Making Women Workers Count

A Framework for Gender-Responsive Due Diligence in Supply Chains

16 December 2019

BSR®

The Business of a Better World

Agenda

- **Welcome**
- **Making Women Workers Count: BSR's new Framework for Gender Responsive Due Diligence in Supply Chains**
    - The Challenge
    - The Gender Data and Impact Framework
    - Next Steps
- **Q&A/Discussion**

Global Nonprofit Business Network

We are a global nonprofit organization that works with our network of more than 265 member companies and other partners to build a just and sustainable world. From our offices in Asia, Europe, and North America, we develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.

Copenhagen

Guangzhou

Hong Kong

New York

Paris

San Francisco

Shanghai

Tokyo

BSR's Women's Empowerment Practice

We catalyze business action to advance and enable women's empowerment so that women can participate fully in the global economy, be free from gender-based violence, access health and wellbeing, and achieve financial independence.

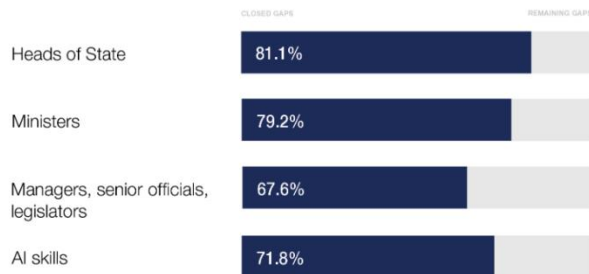|	
Design and Deliver Impactful Strategies	• Develop a comprehensive overview of partners' performance on women's empowerment, set priorities, and develop and execute a strategy that drives women's advancement, including through implementation of the United Nations Women's Empowerment Principles. • Develop gender-sensitive policies and guidelines, as well as developing effective programs related to recruitment and retention, procurement, product and services development, and corporate investments.
Build empowering supply chains for women workers	• Implement workplace programs for women in supply chains with a focus on health, financial literacy, and violence against women through the HERproject • Mainstream gender into supplier management systems and tools, including codes of conduct, scorecards, auditing, among others • Conduct supply chain and/or regional specific needs assessment to better understand challenges and opportunities
Tackle systemic challenges facing women globally	• Collaborate and partner with companies and other partners through Business Action for Women. Areas of focus, include: – Women in leadership in the supply chain – Empowered women as levers to tackle climate change in agriculture supply chains – Eliminating gender-based violence

The Challenge

The Challenge: Global Gender Gaps

According to the World Economic Forum, at the current pace of change, it will take over 200 years to achieve global gender parity.

Leadership Gender Gap 2018

WORLD ECONOMIC FORUM

	CLOSED GAPS	REMAINING GAPS
Heads of State	81.1%	
Ministers	79.2%	
Managers, senior officials, legislators	67.6%	
AI skills	71.8%	

Leadership
Fewer than a third of managers are women

Political
Men still hold 2/3 of parliamentary seats globally.

Unpaid Care
Women do 2/3 of unpaid care work.

Pay Gap
Still an average of 20% across the world.

Harassment
Impacts women in the fields and in the boardrooms.

Future of Work
Risk that women fall even further behind.

The Challenge: Violence and Harassment are Widespread

1/3
of countries have no law against sexual harassment at work leaving 235 million women vulnerable

About **45%** of women in the EU alone have reported unwanted sexual advanced, physical contact or other forms of sexual harassment at work.

About **30-40%** of women workers reported some form of harassment in Asia-Pacific countries

The global cost of violence against women was estimated by the UN to be **US$1.5 trillion**

Sources: Women at Work: Garment workers, European Union Country sexual harassment at work, UN Women 2016, The International Trade Union Confederation

The Challenge: Women in Supply Chains

Women face discrimination in the workplace which is a result of cross-cutting issues that are consequences of workplace policies, practices as well as social norms.

- Vertical segregation of workers
- Gender pay gap
- Low salaries

- Agency
- Lack of awareness of grievance mechanism
- Fear of speaking up

- Harassment
- Sexual harassment
- Lack of awareness

Working conditions and economic opportunities

Women's voice and self confidence

Access to leadership and professional development

Workplace behaviors

Work life balance and unpaid care work

- Access to professional development
- Promotions
- Leadership positions

- Working hours/overtime
- Work/life balance
- Burden of unpaid care

8

Two global drivers for addressing gender disparities

ILO Convention 190

21 June 2019: the ILO has adopted the Violence and Harassment in the World of Work Convention (C190) and Recommendation 206. The Convention and Recommendation set requirements on states to take action to eradicate **violence and harassment**, including gender-based violence and harassment, **in the workplace**

Gender Dimensions Guidance

26th June 2019: The Gender Dimensions of the UNGPs report was presented at the 41st session of the Human Rights Council and is welcomed across the board to fill an important gap towards equality. It aims to integrate **gender** more prominently **into the UNGPs on business and human rights** and **companies' due diligence process**, so that the business impacts of human rights abuses specifically related to women are better identified and addressed

ILO Convention 190 on Ending Violence and Harassment in the World of Work

Overview

Convention 190 and Recommendation 206 for eradicating violence and harassment, including gender-based violence and harassment, in the world of work. Adopted at 108th International Labor Conference in June 2019. No ratifications yet, international union women leaders urge ratifications particularly in Latin America and Africa.

Convention Key Topics

- Defines violence and harassment and world of work

- Details national laws for an inclusive, integrated and gender-responsive approach for eliminating violence and harassment

- Suggests protection, prevention, enforcement and remedies to monitor and ensure action in national laws and regulations

- Describes guidance, training and awareness raising activities

Gender Dimensions of the Guiding Principles

Overview
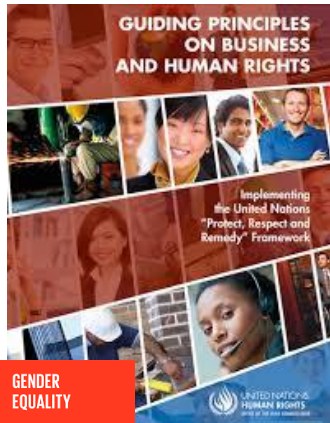
The new report of the Working Group recognizes the urgency of raising awareness on substantive gender equality and creating guidance on the gender dimensions of human rights. It is the result of a year-long consultation across different regions and was presented to the Human Rights Council on June 26, 2019
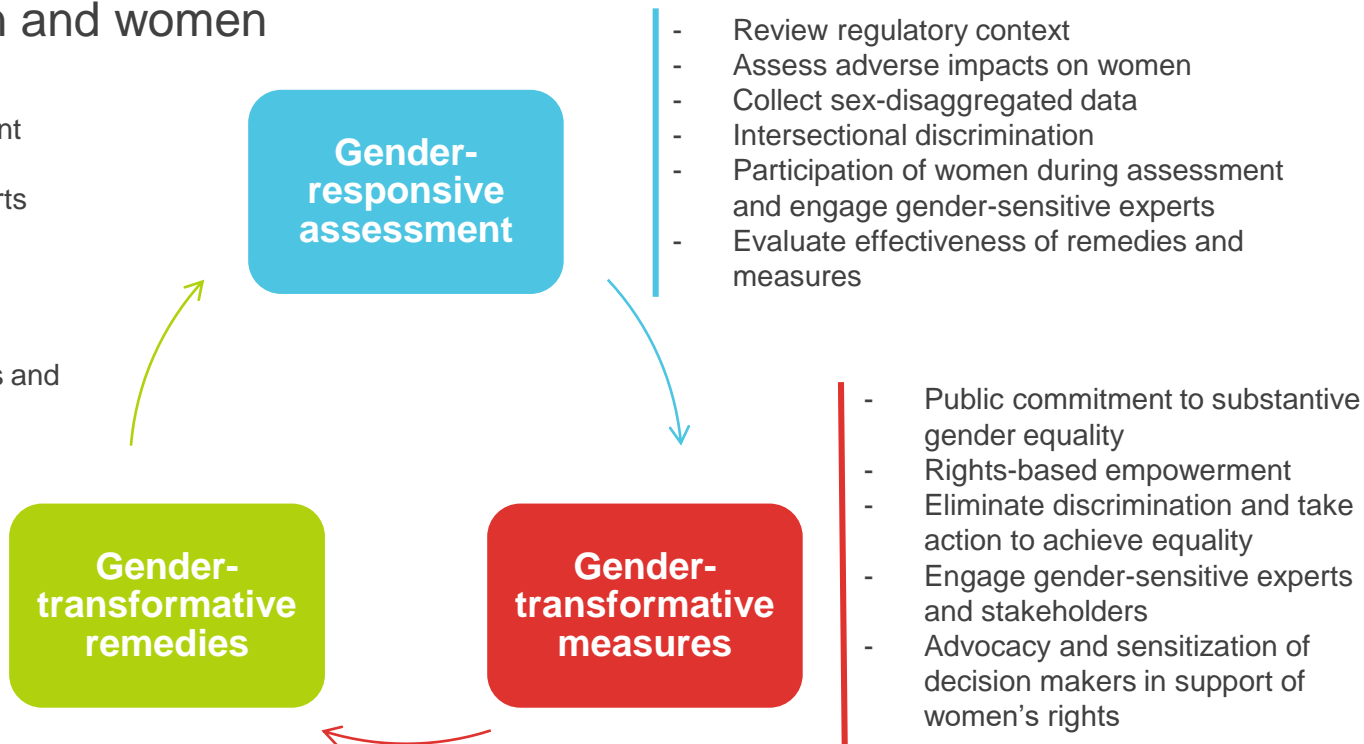
Key topics

- The report develops a gender framework to the UNGPs and provides guidance for each principle to integrate **gender** more prominently **into the principles and corporate due diligence**, so that the **business impacts** of human rights abuses specifically **related to women** are **better identified and addressed**

- Key terms: **gender-responsive** assessment and **gender-transformative** remedies and measures

Gender framework for the UNGPs

Looks at a holistic approach through which companies' actions or omissions may differently affect men and women

- Preventive, redressive, deterrent remedies
- Engage gender-sensitive experts and women's organizations
- Address both specific and systematic abuses
- Remedies that can change discriminatory power structures and reduce violence
- Engage govts to reform discriminatory laws

Gender-responsive assessment

- Review regulatory context
- Assess adverse impacts on women
- Collect sex-disaggregated data
- Intersectional discrimination
- Participation of women during assessment and engage gender-sensitive experts
- Evaluate effectiveness of remedies and measures

Gender-transformative remedies

Gender-transformative measures

- Public commitment to substantive gender equality
- Rights-based empowerment
- Eliminate discrimination and take action to achieve equality
- Engage gender-sensitive experts and stakeholders
- Advocacy and sensitization of decision makers in support of women's rights

Source: Gender Dimensions of the Guiding Principles on Business and Human Rights, 2019
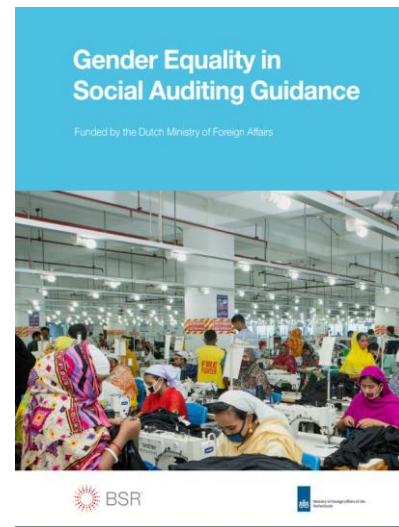
Mainstreaming Gender in Supply Chain Management

BSR has developed several tools to help companies integrate gender into their supplier management systems and approaches.
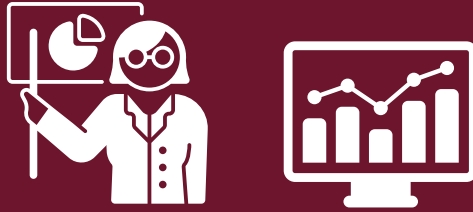
- Supplier codes of conduct

LINDEX ANN INC. Hallmark AVON

- Gender sensitive social auditing
  - Guidance and E-learning (forthcoming)
  - Training in New Delhi with

- Incorporating gender into sustainability standards
  - Working with Fairtrade International, Better Cotton Initiative, Rainforest Alliance, among others

BSR

Gender Equality in Codes of Conduct Guidance

Funded by the Dutch Ministry of Foreign Affairs

www.bsr.org

Gender Equality in Social Auditing Guidance

Funded by the Dutch Ministry of Foreign Affairs

BSR   Ministry of Foreign Affairs of the Netherlands

Lack of gender data

Limited knowledge of gender issues

Poorer outcomes for women workers

Gender-blind policies and programs

Gender-responsive assessment

Gender-transformative remedies

Gender-transformative measures
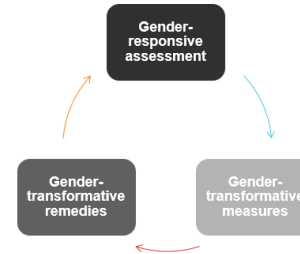
> And herein lies the challenge: most brands do not know what specific gender data to ask for or how to interpret it, and suppliers are unclear about the benefits to them of collecting additional data points, nor do they have the systems and processes in place to do it.
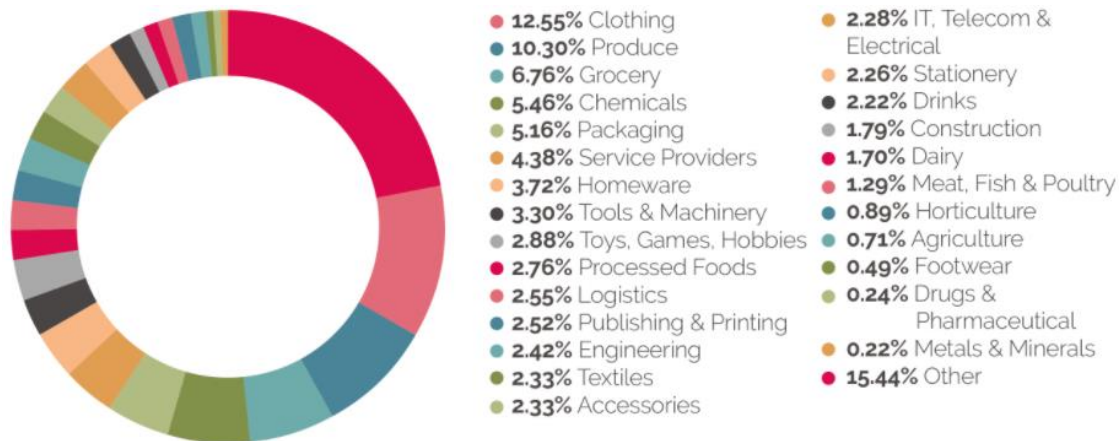
Example: Global Audit Data

Sedex

We chose the last 3 years of audit uploads to be analysed: between 2014 – 2017 87,000 audits were uploaded and within these, 235,000 non-compliances.

- 150 countries are represented, but report upload distribution is swayed by countries with the most supplier members. Top 10 countries are:

1. China (19535)	2. India (6193)
Turkey (2248)	3. UK (3440)
Bangladesh (2196)	Pakistan (987)
Thailand (1165)	Sri Lanka (846)
Brazil (948)	Vietnam (861)

Sedex member companies cover a wide number of industries and sectors across the world.

- **12.55%** Clothing
- **10.30%** Produce
- **6.76%** Grocery
- **5.46%** Chemicals
- **5.16%** Packaging
- **4.38%** Service Providers
- **3.72%** Homeware
- **3.30%** Tools & Machinery
- **2.88%** Toys, Games, Hobbies
- **2.76%** Processed Foods
- **2.55%** Logistics
- **2.52%** Publishing & Printing
- **2.42%** Engineering
- **2.33%** Textiles
- **2.33%** Accessories
- **2.28%** IT, Telecom & Electrical
- **2.26%** Stationery
- **2.22%** Drinks
- **1.79%** Construction
- **1.70%** Dairy
- **1.29%** Meat, Fish & Poultry
- **0.89%** Horticulture
- **0.71%** Agriculture
- **0.49%** Footwear
- **0.24%** Drugs & Pharmaceutical
- **0.22%** Metals & Minerals
- **15.44%** Other

Example: Global Audit Data

- From the keyword search we ran, these are ALL non-compliances that came up:

Gender related compliance	Total	Percentage
Washroom & Toilet facilities	446	46%
Lack of policy on discrimination	187	19%
Lack of policy on Sexual Harassment	125	13%
Opportunities for women	95	10%
Access to job for women	50	5%
Health check, pregnancy or disability	25	3%
Lack of communication	15	2%
Sexual harassment	22	2%
Total Gender Non-Compliances	965	

Source: Sedex audit report database

The Gender Data and Impact Framework

UNGP Gender Working Group Framework
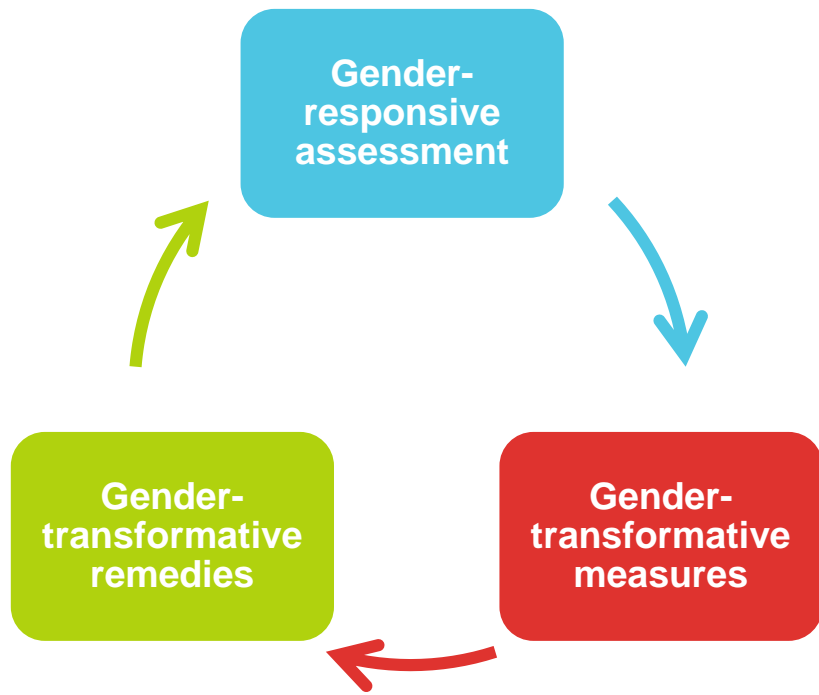
Gender-responsive assessment → Gender-transformative measures → Gender-transformative remedies → (cycle)

- Assess adverse impacts on women
- Collect sex-disaggregated data
- Intersectional discrimination
- Participation of women during assessment and engage gender sensitive experts
- Evaluate effectiveness of measures and remedies

A Framework driving a systemic approach to impact measurement

The need: a systemic approach to define and measure gender indicators needed to monitor corporate progress toward gender quality in supply chains and to guide future investments.

To develop the framework, BSR undertook:

- Multi-stakeholder consultations in London, Bangladesh, and NY

- Pilot in 10 factories by Fair Wear Foundation

- BSR/ISEAL Gender Working Group: Consultation

- Consulted with partners:

Making Women Workers Count:
Report, Framework, Tool
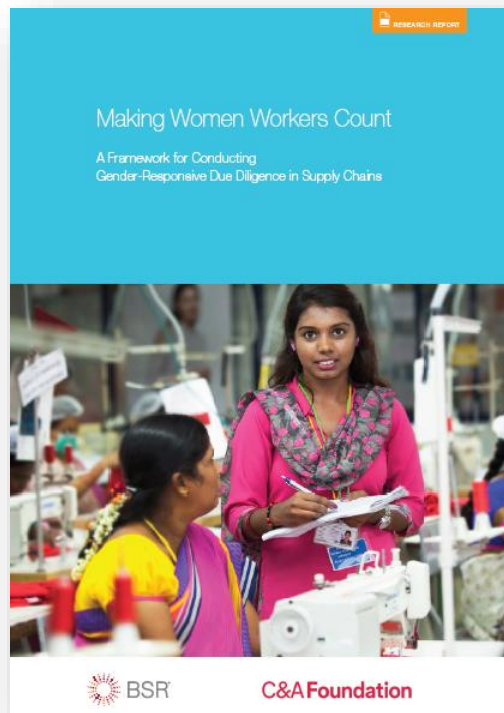
- **A Framework** for conducting Gender-Responsive Due Diligence in Supply Chains

- **A set of indicators** covering key areas of women's empowerment in the workplace

- **Recommendations** for brands and suppliers on how to conduct root cause analysis and how to design effective action plans

- **An Excel tool** to:
  - ✓ Collect and analyse gender data
  - ✓ Design and track an action plan to address identified gendered issues

Framework for Gender-Responsive Due Diligence
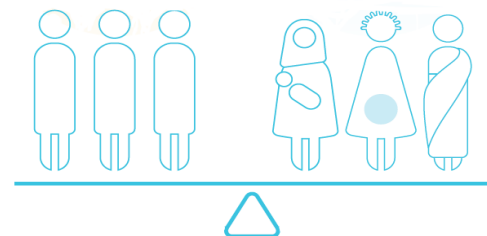

Phase 1
Assess and Analyze

Conduct gender-responsive assessments and use findings to identify root causes of gendered issues

Phase 2
Integrate and Act

Prioritize specific issues and define adequate remediation measures, targets and accountability for implementation

Phase 4
Communicate

Communicate about progress toward achieving gender-equal workplaces internally and externally

Phase 3 Track

Track progress against worker outcomes, related targets, and the measures that have been identified to address specific gendered issues

Gender-responsive Due Diligence in Supply Chains

Source: Adapted from BSR's human rights due diligence framework/aligned with the UNGPs

Framework for Gender-Responsive Due Diligence

Phase 1 checklist

Assess and Analyze

- Reviewing Brand business practices

- Understanding country context and risks

- Assessing supplier workforce performance, profile and impact data

- Collecting the Gender Data and Impact indicators

- Analyzing the Gender Data and Impact tool findings
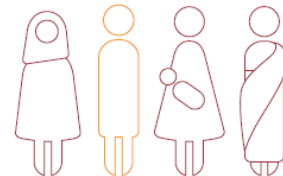
Reviewing Brand Business Practices: Examples

Brands' buying practices can drive unrealistic productivity goals

→

Women workers forced to worker harder and longer hours, may be pressured for sexual favors in exchange for leave approval

Contributing factor: abusive behavior is more likely to perpetuate in factories where wages are low and supervisors' pay is tied to productivity, and where there are too many "rush orders."

Brands' buying practices push for an increased attendance time at the production line

→

Women may need additional breaks during menstruation, or when they are pregnant

Contributing factors: male staff are unaware of menstrual hygiene challenges and where there is a lack of facilities to provide sanitation products and to dispose of them

Source: https://www.hrw.org/sites/default/files/report_pdf/wrd0419_web2.pdf

Context and risks 1/2

Topic	Relevance	Suggested indicators and their sources *denotes static data
Agency Education and Literacy	Despite substantial progress, women and girls are still discriminated against when accessing education, within education systems, and through educational material, which consequently impacts their work opportunities, working conditions, and decision-making power, among other things.	**Literacy rate, adult by gender** [World Bank] **Primary completion rate, by gender** (% of relevant age group) [World Bank] **School enrollment, secondary, female** (% net) [World Bank] **School enrollment, tertiary, female** (% gross) [World Bank] **Mean years of schooling, by gender** [UNESCO] **Percentage of young women (ages 15–24 years) not in education, employment, or training** [ILO]
Agency Child Marriage	The marriage of a girl before the age of 18 has negative consequences on girls' agency as it reinforces gender stereotypes where women and girls are inferior to men and often feel disempowered. Child marriage also may lead girls to drop out of school, increases health and safety risks, particularly related to maternal health, and limits their working opportunities.	**Percentage of women ages 20–24 who were first married or in union before age 15** [UNICEF] **Percentage of women ages 20 to 24 who were first married or in union before age 18** [UNICEF] **Laws against child marriage** (SIGI)*

To understand country and sector context and risks, check:
- Global gender indices
- Legal frameworks
- Macro level indicators
- Sector specific-risks

WORLD ECONOMIC FORUM

EQUAL MEASURES 2030
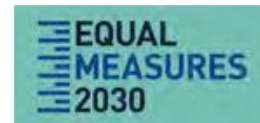
UNDP
Empowered lives.
Resilient nations.

SIGI Social Institutions & Gender Index

WORLD BANK GROUP

Context and risks 2/2

The workforce profile, legal framework and risks will differ by country and sector.

In Ethiopia, women comprise 40 percent of the overall workforce, but represent 70 to 95 percent of the apparel industry workforce and 80 to 85 percent of the horticulture industry workforce.

29% of women are literate, and 29% have a bank account.
The law prohibits sexual harassment in the workplace.

In Myanmar, women workers, who are predominantly migrants, constitute over 90 percent of the workforce in the garment sector and the majority are between the ages of 16 and 27.

72% of women are literate, but only 26% have a bank account. There is no law prohibiting sexual harassment in the workplace.

Gender Data and Impact Framework Indicators

Workforce indicators provide a general overview of the gender profile of the workforce and its performance which may affect suppliers' bottom line. These include workforce performance indicators and workforce profile indicators.

Worker impact indicators provide a general overview of worker outcomes by gender based on
1) workplace outcomes
2) worker perceptions and behaviors
3) associated social norms that influence and contribute to reproduce some of the unequal outcomes for women

Workforce Indicators

Workforce Performance Indicators	Workforce Profile Indicators				
Percentage Turnover	Percentage of permanent employees	Percentage of fixed-term employees	Percentage of seasonal employees	Percentage of interim agency employees	Percentage of management positions
Percentage Absenteeism	Percentage of supervisors	Percentage of administrative staff	Percentage of workers	Percentage of migrant workers	Percentage of workers paid by time or piece rate
Productivity Ratio	Percentage of informal (including home workers)				

Performance indicators assess whether gender could be a defining factor in workforce dynamics, thereby impacting the supplier's financial performance.

Profile indicators assess the gender composition of the workforce along different dimensions such as contract types, job distribution, and hierarchical structure, wages, and other vulnerability factors.

Worker Impact Indicators
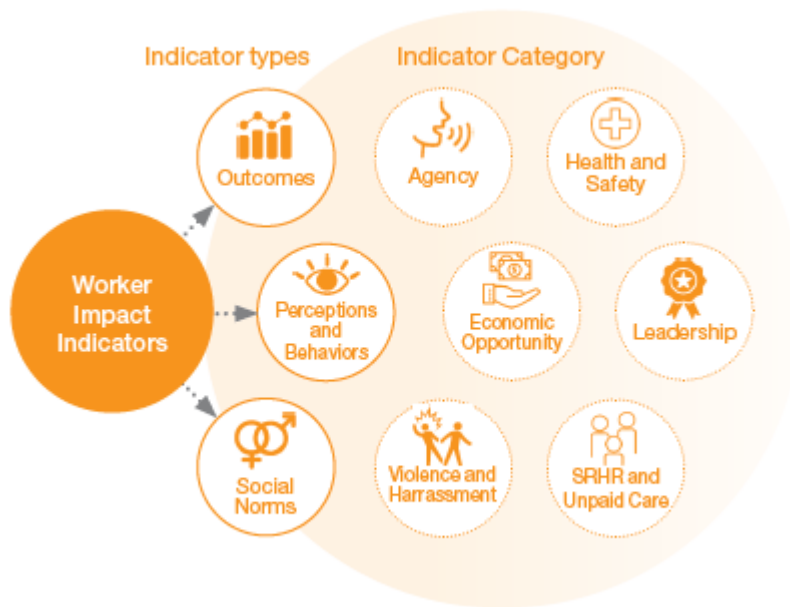
Outcome indicators evaluate whether factory policies, practices, and workplace culture are effective **in achieving positive outcomes for women workers** or where there are potential negative trends.

Perception and behavior indicators evaluate whether factory policies, practices, and workplace culture are effectively **providing an enabling environment for women workers** and whether women have access to critical services.

Social norms indicators evaluate whether social norms are **conducive to substantive gender equality** or are contributing to perpetuating inequalities.

Workforce Indicators

Workforce Performance

- Turnover
- Average age
- Absenteeism
- Productivity ratio

Workforce Profile

Contract Type
- Permanent employees
- Fixed-term employees
- Seasonal employees
- Interim agency employees

Job type
- Management — Average salary
- Supervisors — Average salary
- Admin staff — Average salary
- Workers — Average salary + age

Additional vulnerabilities
- Migrant workers
- Workers paid by hour or piece rate — Average rate
- Informal workers

Worker Impact Indicators

	Agency	Health & Safety	Economic Opportunity	Leadership	Violence & Harassment	SRHR & Unpaid Care
Worker outcomes	Trade union representation; Worker committee representation	Injuries; Regular over-time	Recruitment; Digitalization of wages	Promotion; Professional development	Sexual harassment grievances; Sexual harassment grievances addressed	Parental leave; Return to work after childbirth
Worker perceptions and behaviors	Reporting grievances; Raising concerns; Freedom of movement; Awareness of representation structures; Open and responsive management; Access to digital technology	Access to health services; Accessible, safe and hygienic toilets; Sick leave; Accommodations for pregnant workers; Safe commuting	Bank account ownership; Living wage; Control over earnings	Equal opportunities; Knowledge and competence; Workplace leadership	Understanding sexual harassment; Awareness of policy; Awareness of grievance mechanism; Trust in grievance mechanism	Modern family planning products; Acceptability of parental leave; Work/life balance; Childcare facility satisfaction
Social norms	Community decision making; Household decision making		Right to employment and economic participation	Community leadership	Acceptability of violence; Stigmatization of survivors	Unpaid care responsibility; Sexual and reproductive decision making

Pilots with Fairwear Foundation

- Piloted GDI in **10 factories** with between 90 to 1,000 workers across 6 countries - **Bulgaria, Romania, India, Bangladesh, China, and Vietnam**

- **Recommendations** from FWF
  - Engagement with supplier management and HR to collect workforce profile and outcome indicators
  - Training for suppliers and key staff to understand benefits of collecting gender data, how to calculate indicators, and how to use data for decision-making

The Report also includes:

Framework for root cause analysis

- Identify the gendered issues
- Count with context
- Correlate indicators across type and category
- Ask the right questions using the 4Ps: Policy, Process, People, Plant

Good practices for suppliers by category based on the 4Ps:

- Policy
- Process
- People
- Plant

Aligning to the SDGs and WEPs

The Principles

1. **Establish high-level corporate leadership for gender equality**
2. **Treat all women and men fairly at work - respect and support human rights and nondiscrimination**
3. **Ensure the health, safety and well-being of all women and men workers**
4. **Promote education, training and professional development for women**
5. **Implement enterprise development, supply chain and marketing practices that empower women**
6. **Promote equality through community initiatives and advocacy**
7. **Measure and publicly report on progress to achieve gender equality**

Making the business case to suppliers

- **Few of my customers are asking for this. Why should I care?**
  - Gender-related issues are increasingly important to companies, facing pressure from investors and stakeholders, a stronger international regulatory framework, and more gender-responsive certification and auditing schemes.

- **This is yet an additional compliance requirement imposed by brands.**
  - Improving outcomes for women can strengthen companies trust in suppliers' ability and willingness to tackle most other compliance-based requirements

- **This is too costly!**
  - Most data can be incorporated into existing data reporting management systems for operations, health services, human resource, and other functions.
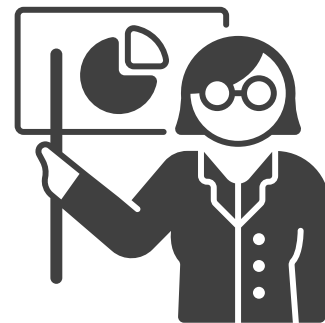
Next Steps

Next Steps

- **Launch events:**
  - London: Co-hosted with the Ethical Trading Initiative (ETI) + DFID sponsored event on the visibility of women in supply chains January 27
- **E-learning**: January 2020
- **Explore dissemination and uptake**
  - UNGC
  - World Benchmarking Alliance
  - Sedex

Global Audit data: Sedex 2020 and the GDI Indicators

Sedex 2020
40% GDI captured

Workforce indicators
- Performance Data
- Profile Data

Worker Impact Indicators
- Outcomes
- Perceptions and Behaviors
- Social Norms

	Performance Data	Profile Data	Outcomes	Perceptions and Behaviors	Social Norms
Sedex now	0%	24% (8)	0%	29%** (14)	0%
Sedex 2020	75%	76%*	67%	29%**	0%

*100% (don't capture staff wage details)
** WWBA currently in pilot

Q&A

Thank you!

Questions/Comments: athim@bsr.org

Read the full report: https://www.bsr.org/en/our-insights/report-view/making-women-workers-count-gender-responsive-due-diligence-report

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