific IG initiatives will need to be scaled up to the economy at large. For economy-wide inclusive growth, the entire private sector will need to adapt their core businesses to make them more inclusive. This is not happening because in addition to issues relating to the definition and measurement of inclusive growth, the necessary feedback loops to recognize and reward inclusive growth actions taken by firms, and thus creating a virtuous circle, are not yet in place.

Finding 3: Public and private financing initiatives do not work collaboratively to support inclusive growth actions

Despite the innovativeness of public sector IG initiatives, the absence of significant joint financing with the private sector limits their reach. For their part, private financiers do not have the same access to data or legitimacy to work in the public policy space. This diminishes their impact and reduces the possibility of implementing corporate, investor and government joint actions on inclusive growth. It is urgent to seek collaborative public-private financing arrangements that work across the entire financial sector to increase the impact of IG initiatives.

(3) Actions

Members are conscious of the need to encourage the **development of a financial ecosystem which supports investments in inclusive growth**, and which lead to system-wide impact. We will remain engaged over the medium term and will work with OECD and other actors on a common definition of inclusive growth, associated with a monitoring and evaluation framework of measurable impact indicators (both ex ante and ex post) at the economy-wide, firm level and investment level.

We will work in coming years on developing the financial ecosystem through the following actions:

- We will continue the IGFF's **analytical work on how best to orient impact investment to inclusive growth**, which we will disseminate through various channels.
- We have created an **Inclusive Growth Marketplace**, where developers of inclusive growth projects can meet with impact investors to seek financing and will hold several marketplace cycles per year.
- We will work on creating **Investors for Inclusive Growth**, an association of impact investors currently financing or interested in financing inclusive growth in advanced countries.

We will explore with Investors for Inclusive Growth the opportunity of creating one or several **Inclusive Growth Financing Initiative(s)**, where the private and public sectors can come together in joint operations financing inclusive growth.

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- **Sodexo** and **Schneider Electrics**, as lead companies for Working Group 1 on Human Rights.
- **Accenture**, as lead company for Working Group 2 on Inclusive workplaces, specifically on Diversity & Inclusion, and with **Michelin & Unilever** for Responsible Restructuring and **Capgemini** for Bridging the Digital Divide.
- **L'Oréal**, as lead company for Working Group 3 on Inclusive Value Chains & Ecosystems.
- **BASF**, as lead company for Working Group 4 on Impact Measurement.
- **Danone**, as co-chair of the coalition.

The opinions and arguments expressed herein are those of the authors and do not necessarily reflect the official views of the OECD or its member countries.

Appendix. Inclusive Business Initiatives

Roadmap for an inclusive recovery

(1) The Future of Work

- **Preparing for accelerated automation and restructuring**
 - **Accenture's** Inclusive Future of Work initiative targets workers who face the double disadvantage of vulnerability to automation and lack of access to training and transition support
 - **Unilever's** Future Fit Plan is a methodology that helps people explore the skills they might need to reskill, upskill in line with their purpose and opportunities within or outside the company. This purposeful approach has been found to be very successful in motivating people to commit to lifelong learning.

- **Preparing for future growth sectors**
 - **BNP Paribas** has introduced different programs to encourage the training and inclusion of young people from disadvantaged areas in “tomorrow’s industries” such as tech, in which women and young people from rural and modest areas are under-represented
 - **Danone** is working with the IUF, the global federation of unions in the food industry, to pioneer an innovative approach called “**FutureSkills**”. The objective of this joint initiative is to counter upcoming challenges and support Danone employees whose job may be at risk and who will need new skills by offering them the opportunity to be trained and upskilled for the jobs of the future. Throughout their long-term training program, they will remain Danone employees and keep their benefits.
 - **Johnson & Johnson's** Bridge to Employment initiative partners with nonprofit FHI360 to help young people improve school attendance, enhance academic achievements, and gain awareness of career possibilities in healthcare.
 - **Pret A Manger's** Coffee Fund addresses the declining youth involvement in coffee farming, by equipping the next generation of farmers with the tools they need to build a sustainable business. The average age of coffee farmers in the company’s network is over 65 years which, now more than ever, in the light of the impact of Covid-19, is a major challenge for the future of the sector. Each year, a group of approximately 65 young people from across Peru enroll in the course, which provides intensive training on smart technologies, improving crop yield and coffee quality, and adaptation to climate change, as well as a post-training support services (grants, loans). The program has direct links with the local cooperative to ensure career opportunities after graduation. The Coffee Fund is now in its 6th year and is having a real and lasting impact on the young people who have participated, with 94% of students having remained in coffee farming.

- **Bridging the digital divide**
 - **Microsoft** is driving an initiative to help 25 million people worldwide acquire the digital skills needed in a COVID-19 economy. The initiative uses data to identify in-demand jobs and the skills needed to fill them; provides free access to learning paths and content to help people develop the skills these positions require; and delivers low-cost certifications and free job-seeking tools to help people who develop these skills pursue new jobs. In three months since its launch in July 2020, the initiative has reached 10 million learners.
 - **Capgemini** launched in 2019 a Digital Literacy stream of initiatives to impact a maximum number of beneficiaries by imparting foundational digital skills to enable them to take their first steps towards digital autonomy (In 2020 more than 100,000 Digital Literacy beneficiaries were impacted thanks to efforts from our local CSR teams and NGO partners in shifting projects online in the context of the current



global crisis). In France Capgemini is partnering with WeTechCare and Emmaus Connect engaging the expertise of the employees by pro bono or volunteering actions to support these key players in the mission of bridging the digital divide. Capgemini launched also a Digital Inclusion module with a UK NGO partner, Digital Unite to help our colleagues understand Digital Inclusion and pledge to become Digital Champions being skilled and equipped as “helpers” to support the digitally excluded.

- **Ricoh** has supported small and medium companies who weren't equipped with the necessary digital tools to work from home since the start of 2020. In Japan, Ricoh provided a two-month free trial period of its remote working solutions and supported over 10,000 small and medium business to make the digital transition seamless. In Europe, Ricoh launched “SCALA” a 6- to 9-month talent development programme that will develop and up-skill delegates, providing specialist technical skills and expertise, along with an industry-recognised accreditation, to subsequently support the growing areas of Ricoh's business.
- **Henkel's** digital upskilling and digital working initiatives have been adapted and accelerated in response to the COVID-19 crisis. Confinements have raised the importance of effective remote and flexible working, as well as digital learning programmes, and digital tools to ensure full business continuity independent from location.
- **Accenture** provides courses to help unemployed workers develop digital skills, as well as providing hardware and connectivity to households lacking Internet access during confinement.
- **GINgroup's** “Digital Inclusion” programme in Mexico aims to collaborate in the development of open, inclusive, integrated and intelligent business ecosystems that promote electronic commerce and the digital economy in Mexico, through projects and programmes of dissemination, training and networking.

(2) Diversity & Inclusion

- **Strengthening commitment to a culture of equity and inclusion**

- **Credit Agricole SA** believes that, even if reducing social inequality is first and foremost a political issue and investors cannot replace governments, by investing in stocks from listed companies, we can play a part in contributing to the reduction of inequalities. Indeed, we believe all the major listed companies can widen or narrow social inequalities through their policies. And we, as investors, can influence their practices through disinvestment on one hand and dialogue on the other one. AMUNDI – through its subsidiary, CPR AM, has just launched a Social Fund called CPR Invest Social Impact, the world's first global equity fund with a portfolio core fully integrating the social dimension. It is a unique investment solution on the theme of reducing inequalities based on homemade methodology to score companies and countries in terms of social inequality. CPR Invest – Social Impact is a global equity fund which selects companies that best contribute to social progress and inequality reduction worldwide. Its investment universe is defined through the evaluation made by CPR AM for each company on the different aspects of human resources and tax policies or ethical practices in relation to its country of origin. ESG & controversies filters complement the definition of the eligible universe. Its investment objective is to outperform global equity markets over a long-term period (minimum of five years) whilst integrating a sustainable approach with a particular but not exclusive focus on the social dimension.
- **TIAA** launched its Inclusion Index in 2019, with a goal to create a simple metric, using the engagement survey, that leaders could use to measure inclusion, understand how they are showing up to their teams, and gauge how they compare to their peers.
- **Goldman Sachs** has made a public commitment to require all companies they take public to have at least one diverse (women, Black or Hispanic/Latino) board



director. This initiative commenced in July 2020 and will require two diverse directors by 2021. The commitment is driven by research that shows how diversity in board composition drives superior performance.

- **Fighting racism inside and outside the organisation**
 - **BASF** has developed tools to cope with unconscious biases, which are one of the most important barriers to increase diversity in organisations.
 - **JPMorgan Chase** announced on October 8th new long-term commitments to advance racial equity. The firm will harness its expertise in business, policy and philanthropy and commit an additional \$30 billion over the next five years to provide economic opportunity to underserved communities, with a focus on promoting affordable housing and homeownership, growing Black and Latinx-owned businesses, improving financial health and access to banking, and supporting employees.
 - **Sodexo** has joined the “Tent Partnership for Refugees” in 2018 and hires hundreds of refugees each year, and its employees provide mentorship and support with their job applications and resumes. With a long history of being discriminated against, such initiatives will be vital for refugees in the aftermath of the pandemic.
 - **Salesforce** has developed and implemented trainings and awareness sessions to address biases (such as “Having Racial Equality Conversations: Inclusive Language and Allyship”) and has funded actions and organizations that bridge the gap for minorities, for instance:
 - Doubling our US representation of Black employees in our tech company leadership
 - \$1.25M grant to bring diversity to the workforce
 - \$200M to be donated to organizations advancing racial equality
 - \$100M to be invested by Salesforce Ventures to Black and underrepresented minority founders
- **Supporting mental health**
 - **AXA** has launched a program called ‘How are you?’ that seeks to reduce the stigma around mental health, upskill the support available to employees in need and encourage use of support
 - **GINgroup** has designed a platform that encompasses aspects that every human being must consider for their well-being and on which they must work to develop them and get closer to self-realization and happiness.

(3) Living wage and social protection

- **Living wage measures**
 - **CareCentrix** has pushed beyond the federal minimum wage of \$7.25/hour for entry-level jobs and announced in January 2015 a minimum base pay of \$15/hour. Such increase in base pay was possible through senior management agreeing to freeze the salaries of 20 executives and investing the annual inflation adjustment into raising the wages of entry-level employees. CareCentrix minimum wage is now approaching \$16.50/hour, and in 2019 the company broadened profit sharing to all levels.
 - **L'Oréal** launched its Employee Human Rights Policy in January 2020, which focuses on guaranteeing a living wage for its employees around the globe, in partnership with the Fair Wage Network. The Network provides L'Oréal with a comprehensive and up-to-date database that can be used to define, build and deploy a living wage strategy throughout its operations, for employees of L'Oréal and its suppliers. Ensuring a living wage means providing workers and their dependents with sufficient revenue for food, housing and basic needs, regardless of the country where they work.



- **Schneider Electric** has enhanced its existing global benefit standards (Life, Health and Family Care) for all its employees worldwide in response to the COVID-19 crisis. + The company is committed to paying employees in the lower salary ranges at or above the living wage to meet their family's basic needs, including food, housing, sanitation, education, healthcare, and discretionary income for local standards of living.
- **Upgrading Social Protection**
 - **Danone** launched in 2010 the Dan'Cares program with the goal of providing all Danone employees with quality healthcare coverage of major risks, while taking account of different market practices. The three main risks are hospitalization and surgery, outpatient care and maternity care. About 70% of Danone employees live in emerging countries where healthcare systems are often expensive to access, and such coverage is not traditionally provided. In 2019, Dan'Cares was covering over 99,000 employees in 53 countries.
 - **Engie's** Engie Care project was launched in June 2019 and parts of it were adapted and accelerated in response to COVID-19. The initiative offers a minimum base of social protection for all Group employees throughout the world, including subcontractors, and allows for effective management of benefits through a digital tool.

Impact Measurement, the key to systemic change

- **Impact valuation methodology**
 - **BASF** has co-founded the Value Balancing Alliance (VBA) to develop an impact valuation methodology that goes beyond the existing financial dimensions in standard accounting practices, to incorporating monetized values for non-financial metrics. BASF and VBA have moved beyond the traditional reporting of input and output, to impact measurement covering outcome, impact (broader effect on society and nature), and finally value of impacts (monetization). They envision a value statement incorporating both financial and ESG dimensions that covers not only the company's own operations, but also reflects upstream and downstream effects, essentially covering the entire value chain to show the positive and negative contributions overall.

Strengthening Fundamentals

(1) Human Rights

As part of their resolve to eliminate forced labour and child labour, and to respect freedom of association, B4IG members are already implementing ambitious policies and initiatives relating to due diligence, social compliance and grievance mechanisms.

- **BASF** has established a Human Rights Advisory Council, in which independent and international human rights experts advise BASF, in order to systematically integrate external expertise. The Human Rights Advisory Council promotes a constructive exchange on human rights, helps BASF to better understand different perspectives and address conflicting goals. In addition, the Council promotes the development of BASF's human rights-related strengths as well as the potential for improvement.
- **Mars** launched its Next Generation Supplier program focused on better engaging its suppliers as they deliver greater positive impact in their workplaces. Through this program, Mars supports certain suppliers of its top 10 raw materials, and other strategic suppliers, as they advance their performance through a new, longer-term model focused on driving systemic change and engagement of workers. This model leverages the expertise of external advisors, including Verité - a leading nonprofit and global expert on labour rights. As part of its commitment to building supplier capability, Mars periodically engage suppliers in awareness raising and third-party training initiatives in order to drive continuous improvements.

- **Schneider Electric**, as part of its vigilance plan, is conducting a specific evaluation of its entire network of tier 1 suppliers (52,000+) through a third-party independent database which covers all natures of risks. The Group targeted to audit 350 of the 1500+ “high risk” supplier identified. Schneider’s audit questionnaire and methodology are fully aligned with the Responsible Business Alliance framework. This methodology has a strong dimension on Human Rights with specific categories on freely chosen employment, child labour or the existence of an adequate and effective grievance/complaint process. The objective of this audit plan is integrated in the 2018-2020 Schneider Sustainability Impact (SSI) which includes 21 key performance indicators and impacts the variable compensation part of 60,000+ employees. Schneider’s objective is to close 100% of all types of non-conformances identified, whatever their priority level
- **Sodexo** is in its fifth year of a social compliance program in its sourcing of uniforms. This is a program which aims at support textile suppliers to advance their Respect for Human Rights. This program including audits conducted by experts (3rd party), corrective action plan. 100% of global providers were evaluated, including 100% in a follow-up audit. Through monitoring and improvement plans implemented with their partners over the last two years, suppliers have achieved a low level of risk. The audits that have been completed by auditors have all resulted in corrective action plans that are jointly followed up by Sodexo and the tier 1 supplier(s) and that have resulted in a least one corrective action. At the end there is no global supplier ranked as “high risk” because of the corrective actions that have been implemented.
- In 2018, **VINCI** signed a Public-Private Partnership on Fair Recruitment in the Construction Sector with the International Labour Organisation (ILO) in Qatar. To fight debt bondage, a major factor contributing to the vulnerability of migrant workers, VINCI opened its door to the State of Qatar and the ILO Project office to let them closely examine how recruitment takes place in the construction sector, identify the gaps and develop a fair recruitment corridor between Bangladesh and Qatar. With the leverage and support of the ILO Project office, VINCI was able to embark its placement and recruitment agencies in the transformation of their recruitment practices, and developed an impact assessment study and toolkit. The end results of the partnership’s first pilot project will be shared at the end of 2020.

(2) Inclusive Sourcing

- **Keurig Dr Pepper** has a deep-rooted commitment to engage with its coffee supply chain on complex, long-term issues impacting farming families, and the company is on track to meet its 2020 goal to engage with one million people in its supply chain to significantly improve their lives. For 20 years, KDP has partnered with Root Capital, a nonprofit agricultural lender, to support financial training and critical advisory services to the organizations that small farmers rely on to market and sell their coffee to buyers like KDP. As one of the largest global purchasers of coffee, KDP embraces its responsibility to support farmers, and The Partnership for Sustainable Coffee, in particular, represents the company’s continued efforts to promote the inclusion of small holder farmers in its supply base. Because of this project, as of the end of 2019, 170 co-ops – representing over 310,000 farmers – received loans and/or financial training, among other impacts
- **L’Oréal** solidarity sourcing program was launched in 2010 to embed inclusion policies in the company’s procurement decisions. The aim is to open the Group’s calls for tenders to companies that employ people in socially and economically vulnerable situations, allowing them to have durable access to work and income. The program is also geared toward companies that traditionally do not have access to large calls for tenders of multinational companies. Solidarity sourcing reflects L’ORÉAL’s commitment for sustainable inclusive growth.
- **Ylva** has launched Inclusive construction site program. The goal of the work on inclusiveness is a construction site where people work together as a team, trusting each other and doing their best to ensure a successful result. Everyone is treated fairly and they get a decent pay for their work. Ylva’s view is that inclusion on construction sites is built on three pillars: fairness, cooperation and pride in one’s achievements. The program also aims to diminish the effects of



grey economy. Ylva has also established a national steering group from different stakeholders such as labour unions and immigration officials, to co-create new best practices for construction industry. In order to ensure inclusion turns into reality, Ylva has introduced an anonymous whistleblowing-channel, through which each worker of all contractors can be in direct contact with Ylva's top management.